DURAN VENTURES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Form 51-102F1

For the Year Ended December 31, 2011

Form 51-102F1

DURAN VENTURES INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011

Report Dated April 25, 2012

Overall Performance

General

This Management's Discussion and Analysis is provided for the purpose of reviewing the fiscal year ended December 31, 2011 and comparing results to the previous period. This Management's Discussion and Analysis should be read in conjunction with the Company's audited consolidated financial statements and corresponding notes for the fiscal year ending December 31, 2011. The consolidated financial statements 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 consolidated financial statements.

This Management's Discussion and Analysis is prepared as of April 25, 2011. All of the scientific and technical information has been prepared or reviewed by Jeffrey Reeder, P.Geo., Chief Executive Officer of the Company. 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.

Forward Looking Statements

Certain statements contained in this Management's Discussion and Analysis constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, and performance of achievements of the Company to be materially different from actual future results and achievements expressed or implied by such forward-looking statements, which speak only as of the date the statements were made and readers are also advised to consider such forward-looking statements while considering the risk set forth below.

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 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 promoted to the TSX Venture Exchange as a Tier II issuer trading under the symbol DRV.V. 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 General and Administrative expenses relate primarily to the costs to maintain a head office in Toronto for a publicly listed company. On-going operating expenses, excluding items such as exploration property expenditures and share-based compensation expenses, are approximately $68,000 (2010 - $64,000) per month.

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 agreement with the TSX Venture Exchange.

Exploration Properties

In 2011, the Company focused on advancing the Aguila Copper-Molybdenum Porphyry project. An extensive diamond drilling program has been undertaken in order to provide the necessary information to compile a preliminary NI 43-101 compliant resource estimate which was released in March 2012. Preliminary metallurgical studies were carried out as part of the resource estimate work.

Diamond drilling at the Corongo Gold-Silver Project was carried out simultaneously with the Aguila drilling program. Geochemical and geophysical targets were tested with an initial program of 1,757 metres of diamond drilling.

All projects are described below.

Aguila Copper-Molybdenum Project

The Aguila Copper-Molybdenum Porphyry Project ("Aguila" or "Aguila Project") is located in the Department of Ancash, which is also host to Compañia Minera Antamina S.A.'s Antamina Mine and Barrick Gold's Pierina Mine. Minera Peñoles de Peru S.A. is currently advancing an aggressive drill program at the Racaycocha Property, located immediately adjacent to the south of Aguila. Compañia Minera Milpo S.A.A. is advancing development work at the Magistral copper – molybdenum porphyry and skarn deposit, located some 40 kilometres to the north of Aguila.

The Aguila area infrastructure is robust and constantly improving, with a large regional hydroelectric plant located on the Santa River approximately 40 kilometres from the project, abundant precipitation, and good road access available from several directions. The central claim area consists of 1,100 hectares covering the Aguila and Pasacancha past producing mines. Duran holds a total of 9,006 hectares in the Aguila area.

Surface mapping, sampling, and geophysical surveys conducted to date demonstrate that the Aguila Project has the potential to become a significant copper-molybdenum resource, with anomalous copper and molybdenum distributed over an irregular 1.7 x 1.2 kilometre surface area and strong geophysical anomalies distributed over a 3.0 x 2.0 kilometre area. Drill intersections to date, show consistent copper and molybdenum values over significant widths, with known areas of mineralization open in several directions and also at depth. Fieldwork and past drilling indicate that there are additional porphyry-style targets in what is recognized as a large emerging mineralized district. Where most technical work and drilling to date has focused on the immediate area of the Aguila intrusive and mine area, the Company has strong indications of significant porphyry copper related mineralization in adjacent zones.

Company geologists describe the Aguila system as being one principal monzonite porphyry intrusive stock with several secondary intrusive bodies. The intrusive rock is the main host of the copper and molybdenum mineralization, but an alteration and mineralization halo extends well into the host sedimentary wallrock. The Aguila intrusive was previously identified as diorite in composition, but recent petrographic studies show it to be monzonite. The porphyritic intrusives are part of a regional-scale event, which includes emplacement of the mineralized intrusive bodies at Aguila, Racaycocha, and Mamaniña over a fourteen kilometre northwest-southeast strike length. There is a strong component of structural control, with a regional northwest trend cut by local northeast-trending cross structures which appear to control emplacement of the intrusive bodies. Peripheral lead-zinc-silver base metal mineralization occurs in the area, notably in the Pasacancha zone roughly two kilometres to the east of Aguila on the Company's property.

On March 23, 2011, the Department of Environmental Affairs of the Peruvian Ministry of Energy and Mines granted a Category 2 Drill Permit for the Company's Aguila Project. The permit allows for 61,600 metres of drilling over a 23 month period. This time frame is calculated from the initiation date of the work program.

On May 27, 2011, the Company filed an NI 43-101 Technical Report for its Aguila Project. The report was prepared by Mr. Neil McCallum, P. Geo., of Dahrouge Geological Consulting Ltd., who is a "qualified person" under the definition of NI 43-101. The Technical Report recommended further definition and exploration drilling at the Aguila Central and Aguila East zones.

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The Company completed a $5.6 million diamond drilling program at Aguila during 2011. A total of 15,175 metres were drilled in 27 diamond drill holes from April to October, 2011 with contractor Energold Drilling Peru S.A.C. A cumulative total of 23,929 metres of core have been drilled by the Company at the Aguila Project from 2007 to 2011.

On March 8, 2012 the Company reported an initial resource estimate for the Aguila Project and on April 20, 2012 the Company filed on Sedar the complete technical report pursuant to NI 43-101. The report, entitled "Mineral Resource Technical Report for the Aguila Copper-Molybdenum Project, Peru" was prepared for Duran by SRK Consulting (Canada) Inc. ("SRK") and authored by G. David Keller, P. Geo. (APGO#1235), a Qualified Person as defined by NI 43-101 and independent of Duran. SRK's Mineral Resource Statement and the Mineral Resource Estimate Sensitivity to Copper Equivalent ("CuEq") selection are summarized below.

Mineral Resource Statement* for Duran Ventures Inc., Aguila Project, Peru,
SRK Consulting (Canada) Inc., March 8, 2012

	Quantity	Grade			Contained Metal	
	000' tonnes	Cu	Mo	CuEq	Cu	Mo
Category		%	%	%	Million lb.	Million lb.
Open Pit Resources						
Indicated	27,750	0.61	0.036	0.79	374.5	22.0
Inferred	299,640	0.26	0.019	0.36	1,743.9	125.5
Underground Resources						
Inferred	55,880	0.32	0.033	0.48	394.2	40.7
Total Resources						
Indicated	27,750	0.61	0.036	0.79	374.5	22.0
Inferred	355,520	0.27	0.021	0.38	2,138.2	166.2

* Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Open pit mineral resources are reported at a cut-off grade of 0.22 percent copper equivalent and underground mineral resources are reported at a cut-off grade of 0.26 percent for copper equivalent. Copper equivalent grades are based on averaged metallurgical recoveries of 87 percent copper and 88 percent for molybdenum and metal prices assumptions of US$2.85 per pound of copper and US$13.85 per pound of molybdenum.

