DURAN VENTURES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Form 51-102F1

For the Year Ended December 31, 2015

DURAN VENTURES INC.
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FOR THE YEAR ENDED DECEMBER 31, 2015

Report Dated February 29, 2015

General

This Management's Discussion and Analysis ("MD&A") is provided for the purpose of reviewing the fiscal year ended December 31, 2015 and comparing results to the previous period. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's audited annual financial statements and corresponding notes for the fiscal years ended December 31, 2015 and December 31, 2014. The Company's financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") and all monetary amounts are expressed in Canadian dollars unless otherwise indicated in the notes to the audited annual financial statements.

This MD&A is prepared as of February 29, 2016. Mr. Jeffrey Reeder, P. Geo., Chief Executive Officer and President of the Company has either prepared, supervised the preparation of, or approved the scientific and technical disclosure in this MD&A. Mr. Reeder is a Qualified Person within the meaning of National Instrument 43-101 ("NI 43-101"). Additional information relevant to the Company's activities can be found at www.sedar.com.

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in the sections "Mineral Exploration Properties", "Company Outlook" and "Liquidity and Capital Resources" of this MD&A constitute forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect, "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. Information concerning the interpretation of drill results, mineral resource and reserve estimates and capital cost estimates may also be deemed as forward-looking statements as such information constitutes a prediction of what mineralization might be found to be present and how much capital will be required if and when a project is actually developed. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon. These statements speak only as of the date of this MD&A. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the supply and demand for, deliveries of, and the level and volatility of prices of metals;
- the availability of financing for any of the Company's development projects on reasonable terms;
- the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the ability to attract and retain skilled staff;
- market competition;
- the accuracy of any resource estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which it is based; and/or
- tax benefits and tax rates;
- political uncertainty such as regulatory laws, statutes and permitting changes.

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These forward-looking statements involve risks and uncertainties relating to, among other things, changes in commodity prices, access to skilled mining development and mill production personnel, results of exploration and development activities, the Company's limited experience with production and development stage mining operations, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, actual performance of facilities, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors incorporated by reference herein. See "Risk Factors". The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law. The Company also cautions readers not to place undue reliance on these forward-looking statements. Moreover, these forward-looking statements may not be suitable for establishing strategic priorities and objectives, future strategies or actions, financial objectives and projections other than those mentioned above.

Description of Business

The Company was incorporated under the laws of British Columbia on March 5, 1997 under the name 537926 B.C. Ltd. and its principal business activity is mineral processing and the acquisition and exploration of mineral properties. On June 18, 1997, the Company changed its name to Duran Gold Corp. and on August 10, 2000, the Company changed its name to Duran Ventures Inc. On July 4, 2007, the Company was listed on the TSX Venture Exchange ("TSXV"). On October 14, 2008, the Shareholders approved the continuance of the Company under the Canada Business Corporations Act, which was completed by October 31, 2008.The Company's common shares were listed for trading on the Risk Capital Segment of the Lima Stock Exchange (Segmento de Capital de Riesgo de la Bolsa de Valores de Lima) in Peru (the "Lima Exchange") effective September 21, 2012. The Company's shares are traded on the TSXV and the Lima Exchange under the symbol DRV.

The Company is not in default under any debt or other contractual obligations. The Company is not in breach of any corporate, securities or other laws or of the terms of the listing agreements with the TSXV or the Lima Exchange.

Duran Ventures Inc. ("Duran") is focused on mineral processing and the exploration and development of precious and base metal properties in Peru.

On May 8, 2014 the Company closed the sale of its Aguila asset and related exploration camp and storage facilities, and its 50% interest in the Corongo project for gross proceeds of US$7,000,000.

On September 14, 2015 the Company entered into a definitive agreement with a private Peruvian company to design and construct the Aguila Norte mineral processing plant in Northern Peru.

In addition to the development of a mineral processing operation, the Company will maintain its prospect generator model where it will seek new partners to explore and develop properties in Duran's existing portfolio of exploration properties. The Company will continue to generate and acquire new prospective mineral properties while partners are actively exploring Duran's existing properties.

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Aguila Norte Mineral Processing Plant

Duran will hold an 80% ownership interest in Minera Aguila de Oro SAC ("MADOSAC"), the joint company that is building the Aguila Norte plant, by investing US$1,500,000 in capital expenditures, and Duran will also establish a line of credit for the purpose of general working capital to facilitate the startup of plant operations. The Company expects to finish construction of the plant by the end of March 2016. The commissioning phase would then start in early April with processing of third party mineral to commence shortly thereafter.

The civil works were completed in late 2015 to provide the base for the primary crushers and for the 6' X 6' ball mill. The primary and conical mineral crushers as well as the ball mill were delivered to site in mid-January and established on their respective concrete foundations. The construction of the concrete foundations for the flotation cells, reactant tanks and secondary crushing circuit was completed in February. The remaining equipment - including the flotation cells - is built and purchased and is expected to be delivered to site within the next few weeks.

The surface rights agreement with the Peruvian government has been expanded and now includes the area where a long-term tailings storage will be located. The civil works for the tailings dam started in mid-February and is expected to be completed by the end of March. The initial capacity of the tailings area will be one year but will be expanded in the third quarter, 2016 to a capacity of an additional 5 years. Due to its favourable topography, the area can sustain increases to its tailings holding capacity to +20 years.

Mineral purchases have also commenced. The Company is currently reviewing additional sources of mineral with the objective of stockpiling a sufficient inventory of mineral to be processed once the plant commissioning phase is complete. The Company is very careful on the type of mineral being purchased. In order to process mineral, both proper documentation and metallurgical work are required from mineral suppliers. Currently, the Company is conducting detailed metallurgical work on several prospective mineral sources and working with small miners to improve metallurgical and logistical efficiencies in return for profit sharing agreements.

The site of the facility is located on concessions already owned by the Peruvian private company partner. The location of the mineral processing plant facility is viewed as strategic by Duran. Many processing plants in Peru are located in the south, more specifically, in the Nasca and Chala areas located 990 and 1150 kilometres south of the proposed facility. There is access to water and power at the site that is located near the city of Trujillo, and is 10 kilometres from the main Panamerican Highway which runs the length of the country.

The Peruvian government reports that informal miners have been contributing as much as 1 million ounces of gold production annually (source - http://www.minam.gob.pe/mineriailegal/una-historia-de-devastacion/). The origin of much of this mineral supply has been difficult for government authorities to track. Peru has initiated a formalization process designed to register all small scale mining operations. The registration will allow the government to tax income, and monitor and regulate health and safety, and environmental issues for informal miners and will allow these operations to legally sell their mineral supply only to permitted mineral processing facilities.

The Company's management spent several months evaluating various investment scenarios and operating parameters for its Aguila Norte Plant which included processing methodologies, working capital optimization, mineral supply reliability, metallurgical consistency, transporting logistics and security of both transported mineral supply and processed product. The conclusion was that the best risk/reward profile on existing cash reserves would be obtained by constructing a 100 tonnes per day ("TPD") processing plant with a flotation circuit, rather than a carbon-in-pulp ("CIP") gold leaching circuit as previously announced. The principal advantages of the former as determined by the Company's assessments are:

- more secure long term suppliers with larger tonnage shipments
- reduced dependence on small scale artisanal mining as a supply source resulting in lower administrative and legal costs
- reduced working capital (less onerous mineral supply payments)
- improved metallurgical consistencies

Highlights of the mineral processing plant construction are:

- The ball mill, crusher and concentrate storage cells have been installed and it is expected that construction will be complete by the end of March 2016
- An all-in construction cost of US$1.3 million that is inclusive of fully tested crushing, milling and flotation circuits, tailings dams, closed circuit security system, camp construction for a local workforce of 25 and onsite logistical overheads
- Mineral processing will be via flotation circuits designed to produce up to three distinct concentrates enabling processing of a wider spectrum of multi and poly-metallic sulphide mineral supply. Initial plant throughput is rated at 100 TPD
- Initial ground preparations and plant layout will allow for the sequential addition of a CIP gold leaching circuit and incremental expansion to a 350 TPD throughput
- Permitting is in place under the Peruvian government's formalization mandate to operate up to 100 TPD. The Company is well advanced to receive full permits and licenses which will enable the expansion of the Aguila Norte Plant

The Company has secured the services of JPC Estructuras y Concreto SAC, a Lima-based contractor headed by mechanical engineer Mr. Jorge Peña. In particular Mr. Peña has a long association with Fundicion Callao ("FUNCAL") which is supplying most of the plant components, including the ball mill and cone crusher. FUNCAL has been operating its foundry and metal machining business in Peru since the 1930's and is renowned for its high quality milling and grinding equipment.