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Inferred and Indicated Model Quantities and Grade Estimates*, Aguila Project

	Inferred				Indicated			
Cut-Off Grade CuEq%	**Quantity 000' tonnes**	**Cu %**	**Mo %**	**CuEq %**	**Quantity 000' tonnes**	**Cu %**	**Mo %**	**CuEq %**
0.150	616,110	0.22	0.016	0.30				
0.200	445,210	0.25	0.019	0.35				
0.220	382,550	0.27	0.021	0.37	27,750	0.61	0.036	0.79
0.240	327,600	0.28	0.022	0.39	27,750	0.61	0.036	0.79
0.260	278,850	0.30	0.024	0.42	27,730	0.61	0.036	0.79
0.280	237,140	0.32	0.025	0.44	27,710	0.61	0.036	0.79
0.295	210,500	0.33	0.026	0.46	27,700	0.61	0.036	0.79
0.300	201,950	0.34	0.027	0.47	27,690	0.61	0.036	0.79
0.325	164,700	0.36	0.029	0.50	27,580	0.62	0.036	0.79
0.340	146,560	0.38	0.030	0.52	27,470	0.62	0.036	0.80
0.360	126,540	0.40	0.031	0.55	27,280	0.62	0.036	0.80

* The reader is cautioned that the figures in this table should not be misconstrued as a Mineral Resource Statement. The figures are only presented to show the sensitivity of the block model estimates to the selection of cut-off grade.

Duran is very pleased with the results from the 2011 exploration program and 2012 Initial Mineral Resource Estimate by SRK. Drilling was focused on defining the size and tenor of the mineralized system at Aguila. Copper and molybdenum mineralization extends horizontally over 1000 metres east-west, 700 metres north-south, and remains open to the east and west. The system at the Aguila East area has shown to be mineralized over 1000 metres in a vertical sense, in drill hole 11AGD029, which was stopped due to depth limitations of the drilling equipment. Further drilling is required to define the ultimate shape, size and orientation of the Aguila mineralized system. Numerous geological, geochemical, and geophysical targets remain to be drill tested. The Company anticipates that it will need to continue stepping back from its current grid of drill holes to ultimately determine the limits of the copper-molybdenum mineralization. The SRK Initial Mineral Resource estimate and statistical modeling will assist the Company in its continuing plan to expand and advance the Aguila project to a preliminary economic assessment (PEA).

The Company believes that the Aguila Project is comparable in style of mineralization and geological setting to the nearby Magistral deposit, which is a copper – molybdenum porphyry and skarn deposit, located some 40 kilometres to the north of Aguila. A feasibility study was carried out by MTB Project Management Professionals in December of 2007. Compañia Minera Milpo S.A.A ("Milpo") obtained the Magistral project in a Peruvian government auction in April of 2011 in return for the obligation to invest $400 million during a 48 month period, and to make a final $8.02 million option payment in order to complete the transfer of title to Milpo. Milpo recently acquired all of the outstanding shares of Inca Pacific Resources in order to acquire the area surrounding the main Magistral deposit, and simplify the project's development.

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The following table is a summary of drill holes completed by the Company from 2007 to drill hole11AGD044, completed in October 2011.

HOLE NUMBER	SECTION	FROM (m)	TO (m)	LENGTH (m)	Cu (%)	Mo (%)	CuEq (%)
07 AGD001	10000N	0.00	250.00	250.00	0.650	0.023	0.805
07 AGD002	10000N	0.00	530.60	530.60	0.338	0.023	0.493
07 AGD003	10000N	0.00	510.15	510.15	0.525	0.043	0.816
07 AGD004	10000N	0.00	371.00	371.00	0.343	0.020	0.478
07 AGD004A	10000N	249.60	628.20	378.60	0.254	0.006	0.295
including		249.60	388.60	139.00	0.472	0.009	0.533
07 AGD005	10000N	0.00	401.00	401.00	0.209	0.011	0.283
08 AGD006	10000N	5.20	723.30	718.10	0.555	0.041	0.832
including		137.00	708.40	571.40	0.647	0.041	0.924
08 AGD007B	10000N	0.00	90.00	90.00	0.594	0.045	0.898
08 AGD008	10050N	0.00	522.30	522.30	0.626	0.049	0.957
including		0.00	342.40	342.40	0.853	0.046	1.164
08 AGD009	9900N	5.00	485.40	480.40	0.373	0.029	0.569
including		76.40	439.60	363.20	0.439	0.029	0.635
08 AGD010	9900N	6.90	574.00	567.10	0.147	0.011	0.221
08 AGD011B	9950N	1.00	605.30	604.30	0.425	0.029	0.621
08 AGD012	9950N	2.90	567.10	564.20	0.365	0.030	0.568
including		2.90	281.20	278.30	0.625	0.026	0.801
08 AGD013	10050N	0.50	578.90	578.40	0.427	0.046	0.738
including		0.50	146.75	146.25	0.931	0.043	1.222
including		0.50	458.60	458.10	0.497	0.053	0.855
08 AGD014	10100N	4.35	459.60	455.25	0.499	0.038	0.756
including		131.12	390.70	259.58	0.652	0.041	0.929
09 AGD015	10150N	0.40	444.10	443.70	0.368	0.021	0.510
including		0.40	224.00	223.60	0.516	0.021	0.658
10 AGD016	10050N	0.00	620.60	620.60	0.490	0.033	0.720
including		0.00	396.00	396.00	0.690	0.042	0.980
10 AGD017	9950N	0.00	147.00	147.00	0.364	0.004	0.364
including		0.00	71.00	71.00	0.620	-	0.620
11AGD018	10000N	0.00	480.80	480.80	0.690	0.031	0.930
including		0.00	163.50	163.50	0.600	0.025	0.780
including		163.50	480.80	317.30	0.740	0.042	1.020
		480.80	564.50	83.70	0.200	0.023	0.360
11AGD019	10000N	0.40	496.00	495.60	0.310	0.027	0.500
including		284.00	496.00	212.00	0.440	0.022	0.590
including		284.00	330.00	46.00	0.700	0.013	0.790
11AGD020	10000N	0.00	640.00	640.00	0.410	0.033	0.640
including		0.00	333.90	333.90	0.600	0.035	0.850
and		333.90	640.00	306.10	0.190	0.031	0.410
including		421.60	459.50	37.95	0.480	0.025	0.640