Included in the terms of the definitive agreement with the private Peruvian company is the assignment of several concessions (10,020 hectares) located in northern Peru. Importantly, nine of these concessions (7800 hectares) are located in the Tayabamba - Pataz gold region located approximately 300 kilometres east of Trujillo. Three well established Peruvian gold miners are active in the Pataz and Tayabamba region along with many small legalized miners. Mining in this region has been continuously focused on high grade gold mineralization for almost 6 decades. Public information from the Peruvian Ministry of Mines shows 2014 gold production records from the three main gold miners as follows; Consorcio Minero Horizonte S.A. - 247,000 ounces, Minera Aurifera Retamas S.A. - 181,057 ounces, and Compañia Minera Poderosa S.A. - 156,376 ounces. Duran assessing these properties for exploitation potential and will assist small scale informal miners to formalize their activities and to offer an alternative and more strategic location for mineral processing. Furthermore, Duran is currently assessing its existing portfolio of exploration properties for potential exploitation and delivery of mineralization to its new proposed facility.

On November 17, 2015 Duran announced that it had signed a non-binding Memorandum of Understanding ("MOU") with BacTech Environmental Corporation ("BacTech"). The basis of the MOU is to determine the financial viability of constructing a bioleach circuit to be built as an add-on to Duran's Aguila Norte Plant. BacTech and its predecessors use proprietary bacterial oxidation technology that liberates precious and base metals from difficult to treat sulphide ores and concentrates. The BacTech technology is the only process that has commercially-proven bioleaching capability for gold and base metal separation. To date 3 bioleach plants have been designed and built (2 in Australia and 1 in China). If deemed viable, the bioleach plant will be designed to address the high levels of arsenic that are present in some high-grade precious metal material, which is prevalent in northern Peru. Duran's geologists have already identified several prospective sources of this mineralized material, which is presently not treatable at most other mineral processing facilities in Peru. Duran and BacTech agree that a bioleach circuit at the Aguila Norte Plant will be an environmentally friendly alternative to process refractory and arsenic rich precious and base metal mineralized material mined by small scale miners. In many cases, gold rich refractory mineralized materials mined are treated with mercury in an attempt to extract gold from the host rocks. Recoveries of gold are very low and much of the material is discarded after mercury treatment, leading to widespread contamination of soils and waterways. If further investigation shows favorable economics on identifiable mineralized material, a Joint Venture will be formed with MADOSAC and BacTech with each party holding 50% ownership of the bio-leach circuit. BacTech will finance the cost of the construction of the bio-leach circuit. Duran will have the right to participate in BacTech's financing if it so choses.

Duran views this new initiative into mineral processing as a solid step toward establishing a sustainable business model that will complement its exploration expertise and portfolio of mineral assets.

Mineral Exploration Properties

All projects are described below.

Mamaniña Porphyry Copper-Molybdenum-Gold Project

The Mamaniña property consists of eight concessions covering 4,069 hectares located approximately 14 kilometres south along the same geological (copper porphyry) belt as the Racaycocha-Aguila Copper-Molybdenum Porphyry Project. In December 2012, the Company acquired the extensive historical database and drill core for the property.

The Mamaniña concessions are considered by Duran geologists to be a high quality copper porphyry exploration target. Previous work performed by Queenstake Resources Limited ("Queenstake") and Alamos Minerals Limited ("Alamos") in a joint venture operated from 1995-1997, and Monterrico Metals PLC ("Monterrico") during 2001-2008, defined both porphyry copper molybdenum and copper-gold-zinc skarn mineralization on surface. Company geologists confirmed the geological characteristics of the previous work programs and recommended the acquisition of the new concessions.

Queenstake and Alamos found copper-molybdenum bearing porphyritic stocks hosted by clastic and carbonate sediments at Mamaniña. Carbonate replacement skarn-type mineralization occurs at contacts between the intrusive and sedimentary units. An airborne magnetic and radiometric geophysical survey defined an anomaly two kilometres in diameter which coincides with these mineralized zones on surface. Sampling by Queenstake and Alamos returned values of up to 2.1% copper, 0.6% zinc, and 9.48 grams gold per tonne ("g Au/T"). A joint news release was filed on Sedar by Queenstake and Alamos dated November 3, 1997.

Monterrico carried out a very limited diamond drill program in late 2002, targeting near surface copper anomalies in the skarn area. Results are not known with the exception that Monterrico's 2002 Annual Report noted that drilling intersected high-grade copper mineralization including 25 metres at 1.65% copper starting at 14 metres below surface. It was also noted that low grade gold was discovered in the same hole. Monterrico's geologists recommended further exploration for a potential gold resource in the southern sector of the property, indicated by a widespread geochemical anomaly.

The proximity to the Aguila Project and Peñoles' Racaycocha Projects reinforces the Company's view that the Aguila area is a new emerging mineralized district. The Company has signed Confidentiality Agreements ("CA's") with several interested parties who are reviewing the project.

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Panteria Porphyry Copper Project

The Panteria Porphyry Copper prospect ("Panteria Project") is located approximately 210 kilometres southeast of the city of Lima, in the Department of Huancavelica in south-central Peru. Duran owns 100% of this property that consists of 7,200 hectares held in 15 mineral concessions.

The property is underlain by intermediate Tertiary volcanic flows and tuffs which have been pervasively clay + iron oxide +/- silica-altered over an area of 2.5 x 1.0 kilometres, with a dominant northeast-southwest orientation. Altered diorite porphyry outcrops at lower elevations on the property. The Company interprets the geological environment to consist of a volcanic-intrusive complex with fingers of copper-bearing intrusive cutting an overlying, strongly altered volcanic package.

Anomalous copper values cluster mostly in a 1.0 x 1.0 kilometre area, which is coincident with the area of strongest silicification and may be centred over the mineralizing system at depth. The highest copper values occur in weakly clay-altered diorite intrusive rock, with visible copper carbonates and local chalcocite.

Previous exploration in the project area was conducted by Rio Tinto PLC in 2003. This work focused on an individual concession covering 400 hectares which is now part of Duran's property. Rio Tinto's exploration work was comprised of sampling and mapping, a magnetic survey, and three diamond drill holes totaling 1,152 metres. A large hydrothermal/porphyry system was identified covering an area 2.5 x 2 kilometres. The third and final hole, drilled to a depth of 375 metres, intersected propyllitic altered quartz-feldspar-hornblende porphyry ending in a potassic style alteration with a weak quartz stockwork. Magnetite was also noted ranging between 5 to 10%. According to an internal report by Rio Tinto, gold values range from 10ppb to 420 ppb Au and copper ranges from 276 ppm to 4470 ppm Cu with an average of 1120 ppm over its entire length. Individual assays are not available but histogram Cu plots show that the mineralization is strongest starting at 200 meters to the end of the hole. Please note that the Company does not have the raw data or core to verify historic results.