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HOLE NUMBER	SECTION	FROM (m)	TO (m)	LENGTH (m)	Cu (%)	Mo (%)	CuEq (%)
11AGD021	10100N	0.00	335.00	335.00	0.480	0.036	0.720
including		80.80	278.00	197.20	0.640	0.030	0.920
		335.00	525.00	190.00	0.170	0.020	0.310
11AGD022	10100N	0.15	117.50	117.35	0.870	0.029	1.060
		117.50	216.30	98.80	0.290	0.020	0.430
		216.30	320.50	104.20	0.230	0.012	0.310
		320.50	557.30	236.80	0.120	0.007	0.160
11AGD023	10100N	11.80	699.00	687.20	0.200	0.031	0.410
including		11.80	487.00	475.20	0.230	0.039	0.490
including		11.80	356.50	344.70	0.200	0.043	0.500
and		243.00	487.00	244.00	0.320	0.040	0.590
11AGD024	9900N	0.00	590.00	590.00	0.210	0.019	0.340
including		0.00	188.96	188.96	0.300	0.022	0.460
and		314.50	392.60	78.10	0.340	0.007	0.390
11AGD025	9900N	4.50	662.60	658.10	0.170	0.029	0.370
including		21.00	342.50	321.50	0.220	0.047	0.540
including		21.00	263.00	242.00	0.230	0.053	0.580
11AGD026	10200N	0.40	665.80	665.40	0.220	0.008	0.280
including		0.40	562.50	562.10	0.250	0.010	0.320
including		0.40	302.50	302.10	0.330	0.016	0.440
11AGD027	9900N**	3.2	122.0	118.8	0.20	0.004	0.23
		296.5	333.5	37.0	0.19	0.003	0.21
		383.5	407.3	23.8	0.27	0.002	0.29
		440.5	463.0	22.5	0.30	0.001	0.30
11AGD028	9900N	0.5	127.5	127.0	0.20	0.004	0.23
11AGD029	10300N**	2.0	1001.1	999.10	0.33	0.029	0.53
		2.0	395.5	393.50	0.24	0.020	0.37
		395.5	499.4	103.90	0.25	0.044	0.56
		499.4	806.0	306.60	0.55	0.047	0.87
		806.0	1001.1	195.10	0.21	0.012	0.29
11AGD030	10000N**	0.15	92.5	92.35	0.19	0.007	0.24
		140.00	186.2	46.20	0.23	0.004	0.26
		301.00	320.5	19.50	0.34	-	0.34
11AGD031	10200N	0.15	301.5	301.35	0.26	0.011	0.33
		354.00	378.5	24.50	0.23	0.002	0.24
11AGD032	9950N	0.60	398.50	397.90	0.20	0.023	0.36
including		0.60	236.50	235.90	0.20	0.029	0.40
and		298.73	342.90	44.17	0.35	0.025	0.52
and		342.90	398.50	55.60	0.20	0.012	0.28
		398.50	515.00	116.50	0.34	0.010	0.41
11AGD033	10000N**	0.30	252.00	251.70	0.33	0.004	0.36
11AGD034	10050N	3.40	570.35	566.95	0.19	0.009	0.26
including		3.40	281.00	277.60	0.24	0.016	0.35
including		161.50	281.00	119.50	0.32	0.008	0.38

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11AGD035	10000N**	0.40	450.70	450.30	0.21	0.003	0.24
including		0.40	301.00	300.60	0.25	0.005	0.29
11AGD036	10200N	14.70	594.50	579.80	0.22	0.009	0.29
including		14.70	381.29	366.59	0.28	0.013	0.37
11AGD037	9900N	0.00	541.20	541.20	0.17	0.030	0.37
including		0.00	245.70	245.70	0.24	0.045	0.55
and		0.00	79.50	79.50	0.34	0.051	0.69
11AGD038	10100N	2.10	581.65	579.55	0.15	0.013	0.24
including		2.10	354.50	352.40	0.19	0.015	0.30
and		2.10	189.50	187.40	0.20	0.023	0.36
11AGD039	9800N	9.60	515.20	505.60	0.13	0.009	0.19
including		9.60	313.50	303.90	0.16	0.013	0.25
including		9.60	111.00	101.40	0.23	0.018	0.35
11AGD040	10300N	1.50	525.00	523.50	0.10	-	0.10
including		1.50	202.50	201.00	0.15	-	0.15
including		166.50	202.50	36.00	0.24	0.001	0.25
11AGD041	10100N	0.15	491.00	490.85	0.31	0.023	0.47
including		0.15	317.10	316.95	0.34	0.017	0.46
including		82.50	317.10	234.60	0.37	0.022	0.52
11AGD042	10100N**	1.25	200.10	198.85	0.25	0.002	0.26
including		1.25	90.00	88.75	0.42	0.003	0.44
11AGD043	10100N	0.50	568.50	568.00	0.22	0.003	0.24
		196.50	420.97	224.47	0.28	0.001	0.29
11AGD044	10100N	0.24	150.00	149.76	0.24	0.001	0.25
including		0.24	39.50	39.26	0.39	0.001	0.41

Total Cu equivalent is the sum of the Cu% plus 6.756 times the Mo% based on an assumed 6.756:1 economic ratio of Mo to Cu selling prices (i.e. US$1.85 Cu to US$12.50 Mo). Metallurgical recoveries and net smelter returns are assumed to be 100%. These equivalence grades should not be interpreted as actual grades since the conversion ratio varies with the volatile prices of copper and molybdenum and the economic recovery of copper and molybdenum can very significantly in actual extraction and processing. The Company feels this is a reasonable long term ratio to use for this purpose.

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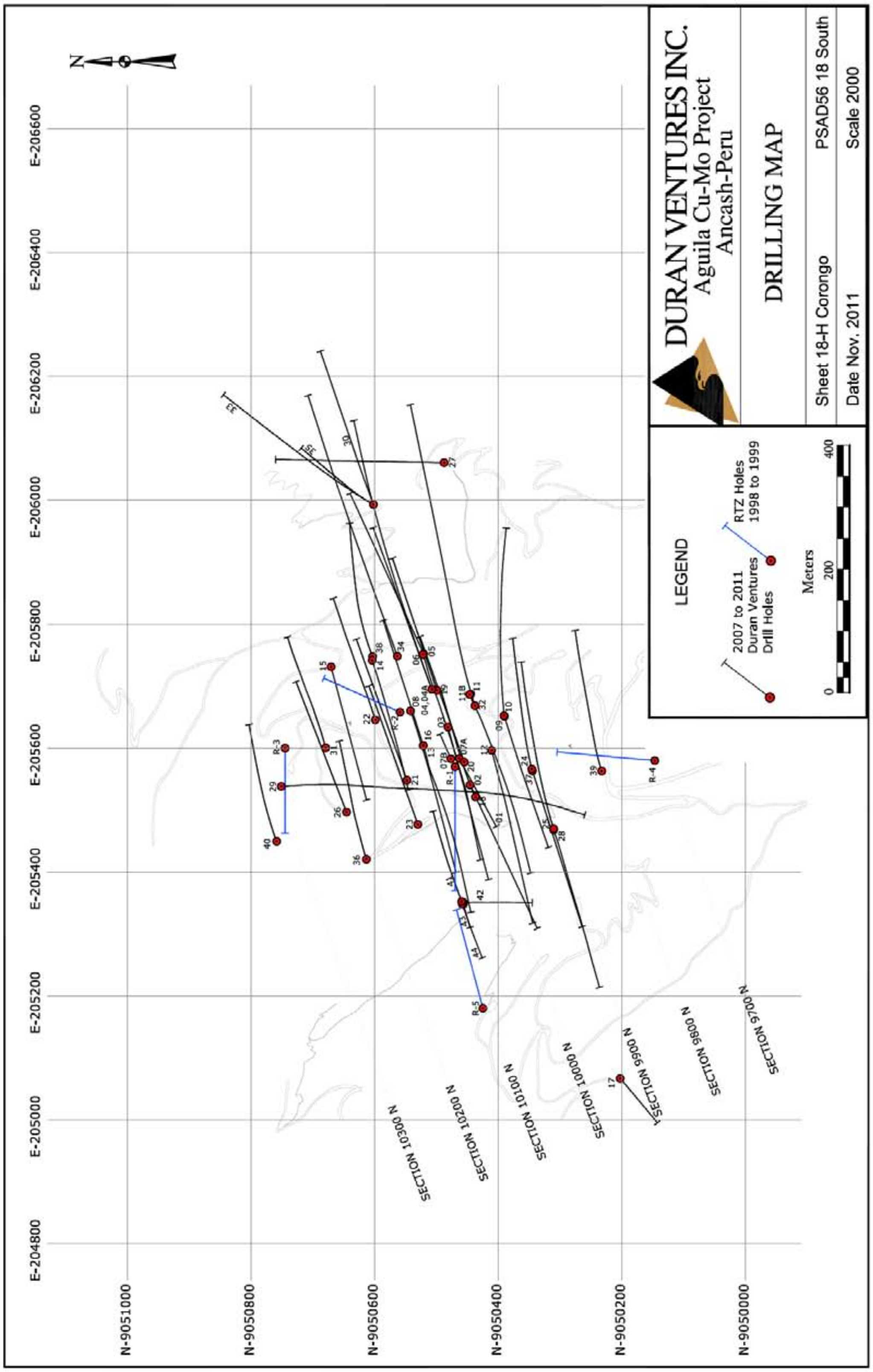
AGUILA DRILL HOLE LOCATION MAP