A 2014 induced polarization (IP) survey, coupled with conceptual geological modeling, confirmed and amplified porphyry targets on the main Panteria Zone. Geophysics has highlighted a strong chargeability (>44 mV/V) anomaly surrounding a resistivity and magnetic high that is located more than 500 meters from the historic drilling. This geophysical anomaly is greater than 800 metres in width and shows a classic porphyry style geophysical IP signature with corresponding magnetic high. The high chargeability response reflects a pyrite shell exposed in lower elevations. The target now requires drilling to determine the depth of the porphyry.

The Kiosko Zone is located 1,200 metres south-southeast of the historic drilling and shows a broad structurally controlled geochemical anomaly with dimensions of 1,800 metres by 500 metres. Sampling and mapping suggests the presence of an east-west fractured mineralizing hydrothermal system showing elevated gold, silver, and molybdenum. In total, 123 samples were taken from this zone where 19 samples range between 0.1 and 1.075 g Au/T averaging 0.231 g Au/T.

The second zone, the Ronaldo Zone, was discovered in 2014 while prospecting creeks and is located 4.5 kilometres east of the main Panteria Zone. Follow up sampling and mapping encountered gold and silver mineralization in a high sulphidation lithocap that is hosted in shallow dipping volcanics at higher elevations. At lower elevations, creeks expose hydrothermal breccias and quartz-pyrite-pyrrhotite-magnetite stockwork with locally anomalous gold values. Similar to the Panteria Zone, outcropping, advanced argillic altered volcanic rocks at the Ronaldo Zone include tourmaline and dumortierite that stratigraphically overly the breccias.

The Company is in discussions with interested third parties regarding the Panteria Project.

Minasnioc Gold-Silver Project

The Minasnioc Gold Project is interpreted to be a high sulfidation (or acid-sulfate) epithermal gold-silver bearing system located in the Department of Huancavelica, approximately 300 kilometres southeast of Lima. The project consists of 10 concessions totalling 6900 hectares (69 sq. km). This project has seen previous intensive exploration campaigns by Barrick Gold Corporation ("Barrick") and Compañia de Minas Buenaventura S.A.C. ("Buenaventura") between 2001 and 2007, which included surface channel sampling and drilling.

The Company acquired three (3) concessions and the historical geological and drill data from Barrick on these area concessions. The three concessions acquired from Barrick will be subject to a 2% NSR to Barrick. The remaining seven (7) Minasnioc Gold Project concessions are wholly owned and not subject to any royalty.

Company geologists have made initial property visits and have defined a high sulfidation (acid sulphate) epithermal gold and silver bearing system developed in Tertiary volcanic rocks. Extensive zones of argillic and advanced argillic alteration are present, with areas of massive and vuggy silica with associated alunite. The gold-silver bearing part of the epithermal alteration system covers an area of 2 x 2 kilometres. The age of the volcanic host rocks and style of mineralization is similar to Barrick's Pierina and Alto Chicama Mines and Newmont/Buenaventura's Yanacocha Mine in Peru.

Other notable and comparable high sulphidation oxide gold properties in Southern Peru include Pan American Silver's Pico Machay Property, Minera IRL's Corihuarmi and Aruntani's Rescatada Properties. It is important to note that the style of the oxide gold mineralization allows for low cost extraction. For example Minera IRL's Corihuami property produced 33,013 ounces of gold at an average of 0.87 g Au/T during 2010 at cash costs of $383 per ounce. The Corihuami gold mine was placed into production in 2008 for a capital cost of US$20 million. The Corihuami capital cost was recovered from pre-tax cash flow within the first 7 months of production. (source Minera IRL Limited website:http://www.minera-irl.com/english/Mine/Corihuarmi/tabid/135/Default.aspx).

Forty-one holes were drilled in 2003 and 2004 for a total of 5,863 metres. Previous work by Barrick confirms widespread gold and silver mineralization associated with high sulphidation type alteration. The previous drilling discovered two distinct mineralized zones. The north zone shows disseminated Au-Ag mineralization over a 1,200 metre east-west trend with several significant intersections starting at surface. The second mineralized zone is located some 2,000 metres south of the north zone and intersected a silver rich zone with hole P-17 returning 57.8 g Ag/T starting at 5.2 metres.

The historic drill results by Barrick Gold have not been verified by Duran and therefore must not be considered as NI 43-101 compliant and should not be relied upon by investors in assessing the value of the Minasnioc properties. The project will require considerable future exploration to verify historic results as well as assessing the full extent and nature of the mineralization on these properties.

On December 4, 2015, the Company signed an agreement with a private Peruvian mining company ("PeruCo") whereby PeruCo has the option to acquire a 100% interest in Minasnioc within a two (2) year period by paying Duran US$50,000 upon signing (paid) and US$700,000 no later than December 4, 2017, subject to PeruCo receiving approval to access the property from the local Minasnioc community. Duran will also be entitled to a 1.0% Net Smelter Return royalty ("NSR") on all concessions except for the concessions previously acquired from Barrick (Aura Azul 6, 7 and 8).

Ichuña Copper-Silver Project

The Ichuña Copper-Silver Project (1,000 hectares) is located 120 kilometres northeast of Arequipa in the Department of Moquegua in Southern Peru and adjacent to the San Gabriel Project a diatreme breccia body with significant gold and copper mineralization, owned by Compañia de Minas Buenaventura S.A.A. ("Buenaventura"). Buenaventura announced the acquisition of 51% of Canteras del Hallazgo S.A.C (49% already held by Buenaventura), owner of the San Gabriel Project, from Minera Gold Fields Peru S.A. (a subsidiary of Gold Fields Ltd, a globally diversified producer of gold with operations in Australia, Ghana, Peru and South Africa). The agreement includes a US$81 million cash payment and a 1.5% net smelter return royalty on gold, silver and copper sales. The published resource showed that the Canahuire Zone within the San Gabriel Project area contains 12.3 million tonnes of 6.5 g Au/T containing 2.5 million ounces of gold Buenaventura's current intention is to access the ore by underground mining methods. The Canahuire Zone is located less than 3 kilometres from the southern boundary of the Ichuña Project.

Company geologists have defined several mineralized zones on the Ichuña property with a variety of styles of mineralization related to intrusive events. These include porphyritic intrusive bodies and sub-volcanic intrusive bodies displaying evidence of supergene copper enrichment, skarn zones at the contacts between intrusive and carbonate-rich sedimentary rock, and altered stockwork zones in intrusive, volcanic, and sedimentary units. The evidence points to a widespread, well-mineralized hydrothermal system related to intrusive activity, with anomalous copper, silver, lead, zinc, arsenic, barium, antimony, and manganese. The mineralized zones cover an area larger than 1.0 x 2.5 kilometres. The extensive surface area with strongly altered rock and elevated copper, silver, lead, zinc, arsenic, barium, and antimony indicates the potential for a strong intrusive-driven hydrothermal system underlying the Ichuña Project. Mineralized structures form two distinct populations, one of which ranges in strike between 30 to 80 degrees, and the second between 110 to 160 degrees.

The Company signed an Agreement with Rio Alto Mining Limited ("Rio Alto") in January 2013 whereby Rio Alto had the option to earn a 65% interest in Ichuña by incurring a total of US$8,000,000 in exploration costs within a four (4) year period, and make a payment to Duran of $500,000. In July 2013, Rio Alto notified the Company that it had relinquished the option on the Ichuña property. Rio Alto drilled seven diamond drill holes totaling 2,754 metres along intrusive and limestone contact(s) where access and community agreements are in place. The drilling did not return significant results along this contact. The necessary access agreements were not obtained to drill test the area of the IP geophysical anomaly trending northwest-southeast and measuring over 1,500 metres in length. This geophysical anomaly is believed to have similarities to the buried (blind) anomaly that characterized the San Gabriel – Canahuire deposit located just 3 km to the south.

The Company has completed the remediation work on the property and is maintaining discussions with the local communities to consider future exploration work.

Don Pancho Silver-Lead-Zinc Project

The Don Pancho Silver-Lead-Zinc Project (600 hectares) is located in the Department of Lima. Don Pancho is a carbonate-replacement style silver-lead-zinc target, similar to the nearby Santander Mine owned by Trevali Resources Corporation ("Trevali"). Previous sampling on the Don Pancho Project returned values up to 238 g Ag/T, 4% zinc, and 9% lead. The mineralization appears to be structurally controlled, and has been traced over a zone measuring 800 x 300 metres at surface.

This project is approximately 10 kilometres to the west of the Santander Mine, which has an NI 43-101 compliant resource estimate (Trevali Management Discussion and Analysis for the year ended December 31, 2014 dated March 30, 2015, filed on SEDAR) of 6.264 million metric tonnes ("MT") of 3.62% Zn, 1.30% Pb, and 43 g Ag/T (indicated category) and 13.845 MT of 4.62% Zn, 0.40% Pb, and 21 g Ag/T (inferred category).

In 2012, the Company signed an Agreement with a private Peruvian mining company (the "Optionee") whereby the Optionee could earn a 70% interest in the Don Pancho Project for cash consideration of US$2,030,000. The Optionee made payments of US$30,000 upon signing an LOI and US$250,000 upon signing the Agreement.

In 2014, the Optionee drilled six (6) diamond drill holes totaling 2,021 metres to test two targets at the Don Pancho Project. The primary drill target was defined by surface mineralization consisting of multiple Pb-Zn-Ag-Mn replacement horizons/gossans that have been mapped along 950 metres of strike length in a corridor measuring 10 metres to 215 metres in width and hosted in prospective stratigraphy of the Cretaceous Chimu, Santa, and Carhuaz Formations. Drilling also targeted possible disseminated or skarn base metal mineralization that is interpreted to coincide with a chargeability geophysical high. In June 2014 the Optionee terminated the Agreement and provided Duran with the drill core and data.

On December 30, 2014 the Company filed a NI 43-101 compliant technical report on the Don Pancho property with further recommendations for project advancement, including detailed geological mapping, geochemical sampling, and geophysics. The report was prepared by James A. McCrea, B.Sc., P. Geo.

Huachocolpa Properties

The Huachocolpa Properties (the "Properties") consist of 82 contiguous and non-contiguous mining concessions totalling 2,980 hectares located within the historic Huachocolpa Mining District in the Department of Huancavelica, Peru, some 260 kilometres ("km") southeast of Lima. The Properties, acquired in January 2015, are 100% owned with no underlying royalties. There is paved road access from Lima (via the coastal town of Pisco) totalling 445 km up to the Chonta Pass. From there a number of gravel roads service the Properties.

The Company is evaluating and considering the following options for the Huachocolpa Properties:

1. Contract Mining and toll treating its high grade material at one of the operating processing plants in the vicinity of the Properties.

2. Commence permitting for installation of a processing plant to treat high grade material from Duran's properties plus several of the nearby artisanal mine workings in the district.

3. Associate with one of the existing small-scale producers in the district to build a joint district-wide mineral processing facility.

4. Seek a Joint Venture Partner who would fund exploration and development on the Properties with Duran receiving cash payments and a royalty on production.

5. Associate with a 3rd party investment syndicate or Equity Fund to make a strategic investment in the district combining a number of small mining operations

Veins have been mined in the Huachocolpa District since Spanish colonial times (16th century) and the district is host to several producing and past-producing vein hosted polymetallic, base metal (silver-zinc-lead-copper plus or minus gold) properties. Polymetallic vein mining and milling continues to be the dominant formal economic activity in the district with Compania Minera Caudalosa's Caudalosa Chica mine and Buenaventura's Recuperada being the larger operations currently in production. The Caudalosa Chica and Recuperada mineral processing plants (located 3.0 and 7.5 km respectively from the centre of the Properties) produced a combined 41,012[a][b] tonnes of concentrate during 2014. Compania Minera Caudalosa S.A. is in the process of upgrading its current 800 tonne per day ("tpd") polymetallic flotation plant to 2,000 tpd. Smaller scale mining operations also operate in the district.

[a] from Grupo Raffo GR Holding SA 2014 Annual Report
[b] from Compania de Minas Buenaventura SAA 2014 Annual Report in the Bolsa de Valores de Lima
http://www.bvl.com.pe/eeff/B20003/20150327203602/MEB200032014AIA01.PDF

The vein systems in the Huachocolpa District generally strike easterly, crosscut folded Mesozoic sediments and overlying Cenozoic volcanics, and are related to late Cenozoic faulting. Polymetallic base metal mineralization in the veins is dominated by sphalerite, silver bearing galena, and chalcopyrite. Within the district and within Duran's Properties, there is zoning towards epithermal mineralization resulting in higher precious metals contents.

The Properties have been divided into eight distinct packages or zones. Duran mapped and sampled four of these zones for a total of 196 samples. The majority of the work concentrated on three zones that have assayed high-grade base and precious metal numbers during the reconnaissance sampling programs undertaken by the Company's geologists. The 2015 sampling also confirmed mineralization in 81 samples collected by the previous owner of the Properties.

Highlights of the 2015 sampling included defining several gold bearing polymetallic veins at the Castorindo Zone, identifying a 1,400 metre long mineral bearing structure at the Alta Tunes Zone, accessing and mapping two levels of an abandoned mine working at the Tangana West Zone, and confirming the potential to expand the strike length on these structures and numerous other structures within the Properties. The surface sampling was successful in defining numerous follow up targets. A description of each zone is provided at the Company's website: www.duranventuresinc.com .

Aguila Project and Corongo Project

On March 3, 2014, the Company announced that it had entered into mining concessions transfer and asset sales agreements (the "Agreements") with Minera Peñoles de Peru S.A. ("Peñoles"), a Peruvian subsidiary of Industrias Peñoles S.A.B. de C.V. ("Industrias Peñoles"), pursuant to which Duran agreed to sell to Peñoles the Company's Aguila Porphyry Copper-Molybdenum Project in Peru as well as the Company's 50% interest in the Corongo concessions and certain other assets (together, the "**Assets**"). Industrias Peñoles is the leading world producer of refined silver, metallic bismuth and sodium sulfate, and one of the main Latin-American producers of refined lead, zinc, as well as a leading Mexican producer of refined gold.

The Assets included certain mining concessions, surface infrastructure, and surrounding mining rights in the vicinity of the Company's Aguila Pit in north-central Peru. In particular, they included:

(i) title to 20 mining concessions in the vicinity of the Aguila Pit, including the Pasacancha and Cashapampa concessions comprising the Company's Aguila mineral project (the "Aguila Concessions");

(ii) the Company's 50% interest in certain mineral concessions known as the Corongo project held by Corongo Exploraciones S.A.C., a subsidiary of Duran, which were the subject of a property option agreement among the Company, its wholly owned subsidiary Minera Aguila de Oro S.A.C. ("Madosac") and Viper Gold Ltd.; and

(iii) the surface facilities currently used as an exploration camp and storage facility related to the Company's mining activities at the concessions comprising the Aguila project.

The purchase price for the Assets was a total of US$7,000,000, payable on closing. The purchase and sale of the Assets (the "Transaction") received shareholder approval on April 25, 2014 and the Transaction closed on May 8, 2014.

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Company Outlook Mineral Processing Plant and Exploration Project Plans

Aguila Norte mineral processing plant

Duran has begun construction of the Aguila Norte mineral processing plant, with completion anticipated by March 2016. All-in construction costs are estimated to be US$1.3 million. Mineral processing will be crushing, grinding and then flotation circuits designed to produce up to three distinct concentrates enabling processing of a wider spectrum of multi and poly-metallic sulphide mineralized material. Initial throughput is rated at 100 TPD; initial ground preparations and plant layout will allow for the sequential addition of a CIP gold leaching circuit and incremental expansion to 350 TPD throughput. The Company is well advanced to receive full permits and licenses necessary for the plant expansion.