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The Company engaged G&T Metallurgical Services Ltd. ("G&T") of Kamloops, B.C. to carry out a series of laboratory tests to determine the metallurgical character of the potential ore types at the Aguila Property. These programs were designed to determine prospective metal recoveries and applicability of conventional grind/flotation processes that can be applied for future economics for the project.

Two sample composites were prepared by the Company's geologists using 208 kilograms of Aguila drill core. The two composites represent a higher grade composite sample and a lower grade composite sample. The higher grade composite sample was prepared from drill core intersecting the main Aguila intrusive porphyry. The lower grade composite was prepared from the mineralized sediments or wallrock.

The initial metallurgical work was successful. Mineralogy and locked cycle flotation test results indicate that the copper and molybdenum essentially occur as primary sulphides that can be readily recovered to a commercial concentrate by standard flotation techniques.

The following tables have been taken from the G&T report, dated December 21, 2011. A summary of the head assay analysis follows:

Composite	Cu %	Mo %	Fe %	Ag g/tonne	S %	C %	Cu(ox)%	Cu(CN)%
Intrusive	0.69	0.038	2.5	2	1.51	0.18	0.002	0.013
Sedimentary	0.27	0.023	1.7	1	0.82	0.17	0.002	0.009

G&T reports that the metallurgical test program included batch rougher and open circuit cleaner flotation tests on each composite, as well as locked cycle flotation tests. Preliminary results indicate that the process flow sheet for Aguila will be a conventional copper-molybdenum porphyry flow sheet, with a primary grind size of 150 micrometres K_{80} for both composites followed by a regrind to 30 micrometres K_{80} for the intrusive composite and a regrind to 25 micrometres K_{80} for the sedimentary composite. The locked cycle flotation test on the intrusive composite indicated that 93% of the copper and 91% of the molybdenum in the feed was recovered into a final copper concentrate containing 28 percent copper. This concentrate also contained 1.5 percent molybdenum, and 82 g/tonne silver. The locked cycle flotation test on the sedimentary composite indicated that 83% of the copper and 82% of the molybdenum in the feed was recovered into a final copper concentrate containing 24 percent copper. This concentrate also contained 1.7 percent molybdenum, and 110 g/tonne silver.

The following two tables summarize the test results from each composite:

Product	Weight	Assay - percent or g/t					Distribution				
Intrusive Test	%	Cu	Mo	Fe	S	Ag	Cu	Mo	Fe	S	Ag
Flotation Feed	100	0.71	0.04	2.6	1.51	3	100	100	100	100	100
Bulk Con	2.4	27.7	1.463	31.0	34.1	82	93	91	28	54	63
Bulk 1st Clnr Tail	5.7	0.50	0.02	13.3	8.30	4	4	3	29	32	7
Bulk Ro Tail	91.9	0.03	0.002	1.2	0.24	1	3	6	43	15	30

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Product	Weight	Assay - percent or g/t					Distribution				
Sedimentary Test	%	Cu	Mo	Fe	S	Ag	Cu	Mo	Fe	S	Ag
Flotation Feed	100	0.26	0.02	1.7	0.82	2	100	100	100	100	100
	0.9	23.5	1.724	32	35.6	110	83	82	17	40	45
Bulk 1st Clnr Tail	5	0.62	0.02	11	6.39	6	12	5	32	39	13
Bulk Ro Tail	94.1	0.01	0.003	0.9	0.19	1	5	13	52	21	42

The conclusion in the report entitled "*PRELIMINARY ASSESSMENT OF THE TWO COMPOSITE SAMPLES FROM THE AGUILA DEPOSIT KM3161", dated December 21, 2011 and* prepared by G&T Metallurgical Services Ltd. from their work performed on the Aguila intrusive and sedimentary composite samples is quoted as follows:

"*A preliminary assessment metallurgical test program aimed to investigate ore characteristics and flotation response of two composite samples from the Aguila deposit was undertaken. The two composites samples constructed for this program of study represented Intrusive and Sedimentary ores.*

On average, the samples contained about 0.5 percent copper, 0.03 percent molybdenum, and 1.5 g/tonne silver.

Mineralogy showed that, at a nominal 150 micrometres K80 primary grind sizing, chalcopyrite was slightly over 45 percent liberated in the two samples, with the majority of the particle interlocking occurring with non-sulphide gangue.

*The average Bond ball and Bond rod work indices for the two samples were 13.2 and 14.1 kWh/tonne, respectively. SMC test results indicated that the average A*b and t10 at 1 kWh/t values were about 29 and 25, respectively. These ore hardness results would classify the two samples as hard.*

A basic bulk flotation flow sheet was developed incorporating a moderate primary grind size of about 150µm K80. The pH in the rougher circuit was elevated to pH 10 using lime. Potassium Amyl Xanthate (PAX) and fuel oil were used as the copper and molybdenum collectors, respectively. A regrind of about 20 to 30µm K80 was required to produce high grade copper concentrates. The pH of the cleaning stages was elevated to pH 11 using lime.

Results from a locked cycle test on the Intrusive sample indicated that about 93 percent of the copper in the feed was recovered into a final copper concentrate containing 28 percent copper. This concentrate also contained 1.5 percent molybdenum, and 82 g/tonne silver.

Results from a locked cycle test on the Sedimentary sample indicated that about 83 percent of the copper in the feed was recovered into a final copper concentrate containing 24 percent copper. This concentrate also contained 1.7 percent molybdenum, and 110 g/tonne silver. These concentrate molybdenum grades, on average, about 1.6 percent; should be sufficient for the efficient separation of a molybdenum concentrate.

Concentrations of deleterious elements appear below typical smelter penalty thresholds."

The Company is very pleased with the initial metallurgical results on the intrusive and sedimentary composite samples containing the copper and molybdenum mineralization at Aguila. The high recoveries and the lack of any deleterious elements indicate that the process flow sheet should be conventional and straightforward. Further metallurgical work is recommended by G&T and will follow in accord with the development of the project.

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Additions to Current Concessions in Peru

The Company acquired additional strategic holdings which border existing project areas, adding a total of 6,106 hectares in February of 2011. In the Aguila Copper-Molybdenum Porphyry Project area, 706 hectares were added on to the southwest of current Company holdings. 800 hectares were added on the south side of Company holdings in the Minasnioc Epithermal Gold-Silver Project in Huancavelica and on April 11, 2012 the Company acquired the historical geological and drill data from Barrick Gold Corporation ("Barrick") on its main Minasnioc Gold Project concession (see press release dated April 11, 2012 at http://www.duranventuresinc.com/news.php). Furthermore, Duran acquired three additional concessions (Aura Azul 6, 7 and 8) from Barrick totalling an additional 2000 hectares. The Minasnioc Gold Property, including the newly acquired concessions, now covers 3800 hectares. A total of 1,400 hectares were added on to the Matucana Silver-Lead-Zinc Project in the Department of Lima, and 3,200 hectares were added on to the Panteria Porphyry Copper-Gold Project area in Huancavelica. In all cases, these additions include very prospective ground and increase the potential in these projects.

Mamaniña Porphyry Copper-Molybdenum-Gold Project

The Company was awarded the Mamaniña 1 and 2 concessions in the Province of Huaylas in the Department of Ancash, Peru. Initially the area was claimed in early February 2011 by three companies: Duran, one large international mining company, and one large Peruvian mining company. A closed-bid auction for the concessions was held on April 13th by the Peruvian Government. Duran was the successful bidder and was awarded the concessions. The process of receiving the mineral titles is underway.

The concessions are located approximately 14 kilometres to the south of the Company's flagship Aguila Copper-Molybdenum Porphyry Project. The Company now holds a total of 1,800 hectares in three contiguous concessions, including the Mamaniña 3 concession, which was not subject to the property auction.

The Mamaniña concessions are considered by Duran geologists to be a high quality copper-molybdenum 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 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 Duran's Aguila and Peñoles' Racaycocha Projects reinforces the Company's view that the Aguila area is a new emerging mineralized district. The acquisition of the Mamaniña Cu-Mo-Au concessions reflects Duran's corporate strategy to focus on the Company's main projects while retaining its entrepreneurial approach to securing quality new concessions, particularly in the vicinity of its key projects.

Corongo Property

This 3,100 hectare block of claims is located five kilometres to the northwest of the main Aguila/Pasacancha claim block. The Corongo Property is located in a portion of the Western Cordillera of Peru that hosts numerous precious and base metal deposits, including Barrick Gold Corporation's Pierina and Lagunas Norte gold mines and Compania Minera Antamina S.A.'s Antamina copper-zinc mine. The Corongo Property is considered very prospective for sediment-hosted structurally controlled gold and silver mineralization, as well as porphyry copper related mineralization. Significant gold and silver results were returned from 401 samples collected during the 2010 work program, collected from the Santa Rosa East and Descubridora Zones.

The Company signed a property option agreement (the "Corongo Agreement") with Viper Gold Ltd. ("Viper") in March 2010, and subsequently amended in August 2010, whereby Viper can acquire a 50% interest in the Corongo Property. Under the terms of the Corongo Agreement, Viper acquired a 50% interest by paying the Company US$25,000 (paid - $25,348) on signing the Corongo Agreement; incurring exploration expenditures of not less than US$1,000,000 (incurred as of December 31, 2011) prior to March 10, 2012; and issuing the Company an aggregate amount of 1,000,000 common shares of Viper as to: (a) 300,000 common shares on August 17, 2010 (received; valued at $45,000); (b) 300,000 common shares on March 10, 2011 (received; valued at $90,000); and (c) 400,000 on or prior to March 10, 2012(received in January 2012).

The Company was granted a Category 1 Drill Permit for the Corongo Project from the Peruvian Ministry of Energy and Mines on December 20, 2010. The permit allows up to 20 drill platforms. Surface rights agreements have been signed with the two communities which exist within the Santa Rosa East and Descubridora Zones.

Energold Drilling Peru S.A.C. ("Energold") was contracted for the Corongo drill program. Drilling began on April 12th and concluded on July 12th with a total of 1,757 metres drilled in 12 holes. The drilling was designed to test high priority targets on the Santa Rosa East and Descubridora Zones for sediment-hosted, structurally controlled gold and silver mineralization.

Drill holes 11COR001 through 11COR008 were drilled in the Santa Rosa East Zone: holes 11COR009 and 11COR010 were drilled in the Descubridora Zone: and 11COR011 and 11COR012 were drilled in the Santa Rosa Zone. Assay results confirm the presence widespread anomalous gold, silver, and copper in structurally complex zones. All assay intervals are apparent and not true widths (defined as being measured at right angles to the direction of extension of the sulphide body).Drilling intersected gold and silver mineralization associated with quartz-veins and quartz stockworks with alteration consistent with epithermal systems.

Results from the Santa Rosa East Zone were significant. The strongest intercepts were in hole 11COR004, with 1.7 metres of 2.1 grams of gold per tonne (g Au/T), 1,785 grams of silver per tonne (g Ag/T), and 2.65 % copper. 11COR002 cut 2.5 metres of 0.57 g Au/T, 60.9 g Ag/T, and 0.14 % copper.

Drilling at the Descubridora Zone returned 4.4 metres of 1.18 g Au/T and 10.3 g Ag/T in hole 11COR009.These results are from altered and mineralized wallrock and not a principal vein structure: an open underground adit was cut at roughly 33 metres vertical depth from surface, indicating that the main mineralized structure had been mined out to this depth. Hole 11COR010 averaged 3.57 g Au/T and 25.6 g Ag/T over 3 metres, and also encountered an open underground adit where the vein had been mined out at about 18 metres vertical depth. In neither case was the principal mineralized structure sampled.

Drill holes 11COR011 and 11COR012 in the Santa Rosa area were designed to target areas of known porphyry copper style mineralization hosted in intrusive dykes or sills. In hole 11COR011 in the Santa Rosa Zone, an intersection of 2.6 metres of 1.17 g Au/T, 96.8 g Ag/T, and 2.2 % copper was cut from 37.9 to 40.5 metres depth.

Duran is encouraged by these drill results, which confirm the gold, silver, and copper values reported by the Company in previous surface and underground adit channel samples. The presence of wide spread copper mineralization in the sedimentary units may indicate proximity to a porphyry copper system.