Duran has signed a non-binding Memorandum of Understanding ("MOU") with BacTech Environmental Corporation ("BacTech"). The basis of the MOU is to determine the financial viability of constructing a bioleach circuit to be built as an add-on to Duran's Aguila Norte plant.

Mineral Exploration Properties

As highlighted above in the detailed information for each mineral exploration property, the Company is continuing its strategy of engaging third parties at its projects for their timely advancement.

Exploration Expenditures

A summary of exploration expenditures (recoveries) for the years ended December 31, 2015 and 2014 is as follows:

	Aguila		Ichuña		Other		Total	
	December 31,		December 31,		December 31,		December 31,	
	2015	2014	2015	2014	2015	2014	2015	2014
Corporate rent & utilities	-	13,460	-	-	48,158	15,726	48,158	29,186
Project rent & utilities	-	4,481	-	-	-	2,240	-	6,721
Project management & admin	-	90,089	-	23,643	989,190	651,333	989,190	765,065
Project salaries	-	11,835	-	-	-	84,697	-	96,532
Field camp expenses	-	9,835	-	5,331	66,660	55,123	66,660	70,289
Travel	-	4,572	-	26,768	106,650	62,108	106,650	93,448
Community surface rights & projects	-	-	-	2,552	21,060	11,449	21,060	14,001
Consultants	-	6,183	-	11,745	331,571	16,300	331,571	34,228
Lab analysis	-	-	-	4,150	40,221	35,267	40,221	39,417
Concession payments & acquisitions	-	20,019	-	75,212	221,809	78,703	221,809	173,934
Legal	-	62,919	-	715	23,586	21	23,586	63,655
Recoverable taxes	-	107,904	-	-	-	6,563	-	114,467
Option payments/recoveries	-	(6,947,289)	-	-	(69,200)	(216,330)	(69,200)	(7,163,619)
Expense (recovery) for the year	-	(6,615,992)	-	150,116	1,779,705	803,200	1,779,705	(5,662,676)
Balance, beginning of year	10,702,048	17,318,040	1,482,817	1,332,701	2,053,025	1,249,825	14,237,866	19,900,542
Balance, end of year	10,702,048	10,702,048	1,482,817	1,482,817	3,832,730	2,053,025	16,017,571	14,237,866

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Selected Annual Information

The following table summarizes selected financial data for the Company for each of the last three fiscal years. The information set forth below should be read in conjunction with the December 31, 2015 audited consolidated financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), and their related notes.

	Years Ended		
	December 31, 2015 $	***December 31, 2014 $***	***December 31, 2013 $***
Revenues	Nil	Nil	Nil
Income (Loss)	(2,643,671)	5,135,889	(2,392,302)
Income (Loss) per share	(0.01)	0.02	(0.01)
Total assets	3,908,015	6,623,079	1,804,913
Working capital/(deficiency)	2,432,686	4,952,773	(351,918)
Total long term liabilities	Nil	111,000	111,000
Cash dividends	Nil	Nil	Nil

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Results of Operations

Consolidated Statements of Loss (Income) and Comprehensive Loss (Income)

	Three Months Ended December 31 $		Twelve Months Ended December 31 $	
	2015	2014	**2015**	2014
EXPENSES				
Exploration and evaluation expenditures (recovery)	**739,862**	628,798	**1,779,705**	(5,662,700)
Write-down of exploration and evaluation assets	**888,855**	-	**888,855**	-
Management and consulting fees	**75,626**	85,626	**299,168**	305,004
Directors fees	**7,750**	-	**35,500**	-
Professional fees	**22,882**	(4,587)	**64,349**	169,228
Accounting and administration	**11,141**	22,331	**64,540**	75,886
Shareholder relations and filing fees	**50,367**	19,289	**95,492**	94,854
Office and general	**8,101**	4,163	**20,176**	14,776
Insurance	**9,199**	4,308	**33,921**	26,059
Telephone and communications	**5,304**	2,512	**11,341**	9,356
Travel	**15,351**	16,450	**55,386**	54,255
Rent	**13,527**	2,665	**28,482**	29,459
Foreign exchange gain	**(382,952)**	(325,645)	**(313,238)**	(291,913)
Amortization	**558**	9,545	**4,434**	29,202
Loss on sale of fixed assets	**-**	-	**-**	81,061
LOSS (INCOME) FOR THE PERIOD BEFORE THE FOLLOWING:	**1,465,571**	465,455	**3,068,111**	(5,065,473)
Realized gain on derivative instruments	**-**	-	**(308,600)**	-
Change in unrealized gain on derivative instruments	**-**	(62,200)	**62,200**	(62,200)
Unrealized (gain) loss on marketable securities	**(25,000)**	5,000	**(25,000)**	5,000
Interest income	**-**	(2,923)	**(23,440)**	(4,786)
Interest expense	**-**	15	**-**	2,070
Deferred income tax recovery	**(129,600)**	(10,500)	**(129,600)**	(10,500)
COMPREHENSIVE LOSS (INCOME)	**1,310,971**	394,847	**2,643,671**	(5,135,889)
Loss (Income) per share – basic and diluted	**0.005**	0.002	**0.011**	(0.022)
Weighted average number of common shares outstanding	**234,192,336**	234,331,435	**234,192,336**	234,331,435

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Three months ended December 31, 2015

During the three months ended December 31, 2015, the Company had a loss of $1,310,971 compared to a loss of $394,847 for the same period in 2014. Exploration and evaluation expenditures for the period were $739,862 (2014 – $628,798) which is comparable to the prior-year period and includes costs associated with establishing the Company's mineral processing business, partially offset by lower general exploration expenses. For financial reporting purposes, due to the absence of sufficient verifiable information to support the existing carrying value of the Hatum Minas properties, the Company recorded a write-down of exploration and evaluation assets of $888,855 (2014 - $ Nil) during the quarter. Management and consulting fees of $75,626 (2014 - $85,626) are lower than the prior year as the 2014 expense includes a bonus payment of $12,500 paid to the Company's CFO, whereas no bonuses were paid in 2015. Directors fees of $7,750 (2014 - $Nil) reflect the Company's decision to pay Directors fees, effective January 1, 2015. Professional fees of $22,882 (2014 – recovery of $4,587) were higher in the current period as the prior year amount reflected the reversal of previously accrued amounts. Accounting and administration costs of $11,141 (2014 - $22,331) were lower as the prior year amount included a one-time bonus payment; no bonuses were paid in 2015. Shareholder relations and filing fees of $50,367 (2014 – $19,289) are higher in the current period, mainly as a result of costs associated with the Company's listing on the Lima Stock Exchange. Insurance expense of $9,199 (2014 - $4,308) was higher due to higher premiums. Travel expense of $15,351 (2014 - $16,450) was comparable to the prior year costs. Rent expense of $13,527 (2014 - $2,665) is higher due to the booking of a provision for certain overdue sublease rental income. Foreign exchange gain of $382,952 (2014 – gain of $325,645) is a result of the Canadian dollar exchange rate fluctuating against the US dollar and the Peruvian sol during the quarter and the impact on the Company's US dollar denominated accounts, and intercompany loan balances. Amortization expense of $558 (2014 - $9,545) was lower in the current period as the Company's office furniture and equipment became fully amortized during the year. Other operating expenses were generally in line with the prior period.

Unrealized gain on marketable securities of $25,000 (2014 – loss of $5,000) relates primarily to the Company's revaluation of its investment in Quikflo Health Inc. (formerly Viper Gold). Deferred income tax recovery of $129,600 (2014 - $10,500) is primarily a result of the tax effect of the write-down of exploration properties during the period.