The following table summarizes significant results from the entire program:

HOLE ID	AREA	FROM (m)	TO (m)	INT (m)	Au (g Au/T)	Ag (g Ag/T)	Cu (%)
11 COR 001	SRE	96.00	105.00	9.00	-	1.11	0.14
		151.10	158.50	7.40	0.12	2.50	-
		324.00	328.40	4.40	0.25	3.85	-
11 COR 002	SRE	6.80	10.50	3.70	0.29	6.35	0.11
		8.00	30.00	22.00	0.02	1.21	0.11
		152.00	154.50	2.50	0.57	60.90	0.14
11 COR 003	SRE	0.20	15.00	14.80	0.07	3.00	0.14
		10.50	15.00	4.50	0.17	3.26	0.28
		48.00	54.00	6.00	0.02	16.80	0.13
11 COR 004	SRE	0.00	6.00	6.00	1.08	16.55	0.34
including		4.50	6.00	1.50	4.07	61.20	1.30
		73.90	76.20	2.30	1.63	1325.60	1.98
including		74.50	76.20	1.70	2.15	1785.00	2.64
11 COR 005	SRE	No significant results					
11 COR 006	SRE	38.95	44.60	5.65	0.32	2.05	0.03
11 COR 007	SRE	103.50	104.57	1.07	0.34	-	-
11 COR 008	SRE	2.75	3.83	1.08	0.29	19.4	0.06
11 COR 009	DES	9.50	10.50	1.00	0.48	6.1	-
	DES	31.50	34.50	3.00	0.88	0.9	-
	DES	42.00	46.40	4.40	1.18	10.3	-
11 COR 010	DES	7.00	9.50	2.50	0.42	37.7	-
	DES	19.50	27.00	7.50	1.50	12.1	-
including	DES	19.50	22.50	3.00	3.57	25.6	-
11 COR 011	SR	37.90	40.50	2.60	1.17	96.8	2.21
	SR	60.00	63.00	3.00	0.24	24.5	0.22
11 COR 012	SR	29.95	63.00	33.05	-	0.46	0.13
	SR	69.00	70.50	1.50	0.26	19.7	-

All assay intervals reported are core length and do not represent true widths (defined as being measured at right angles to the direction of extension of the sulphide body).

SRE: Santa Rosa East; **DES**: Descubridora; **SR**: Santa Rosa

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Geological Model

The Company interprets the model of the gold and silver mineralization at the Corongo Project as an intermediate sulphidation epithermal system. Characteristics of this type of system include the proximity of gold and silver mineralization to porphyritic diorite/monzonite intrusive bodies, drusy quartz stockworks, banded textures in the quartz and quartz-sulfide veins, and the geochemical association of gold and silver with arsenic, antimony, barium, bismuth, lead, and zinc.

Emplacement of the gold and silver mineralization at the Santa Rosa Zone appears to be controlled by intersections of fractures and faults, which trend generally northwest, northeast, and sub-horizontal. Quartz stockworks are formed at the intersections of two or more of these structural trends, forming complex three-dimensional zones. Zones with stronger mineralization are marked by widespread phyllic (quartz-sericite-pyrite) alteration in the vicinity of the stockwork quartz veining. Anomalous gold and silver mineralization occurs in an irregular area measuring roughly 200 x 500 metres in size.

Gold and silver mineralization at the Descubridora Zone is predominantly controlled by northeast-southwest trending structures. The main mineralized zone as defined at present measures approximately 350 x 50 metres in size, but anomalous gold and silver values occur over a 600 x 250 metre area.

The gold and silver values from previous surface work programs and the significant size of the mineralized zones indicate significant exploration potential. The Corongo Project hosts several other zones with significant precious metal potential, such as Santa Rosa West, the Breccia Zone, and Pucapampa, which returned results of up to 3.5 g Au/T in underground channel sampling on a vein structure in Company sampling in 2009. The Company intends to continue exploration and expansion in these zones.

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 Chucapaca Project of, a diatreme breccia body with significant gold and copper mineralization, owned by Minera Gold Fields Peru S.A. ("Goldfields") and Compañia de Minas Buenaventura S.A.A. ("Buenaventura"). The recent published mineral resource by these companies showed that the Canahuire Zone within the Cucapaca Project area is estimated to contain 92.6 million tonnes of 1.5 g Au/T and 11.6 g Ag/T for an indicated resource of 4.3 million ounces of gold and 34.6 million ounces of silver. The inferred resource contains 40.2 million tonnes of 1.4 g Au/T and 8.9 g Ag/T for 1.8 million ounces of gold and 11.5 million ounces of silver. The Canahuire Zone is located less than 3 kilometres from the southern boundary of the Ichuña Project.

Company geologists have so far defined seven 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.

Three field campaigns were carried out in 2010, with a total of 790 samples collected. During the two initial work campaigns, a total of 173 samples were collected. Samples were collected as 0.5 to 3.0 metre rock channel samples, as well as panel samples ranging from 0.5 x 1.0 metre to 3.0 x 3.0 metre areas. Silver values ranged as high as 1,645 g Ag/T (47.9 troy oz/ton), with 19 of 173 samples assaying greater than 100 g Ag/T and 50 of 173 samples assaying greater than 10 g Ag/T. 35 of 173 samples had copper values of greater than 1.0%, with values as high as 10.2% copper. 68 of 173 samples had copper values greater than 0.1% copper, showing very widespread anomalous copper values. Lead and zinc values were elevated as well, with 40 of 173 samples assaying over 0.1% lead, with a high value of 6.1% lead. 41 of 173 samples assayed greater than 0.1% zinc, with 5 samples returning over 1.0%.

Geological Model

Geological mapping during this program identified sedimentary clastic and carbonate rock cut by high level intrusive and volcanic units. Strongly anomalous copper and silver mineralization occurs near sediment-intrusive contacts, as disseminations in intrusive units, and in stockwork zones in both sedimentary and intrusive or volcanic units. Company geologists are interpreting the Ichuña system as being the upper levels of a porphyry copper system, with associated vein structures developed in both host sedimentary and intrusive units. The system has seen considerable surface oxidation, with iron oxide minerals such as limonite, goethite, and jarosite being commonly found. Visible copper occurs as secondary or remobilized minerals, including malachite, azurite, chrysocolla, tenorite, and chalcocite. This mineral assemblage may indicate the presence of a capping of leached rock with the potential for supergene enrichment of copper at some depth. Elevated silver values with relatively little evidence of silver-bearing sulfide minerals may indicate that there is supergene enrichment of silver as well. 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 has received the Category 1 drill permit for the Ichuña Project and is in the application process for the Category 2 drill permit.

Panteria Porphyry Copper Project

The Panteria Porphyry Copper prospect is located in the Department of Huancavelica in south-central Peru. It consists of one main block totaling 1,700 hectares and another 400 hectare concession two kilometres to the east. In February 2011, an additional 3,200 hectares were added onto the previously existing concessions, bringing the total to 5,300 hectares.

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. Copper-mineralized diorite porphyry outcrops at the lowest 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.

The extent and intensity of the alteration in the volcanic rock indicates the presence of a very strong hydrothermal system driven by the underlying intrusive units. Quartz +/- tourmaline veins, veinlets, breccias, and local drusy quartz veinlets show a predominant northeast-southwest orientation and may control the distribution of the alteration. This alteration and associated geochemical anomaly appear to be focused over the areas of known intrusive bodies. Anomalous gold, silver, arsenic, antimony, lead, zinc, and mercury values extend over the entire quartz-clay altered area as mapped to date. The geochemical and alteration assemblages, combined with the textures of the drusy quartz veinlets, are indicators of a low-sulfidation epithermal gold-silver system.

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. This mineral assemblage suggests that some remobilization of copper has occurred within the intrusive rock, and may indicate the presence of a supergene copper-enriched zone at some depth. Quartz stockwork veining is strongest nearer to the intrusive bodies.

Given the nature of the geological environment and mineralization, the Company is planning a ground-based induced-polarization and magnetic geophysical survey over the project area to help evaluate the potential for porphyry copper-gold and possible supergene copper mineralization at depth. The Company will combine geological, geochemical, and geophysical information in order to plan diamond drill testing in the future.

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 Project of Trevali Resources Corporation (Trevali). Previous sampling conducted by Hatum Minas 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. The Company intends to conduct surface and underground sampling programs and is considering a geophysical survey in order to prepare the project for a diamond drilling campaign.

This project is approximately 10 kilometres to the west of the Santander Project, which has updated an NI 43-101 resource estimate (Trevali Resources Corp. News Release dated November 10, 2010, filed on SEDAR) of 5.858 metric tonnes ("MT") of 3.86% Zn, 1.35% Pb, and 44 g Ag/T (indicated category) and 4.806 MT of 5.08% Zn, 0.44% Pb, and 21 g Ag/T (inferred category).

Minasnioc Gold-Silver Project

The Company acquired the Minasnioc Gold Project in a Peruvian government auction, which was carried out in three separate auctions due to the participation of three competing companies with overlapping areas. The Company won all three auctions. The Minasnioc Project is interpreted to be a high sulfidation (or acid-sulfate) epithermal gold-silver bearing system. The concession is located in the Department of Huancavelica, approximately 300 kilometres southeast of Lima. 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. In February 2011, an 800 hectare concession was added to the main 1000 hectare concession, bringing the project area to a total of 1,800 hectares.

On April 11, 2012 the Company announced that it had acquired the historical geological and drill data from Barrick on its main Minasnioc Gold Project concession (see press release dated April 11, 2012 at http://www.duranventuresinc.com/news.php). Furthermore, Duran acquired three additional concessions (Aura Azul 6, 7 and 8) from Barrick totalling an additional 2,000 hectares. The Minasnioc Gold Property, including the newly acquired concessions, now covers 3,800 hectares.

The purchase consideration paid to Barrick for the data acquired and the transfer of the Aura Azul 6, 7, and 8 concessions is 1,000,000 (one million) common shares of Duran. In addition, the three concessions acquired from Barrick will be subject to a 2% Barrick NSR. The main Minasnioc Gold Property concession already held by Duran is 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. This 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.

Initial rock chip sampling by the Company shows widespread anomalous gold values with associated silver, arsenic, barium, lead, mercury, and antimony geochemical anomalies, which are typical of an altered precious metal bearing system. Samples were collected as one to four-metre rock chips and panel samples ranging from 2 x 2 metre to 5 x 5 metre panels. 21 of 35 samples returned assays greater than 0.1 g Au/T, with values as high as 2.96 g Au/T. 28 of 35 samples returned silver values of greater than 1.0 g Ag/T, 11 samples returned values of greater than 10.0 g Ag/T, and one sample returned a high value of 70.6 g Ag/T.

Other notable and comparable high sulphidation oxide gold properties in Southern Peru include Pan American'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 in 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: http://www.minera-irl.com/english/Mine/Corihuarmi/tabid/135/Default.aspx)

All samples taken by Duran were prepared and analyzed at ALS Chemex in Lima (a certified laboratory). Analysis for gold is by fire assay with atomic absorption finish. Other elements are analyzed using a multi-element ICP analysis: elements assaying over-limits with ICP procedure are re-analyzed using atomic absorption. The Company maintains secure care and custody of samples.

The Company is pleased with the acquisition of the historical data and the additional concessions on the Minasnioc Gold Property. Social and environmental baseline studies will commence immediately. The Minasnioc Gold Property adds a very interesting epithermal gold project to the Company's Peruvian holdings.

<u>Outlook</u>

The Company will continue to focus primarily on advancing the Aguila Copper-Molybdenum Porphyry project during 2012. A diamond drilling program is planned and will target to increase resources and to improve grade categories.

The Company also plans on drilling holes to test surrounding priority geological, geochemical, and geophysical targets. Surface mapping, sampling, and geophysical surveys conducted to date demonstrate that the Aguila Project has potential to become a significant copper-molybdenum resource, with anomalous copper distributed over an irregular 1.7 x 1.2 kilometre surface area and strong geophysical anomalies distributed over a 3.0 x 2.0 kilometre area. Drilling during 2012 may test for possible down dip Cu-Mo mineralization on the Pasacancha zone.

Further sampling and mapping will be conducted on the Ichuña Cu-Ag projects. Road building and pad construction is expected to commence early second quarter 2012. Weather has delayed the work during late 2011 and first quarter 2012.

Social baseline studies will be conducted in the areas of the Minasnoic and Mamaniña projects. Historical data is being evaluated and assessed and exploration programs will be designed once the compilation of the historical data is complete.

Results from the 2011 diamond drilling program at the Corongo Project will be evaluated, and follow-up exploration work will be planned with partner Viper.

The Company intends to maintain a pipeline of new projects by actively evaluating new prospects and targets throughout Peru.

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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 audited Consolidated Financial Statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), and their related notes. The information for the year ended December 31, 2010 has also been prepared in accordance with IFRS.

			Years Ended	
	December 31, 2011 (IFRS) $	***December 31, 2010 (IFRS) $***	***December 31, 2010 (CGAAP) $***	***December 31, 2009 (CGAAP) $***
Revenues	Nil	Nil	Nil	Nil
Net loss	7,934,920	2,671,976	1,161,685	1,207,113
Loss per share	0.04	0.02	0.01	0.02
Total assets	4,023,792	7,972,382	17,584,832	8,947,370
Working capital	1,798,651	5,903,544	5,903,544	711,433
Total long term liabilities	421,300	421,300	421,300	Nil
Cash dividends	Nil	Nil	Nil	Nil

Results of Operations

The Company's loss is reported under IFRS for the year ended December 31, 2011. The most significant impact on loss relates to the accounting for deferred exploration expenditures, as follows.

Pursuant to IFRS 6 *Exploration for, and Evaluation of, Mineral Resources,* the Company has elected to change its accounting policy to retrospectively expense all pre-feasibility exploration and evaluation costs.

The effects of this transitional change are as follows: (i) a decrease in deferred exploration assets of $8,118,265, an increase to property, plant and equipment of $111,196 and an increase in deficit of $8,007,069 as at January 1, 2010 and (ii) a decrease in deferred exploration assets of $1,593,945 and an increase in net loss and comprehensive loss by the same amount as at and for the year ended December 31, 2010. An increase in amortization expense related to the property, plant and equipment of $11,436 was recorded for the year ended December 31, 2010.