Twelve months ended December 31, 2015

During the twelve months ended December 31, 2015, the Company had a loss of $2,643,671 compared to income of $5,135,889 for the same period in 2014. Exploration and evaluation expenditures for the period were $1,779,705 (2014 – recovery of $5,662,700) as the current year period includes costs associated with establishing the Company's mineral processing business and acquisition of the Huachocolpa properties, were partially offset by lower general exploration costs in the current year. The prior year includes proceeds received on the sale of the Aguila project and related camp and storage facilities, and the Company's 50% in the Corongo project. For financial reporting purposes, due to the absence of sufficient verifiable information to support the existing carrying value of the Hatum Minas properties, the Company recorded a write-down of exploration and evaluation assets of $888,855 (2014 - $ Nil) during the year. Management and consulting fees of $299,168 (2014 - $305,004) are consistent with the prior year costs. Directors fees of $35,500 (2014 - $Nil) reflect the Company's decision to pay Directors fees, effective January 1, 2015. Professional fees of $64,349 (2014 – $169,228) were lower in the current period as the prior year period included costs associated with the Company's sale of the Aguila and Corongo projects. Accounting and administration costs of $64,540 (2014 - $75,866) were lower as the prior year amount included a one-time bonus payment and reflect a reduction in general overheads. Shareholder relations and filing fees of $95,492 (2014 – $94,584) are comparable to the prior year costs as higher Lima Stock Exchange fees in the current year offset lower 2014 costs associated with the special shareholders' meeting to approve the sale of the Aguila and Corongo projects. Insurance costs of $33,921 (2014 - $26,059) are higher in the current period as the prior year costs include a rebate of sales tax. Travel and promotion of $55,386 (2014 - $54,255) is comparable to the prior year expense. Foreign exchange gain of $313,238 (2014 – gain of

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$291,913) is a result of the Canadian dollar exchange rate fluctuating against the US dollar and the Peruvian sol during the quarter and the impact on the Company's US dollar denominated accounts, and intercompany loan balances. Amortization expense of $4,434 (2014 - $29,202) was lower in the current year as the Company's office furniture and equipment became fully amortized during the year. Loss on sale of fixed assets of $Nil (2014 - $81,061) relates to the Company's sale of certain fixed assets in conjunction with the sale of the Aguila project in 2014. Other operating expenses were generally in line with the prior year.

Realized gain on derivative instruments of $308,600 (2014 - $Nil) represents the gain on settlement of US$ 3,000,000 foreign exchange forward contracts during the period. This was partially offset by the change in unrealized gain on derivative instruments of $62,200 (2014 - $Nil), which represents the reversal of previously recorded unrealized gains on forward exchange contracts settled during the period. Unrealized gain on marketable securities of $25,000 (2014 – loss of $5,000) relates primarily to the Company's revaluation of its investment in Quikflo Health Inc. (formerly Viper Gold). Interest income of $23,440 (2014 – net interest income of $2,716) relates to interest earned on the Company's cash balances. Deferred income tax recovery of $129,600 (2014 - $10,500) is primarily a result of the tax effect of the write-down of exploration properties during the year.

Summary of Quarterly Results

The following table sets out selected consolidated financial information for each of the eight most recently completed quarters:

Quarters Ended	*Revenue $*	*Net income (loss) $*	*Income (Loss) per share $*
December 31, 2015	Nil	(1,310,971)	(0.005)
September 30, 2015	Nil	(392,120)	(0.002)
June 30, 2015	Nil	(733,758)	(0.003)
March 31, 2015	Nil	(206,821)	(0.001)
December 31, 2014	Nil	(394,832)	(0.002)
September 30, 2014	Nil	(400,347)	(0.002)
June 30, 2014	Nil	6,292,095	0.027
March 31, 2014	Nil	(361,017)	(0.001)

Liquidity and Capital Resources

The Company's liquid assets at December 31, 2015 were valued at $2,595,588 (December 31, 2014 - $5,104,382), consisting of cash of $2,497,888 (December 31, 2014 - $4,950,363), marketable securities of $34,311 (December 31, 2014 - $5,000), amounts receivable of $63,389 (December 31, 2014 - $86,819) and derivative instruments of $Nil (December 31, 2014 - $62,200). Substantially all of the Company's cash is on deposit with Canadian chartered banks or a financial institution controlled by a Canadian chartered bank.

In April 2014, the Company's shareholders approved the sale of the Aguila asset and related exploration camp and storage facilities, and the Company's 50% interest in the Corongo project, to Peñoles for gross proceeds to the Company of US$7,000,000. The transaction closed on May 8, 2014.

During the year ended December 31, 2014 the Company's average monthly cash burn rate, excluding exploration expenditures, amortization, foreign exchange and gain on derivative instruments, was approximately $65,000. For the twelve months ended December 31, 2015 the average monthly cash burn rate was approximately $59,000 with the decrease due to various cost reduction measures taken during fiscal 2014 partially offset by costs associated with the sale of the Company's Aguila and Corongo assets. The Company expects the monthly burn rate to be somewhat higher during fiscal 2016 due to higher overhead costs associated with overseeing the Company's mineral processing plant operations. Duran will invest up to US$1.5 million in capital expenditures to design and mineral processing operation in northern Peru, and establish a line of credit for the purpose of general working capital for the start-up.

As a junior exploration stage company, Duran has traditionally relied on equity financings and warrant exercises to fund exploration programs and cover the general working capital requirements of a publicly traded junior resource company. Duran received gross proceeds of US$7,000,000 on the sale of its Aguila and Corongo assets in May 2014 and as at December 31, 2015 has working capital of approximately $2.4 million. The Company does not anticipate the need to raise capital in order to construct its mineral processing plant. However, to accelerate ramp up to commercial production, the Company anticipates it may need additional funding in 2016 to cover plant working capital requirements. The Company does not intend to fund significant exploration programs in 2016 and is actively looking for partners to develop its exploration projects.

In December 2015 the Company signed Alpha Resource Advisors S.A.C. ("Alpha") to provide financial and strategic corporate advisory services regarding all material aspects of the Company's growth as it progresses with the construction and operation of its mineral processing plant in northern Peru. Alpha is a mining industry specific financial and corporate advisory firm that services Latin American counterparties.

The Company's ability to raise additional funds and its future performance are largely tied to the health of the financial markets and investor interest in the junior resource sector. Financial markets are currently volatile, and are likely to remain so during 2016, reflecting ongoing concerns about the stability of the global economy, sovereign debt levels, global growth prospects and many other factors that might impact the Company's ability to raise additional funds, should it need to.

Off Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Transactions with Related Parties

Related parties include the Board of Directors, officers, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

The remuneration of key management personnel and directors of the Company for the years ended December 31, 2015 and 2014 were as follows:

Aggregate compensation		**2015**	2014
Jeffrey Reeder	CEO, President & Director	**$ 222,500**	$ 225,000
Oscar Pezo	Director and VP	**186,120**	142,688
Daniel Hamilton	CFO	**128,750**	142,500
Steve Brunelle	Director	**59,167**	60,000
Rick Brown	Director	**8,000**	-
Joseph Del Campo	Director	**-**	10,000
John Thompson	Director	**-**	10,000
David Prins	Director	**-**	5,000
		$ 604,537	$ 595,188

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As part of a corporate restructuring in Peru, Mr. Pezo was required to resign from MADOSAC. As a result Mr. Pezo is entitled to severance payments of approximately $58,000 under Peruvian labour law. As at December 31, 2015 a total of approximately $50,000 was unpaid and due to Mr. Pezo.

As at December 31, 2015 a total of $76,018 (2014 - $Nil) was due to the above officers and directors, including Mr. Pezo, who received compensation during 2015.

The Company paid the following directors fees for the years ended December 31, 2015 and 2014:

		2015	2014
Joseph Del Campo	Director	**$ 10,500**	$ -
Steve Brunelle	Director	**10,500**	-
John Thompson	Director	**9,500**	-
David Prins	Director	**5,000**	-
		$ 35,500	$ **-**

Share based compensation

The Company did not grant any stock options for the years ended December 31, 2015 and 2014.

Other

During the year ended December 31, 2014 the Company issued $58,000 in promissory notes to the CFO of the Company. As at December 31, 2014 the Company had repaid the promissory notes of $58,000 and interest of $2,070. No promissory notes were issued during the year ended December 31, 2015.

Critical Accounting Estimates

The preparation of these consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

- Assets' carrying values and impairment charges
  In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

- Capitalization of exploration and evaluation costs
  Management has determined that exploration and evaluation costs incurred during the period have future economic benefits and are economically recoverable. In making this judgement, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits.

- Mineral reserve and resource estimates
  The figures for mineral reserves and mineral resources are determined in accordance with NI 43-101, "Standards of Disclosure for Mineral Projects", issued by the Canadian Securities Administrators. There are numerous uncertainties inherent in estimating mineral reserves and mineral resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any mineral reserve or mineral resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Differences between management's assumptions including economic assumptions such as metal prices and market conditions could have a material effect in the future on the Company's financial position and results of operation.

- Impairment of exploration and evaluation assets
  While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Estimates include but are not limited to estimates of the discounted future after-tax cash flows expected to be derived from the Company's mining properties, costs to sell the properties and the appropriate discount rate. Reductions in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company's exploration and evaluation assets.

- Estimation of decommissioning and restoration costs and the timing of expenditure
  Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

- Income taxes and recoverability of potential deferred tax assets
  In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

- Share-based payments
  Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are

made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Changes in Accounting Policies

The significant accounting policies are outlined in the consolidated financial statements for the years ended December 31, 2015 and 2014, unless otherwise disclosed. Certain pronouncements were issued by the IAS or the IFRIC that are mandatory for accounting periods on or after January 1, 2015 or later periods. Many are not applicable or do not have significant impact to the Company and have been excluded.

Accounting standards and interpretations issued but not yet adopted

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2015 or later periods. The following have not yet been adopted and are being evaluated to determine their impact on the Company.IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. Early adoption is permitted.

Financial Risk Factors

The Company may be exposed to risks of varying degrees of significance that could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management process are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below. There have been no changes in the risks, objectives, policies and procedures from the previous period.

a) Credit risk management

Credit risk relating to cash and accounts receivable arises from the possibility that any counterparty to an instrument fails to perform. The Company does not feel there is significant counterparty risk that could have an impact on the fair value of cash and cash equivalents and receivables.

b) Liquidity risk

The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its capital, development and exploration expenditures. The Company ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents.

Cash includes cash on hand and balances with banks. The deposits are primarily held in a Canadian chartered bank or a financial institution controlled by a Canadian chartered bank.

As of December 31, 2015, the Company had a cash balance of $2,497,888 (December 31, 2014 - $4,950,363) to settle current accounts payable and accrued liabilities of $221,583 (December 31, 2014 - $188,376). The Company's other current assets consist of marketable securities of $34,311 (December 31, 2014 - $5,000), amounts receivable of $63,389 (December 31, 2014 - $86,819), derivative instruments of $Nil (December 31, 2014 - $62,200) and prepaid expenses and advances of $58,681 (December 31, 2014 - $36,767).

c) Market risk

At the present time, the Company does not hold any interest in a mining property that is in production. The Company's viability and potential success depends on its ability to develop, exploit, and generate revenue from the development of mineral deposits and mineral processing plants. Revenue, cash flow, and profits from any future mining operations and mineral processing plants in which the Company is involved will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices can fluctuate widely and are affected by numerous factors beyond the Company's control.

The fair value of the Company's marketable securities is also influenced by these factors and is therefore subject to market risk.

A change of plus or minus 5% in Canadian equity prices would affect comprehensive income (loss) by approximately $1,716 based on the fair value of marketable securities held at December 31, 2015.

d) Foreign exchange risk

The Company's financings are in Canadian dollars. Certain of the Company's transactions with its subsidiaries are incurred in foreign currencies and are therefore subject to gains or losses due to fluctuations in exchange rates.

As at December 31, 2015, the Company had cash balances of $1,865,369 (US$1,347,810) (December 31, 2014 - $512,989 (US$442,195)) in U.S. dollars and $18,202 (S/.44,876) (2014 - $32,597 (S/. 83,626)) in Peruvian Nuevo Soles ("PNS"), and accounts payable of $111,611 (S/.275,176) (December 31, 2014 – $91,000 (S/.233,452)) in PNS.

The objective of the Company's foreign exchange risk management activities is to minimize transaction exposure associated with the Company's foreign currency denominated cash balances. The Company utilizes foreign exchange forward contracts to manage foreign exchange risks from time to time, at the determination of management.

e) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The majority of the Company's cash and cash equivalents balances earn interest at fixed rates over the next three to twelve months. It is management's opinion that the Company is not exposed to significant interest rate risk. The Company has no interest bearing debt.

A sensitivity analysis has determined that an interest rate fluctuation of 1% would not have resulted in significant fluctuation in the interest income during the nine months ended December 31, 2015.

f) Fair value of financial assets and liabilities

The book values of the cash, marketable securities, accounts receivable and accounts payable and accrued liabilities, approximate their respective fair values due to the short-term nature of these instruments. The fair values together with the carrying amounts shown in the balance sheet are as follows:

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	Carrying amount	Fair Value	Carrying amount	Fair Value
	As at December 31, 2015		As at December 31, 2014	
	$	$	$	$
Cash	2,497,888	2,497,888	4,950,363	4,950,363
Marketable securities	34,311	34,311	5,000	5,000
Amounts receivable	47,738	47,738	86,819	86,819
Derivative instruments	Nil	Nil	62,200	62,200
Accounts payable and accrued liabilities	(221,583)	(221,583)	(188,376)	(188,376)

Other MD&A Requirements

Capital Stock

Balance, December 31, 2013	234,331,435
Share cancellation	(181,565)
Balance, December 31, 2014	234,149,870
Shares issued for debt settlement	500,000
Balance, December 31, 2015 and February 29, 2016	234,649,870

Stock Options

Balance, December 31, 2013	17,995,000
Expired/terminated	(3,995,000)
Balance, December 31, 2014	14,000,000
Expired/terminated	(4,150,000)
Balance, December 31, 2015 and February 29, 2016	9,850,000

Warrants

Balance, December 31, 2013	11,051,667
Expired	(2,500,000)
Balance, December 30, 2014	8,551,667
Expired	(8,551,667)
Balance, December 31, 2015 and February 29, 2016	-

Fully Diluted as at February 29, 2016

Capital Stock	234,649,870
Stock Options	9,850,000
Warrants	-
Total	244,499,870

Disclosure Of Internal Controls

Management has established processes which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements; and (ii) the consolidated financial statements fairly present all material respects the financial condition, results of the operations and cash flows of the Company, as of the date of and for the periods presented by the consolidated financial statements.

In contrast to the certificate required under National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings (NI 52-109), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

> i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
>
> ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP. The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Shareholders Rights Plan

A Shareholders Rights Plan Agreement ("SRP") between Duran Ventures Inc. and Equity Financial Trust Company was re-approved by shareholders at the Company's Annual and Special Meeting on June 25, 2014.

Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Only investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment should undertake such investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

At the present time, the Company does not hold any interest in a mining property in production. The Company's viability and potential successes lie in its ability to develop, exploit and generate revenue out of mineral deposits, and/or its ability to successfully construct and operate its proposed mineral processing plant. Revenues, profitability and cash flow from any future mining operations and/or mineral processing activities involving the Company will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices have fluctuated widely and are affected by numerous factors beyond the Company's control.

The Company has limited financial resources and there is no assurance that additional funding will be available to it for further exploration and development of its exploration projects, and/or further development of its mineral processing plant, or to fulfill its obligations under applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the property interests of the Company and/or further development and expansion of its mineral processing plant, with the possible dilution or loss of such interests.

Resource exploration and development, and mineral processing is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations of metal prices, the proximity and capacity of milling facilities, mineral markets, processing reagents and equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environment protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital.

Operating in a Foreign Country Usually Involves Uncertainties Relating to Political and Economic Matters

Peru, where the Company's principle foreign mineral properties are located is considered by the Company to be a mining friendly country. However, any change of government may result in changes to government legislation and policy, which may include changes that impact the Company's ownership of and its ability to continue exploration and, possibly, the development of its properties. Further, changes in the government may result in political and economic uncertainty, which may cause the Company to delay its exploration and, possibly, its development activities or they may decrease the willingness of investors to provide financing to the Company. Accordingly, changes in legislation and policy could result in increased costs to explore and develop the Company's projects and could require the Company to delay or suspend these activities.

Exploration and Development Efforts May Not Be Successful

There is no certainty that the expenditures to be made by the Company in the exploration of its properties as described herein will result in the discovery of mineralized material in commercial quantities. Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any particular level of recovery of ore reserves will in fact be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to ore reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Lack of Cash Flow

None of the Company's properties have advanced to the commercial production stage and the Company has no history of earnings or cash flow from operations. The Company does not expect to generate material revenue from mining operations or to achieve self-sustaining commercial mining operations for several years. The Company has paid no dividends on its shares since inception and does not anticipate doing so in the foreseeable future. Historically, the only source of funds available to the Company is through the sale of its securities or exploration properties. Future additional equity financing would cause dilution to current shareholders.

No Proven Reserves

The properties in which the Company has an interest or the right to earn an interest are in the exploratory stage only and are without a known body of ore in commercial production.

No Guarantee of Clear Title to Mineral Properties

While the Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties and properties in which it has the right to acquire or earn an interest are in good standing, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

Uncertainty of Obtaining Additional Funding Requirements
Programs planned by the Company may necessitate additional funding, which could cause a dilution of the value of the investment of the shareholders of the Company. The recuperation value of mining properties indicated in the balance sheet depends on the discovery of mineralization that can be profitably exploited and on the Company's capacity to obtain additional funds in order to realize these programs. The Company's exploration activities can therefore be interrupted at any moment if the Company is incapable of obtaining the necessary funds in order to continue any additional activities that are necessary and that are not described in the exploration programs outlined in the Company's geological report for its properties.

Mineral Prices May Not Support Corporate Profit
The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resources are developed, a profitable market will exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any substances discovered. The price of minerals is volatile over short periods of time, and is affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining techniques.

Supply and Quality of Mineral Feed
The Company's mineral processing operations will involve the purchase of mineral feed from local producers which is then converted in the mineral processing plant. The revenues of the Company will depend on the availability of mineral supply from the local producers. As the Company does not produce its own mineral supply, it does not have entire control over the grade of mineral supplied by local producers. Therefore this can have an impact over the volume of production from the mineral processing plant and metal sales.

Competition
The mining industry is intensively competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for the recruitment and retention of qualified employees.

Environmental Regulations
The current and future operations of the Company, including further exploration, development activities and commencement of production on its properties, require permits from various Provincial, Federal and State governmental authorities. Such operations are subject to various laws governing land use, the protection of the environment, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances mine safety and other matters. There can be no assurance, however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violation of applicable laws or regulations.

Uncertainty of Reserves and Mineralization Estimates
There are numerous uncertainties inherent in estimating proven and probable reserves and mineralization, including many factors beyond the control of the Company. The estimation of reserves and mineralization is a subjective process and the accuracy of any such estimates is a function of the quality of available data and of engineering and geological interpretation and judgment. Results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may justify revision of such estimates. No assurances can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated. Assumptions about prices are subject to greater uncertainty and metal prices have fluctuated widely in the past. Declines in the market price of base or precious metals also may render reserves or mineralization containing relatively lower grades of ore uneconomic to exploit. Changes in operating and capital costs and other factors including, but not limited to, short-term operating factors such as the need for sequential development of ore bodies and the processing of new or different ore grades, may materially and adversely affect reserves.

Operating Hazards and Risks Associated with the Mining Industry
Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Hazards such as unusual or unexpected formations and other conditions are involved. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of precious and base metals, any of which could result in work stoppages, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage. The Company may become subject to liability for cave-ins and other hazards for which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration activities.

The Ability to Manage Growth
Should the Company be successful in its efforts to develop its mineral properties and/or mineral processing operations or to raise capital for other mining ventures it will experience significant growth in operations. If this occurs management anticipated that additional expansion will be required in order to continue development. Any expansion of the Company's business would place further demands on its management, operational capacity and financial resources. The failure to manage growth effectively could have a material adverse effect on the Company's business, financial condition and results of operations.

Lack of Dividend Policy
The Company does not presently intend to pay cash dividends in the foreseeable future, as any earnings are expected to be retained for use in developing and expanding its business. However, the actual amount of dividends received from the Company will remain subject to the discretion of the Company's Board of Directors and will depend on results of operations, cash requirements and future prospects of the Company and other factors.

Possible Dilution to Present and Prospective Shareholders
The Company's plan of operation, in part, contemplates the accomplishment of business negotiations by the issuance of cash, securities of the Company, or a combination of the two, and possibly, incurring debt. Any transaction involving the issuance of previously authorized but unissued common shares, or

securities convertible into common shares, would result in dilution, possibly substantial, to present and prospective holders of common shares.

Dependence of Key Personnel
The Company strongly depends on the business and technical expertise of its management and key personnel. There is little possibility that this dependence will decrease in the near term. As the Company's operations expand, additional general management resources will be required, especially since the Company encounters risks that are inherent in doing business in several countries.

Conflict of Interest
Certain directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Lack of Trading
The lack of trading volume of the Company's shares reduces the liquidity of an investment in the Company's shares.

Volatility of Share Price
Market prices for shares of early stage companies are often volatile. Factors such as announcements of mineral discoveries, financial results, and other factors could have a significant effect on the price of the Company's shares.

Commitments

Aguila Norte Plant
As at December 31, 2015 the Company had contractual commitments to pay US$ 79,431 (Cdn $109,933) for acquisition of plant equipment and US$164,220 (Cdn $227,280) for plant construction.

Lease agreements
The Company has a lease agreement for office space expiring on May 31, 2016. The remaining lease payments, net of sublease revenue, are approximately $12,762. Effective December 1, 2013, the Company entered into an agreement to sublease this office space for annual lease payments receivable of approximately $125,200, expiring on May 31, 2016.

Effective December 1, 2013 the Company entered into an agreement to sub-lease additional office space expiring on July 30, 2016. The annual lease payments, before sub-lease income, are approximately $48,000. There are lease payments of $28,000 remaining on this sub-lease.

The Company's subsidiary, Madosac, has annual office rental obligations of US$20,400 (Cdn $22,823).

Advisory services contract
The Company has engaged Alpha to provide financial and strategic corporate advisory services for a period of twelve months. As at December 31, 2015 there were remaining monthly payment obligations of US$33,000 (Cdn $45,672).

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Management contracts
Effective January 1, 2015, the Company entered into certain management and consulting contracts. Minimum annual commitments under the agreements are approximately $415,000. These contracts also require that additional payments of up to $1,206,200 be made upon the occurrence of certain events such as a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

Environmental matters
The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Legal Proceedings
The Company is, from time to time, involved in various claims and legal proceedings. The Company cannot reasonably predict the likelihood or outcome of these activities. The Company does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount which may be required to be paid by reasons thereof, will have a material effect on the financial condition or future results of operations. As at December 31, 2015, the Company was not aware of any claims or legal proceedings against it and as a result no amounts have been accrued related to such matters.

<u>Subsequent Events</u>

No material subsequent events occurred after December 31, 2015 and up to the date of this report.

Additional disclosure of the Company's technical reports, material changes reports, news releases and other information can be obtained on SEDAR.