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Consolidated Statements of Loss and Comprehensive Loss

	Three Months Ended December 31,		Year Ended December 31,	
	2011 $	2010 $	**2011 $**	2010 $
EXPENSES				
Share-based compensation	**-**	5,280	**1,649,927**	305,910
Management and consulting fees	**132,600**	44,620	**357,733**	163,970
General and administrative	**40,824**	48,978	**223,918**	147,422
Advertising and public relations	**12,668**	24,796	**86,768**	229,671
Professional fees	**39,486**	56,127	**198,301**	159,729
Rent	**15,528**	10,500	**34,241**	41,250
Foreign exchange (gain) loss	**(54,867)**	23,064	**(105,623)**	24,268
Amortization	**7,247**	2,858	**22,099**	11,436
Exploration and evaluation expenditures	**808,339**	340,649	**5,477,891**	1,593,945
Loss before the under-noted	**1,001,825**	556,872	**7,945,255**	2,677,601
Interest income	**(220)**	-	**(15,960)**	-
LOSS FOR THE YEAR BEFORE INCOME TAXES	**1,001,605**	556,872	**7,929,295**	2,677,601
DEFERRED INCOME TAX EXPENSE	**-**	(5,625)	**5,625**	(5,625)
NET LOSS FOR THE YEAR	**1,001,605**	551,247	**7,934,920**	2,671,976
Other comprehensive loss (income)	**54,000**	(9,375)	**138,375**	(39,375)
COMPREHENSIVE LOSS	**1,055,605**	541,872	**8,073,295**	2,632,601
Loss per share – basic and diluted	**0.01**	0.00	**0.04**	0.02
Weighted average number of common shares outstanding	**183,049,958**	122,380,762	**180,883,394**	107,622,193

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Three months ended December 31, 2011
During the three months ended December 31, 2011, the Company had a net loss of $1,001,605 compared to a net loss of $551,247 in 2010. Exploration property expenditures increased by $467,690 from $340,649 in 2010 to $808,339 in 2011 due to increased work programs on the Company's exploration projects, particularly with regards to the Aguila project. Management and consulting fees of $132,600 (2010 - $$44,620) were higher in 2011 due to an increase in management fees effective March 1, 2011, as well as additional fees associated with financial and technical services. Professional fees of $39,486 (2010 - $56,157) were lower in the current period as the prior year expense included costs associated with the amalgamation of Double Jack. Foreign exchange gain of $54,867 (2010 – loss of $23,064) relates to unrealized gains on foreign currencies held.

Other comprehensive loss of $54,000 (2010 – income of $9,375) relates to an unrealized loss on securities held at year-end.

Twelve months ended December 31, 2011
During the year ended December 31, 2011, the Company had a net loss of $7,934,920 compared to a net loss of $2,671,976 in 2010. Exploration property expenditures increased due to increased work programs on the Company's exploration projects, particularly with regards to the Aguila project. Share-based compensation increased due to two option grants in 2011 for a total of 8,510,000 stock options granted (2010 – 2,700,000 stock options). Management and consulting fees were higher in 2011 due to an increase in management fees effective March 1, 2011, as well as additional fees associated with financial and technical services. General and administrative expenses increased compared to the prior period due to higher travel costs associated with trips to Peru, attendance at the Munich and London investor conferences, and costs related to moving to new office premises during the year. Professional fees increased due to audit fees related to the transition to IFRS and legal fees for settling the claim against the Company by a former officer. These costs were partially offset by lower shareholder information and investor relation costs compared to the prior period and a foreign exchange gain on foreign currencies held.

Other comprehensive loss of $138,375 (2010 – gain of $39,375) relates to an unrealized loss on marketable securities held at year-end.

<u>Summary of Quarterly Results</u>

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

Quarters Ended[(1)]	*Revenue $*	*Net loss $*	*Loss per share $*
December 31, 2011	Nil	(1,001,605)	(0.005)
September 30, 2011	Nil	(2,821,932)	(0.015)
June 30, 2011	Nil	(1,866,237)	(0.010)
March 31, 2011	Nil	(2,245,146)	(0.013)
December 31, 2010	Nil	(551,247)	(0.005)
September 30, 2010	Nil	(622,634)	(0.005)
June 30, 2010	Nil	(764,493)	(0.008)
March 31, 2010	Nil	(733,602)	(0.008)

(1) - prepared in accordance with IFRS

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Liquidity

The Company's liquid assets at December 31, 2011 were valued at $1,970,741 (December 31, 2010 - $6,114,375; January 1, 2010 - $779,727), consisting of cash of $1,290,618 (December 31, 2010 - $6,002,801; January 1, 2010 - $772,964), marketable securities of $36,000 (December 31, 2010 - $90,000; January 1, 2010 - Nil) and amounts receivable of $644,123 (December 31, 2010 - $21,574; January 1, 2010 - $6,763). Substantially all of the Company's cash is on deposit with accredited Canadian Chartered Banks. The Company has no exposure to asset-backed commercial paper.

Capital Resources

Future capital requirements will predominately be incurred for the purpose of continued exploration of the Company's Peruvian properties.

At December 31, 2011, the Company had 30,424,445 warrants outstanding exercisable for gross proceeds of $5,824,388.

Management believes that the funds currently on hand are sufficient to continue to meet its obligations. Additional funds as required in the future, will need to be raised successfully on the capital markets, or through strategic relationships.

Off Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Transaction with Related Parties

Related parties include the Board of Directors, 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 a related party of the Company for the years ended December 31, 2011 and 2010 were as follows.

		2011	**2010**
Jeffrey Reeder	CEO & Director	$ 162,000	$ 72,000
Steve Brunelle	Director	50,000	-
Daniel Hamilton	CFO	95,333	54,000
Cary Pothorin	President	145,000	120,000
Carmen Yuen	Treasurer	50,400	37,970
Joe Brunelle	Consultant	45,300	-
Aggregate cash compensation		**$ 548,033**	**$ 283,970**
Jeffrey Reeder	CEO & Director	$ 250,710	$ 32,859
Joseph Del Campo	Director	207,780	38,752
John P. Thompson	Director	164,849	30,428
Steve Brunelle	Director	250,710	26,438
Todd Bruce	Director	164,849	25,665
Daniel Hamilton	CFO	121,918	18,103
Cary Pothorin	President	121,918	19,173
Carmen Yuen	Treasurer	57,353	16,679
Joe Brunelle	Consultant	57,353	-
Share-based compensation		**$ 1,397,440**	**$ 208,097**

The related parties were awarded the following stock options under the employee stock option plan during the year ended December 31, 2011:

	Date of grant	Number of options	Exercise price	Expiry date
Jeffrey Reeder	March 14, 2011	1,000,000	$0.29	March 14, 2016
	June 29, 2011	250,000	$0.215	June 29, 2016
Joseph Del Campo	March 14, 2011	800,000	$0.29	March 14, 2016
	June 29, 2011	250,000	$0.215	June 29, 2016
John P. Thompson	March 14, 2011	600,000	$0.29	March 14, 2016
	June 29, 2011	250,000	$0.215	June 29, 2016
Steve Brunelle	March 14, 2011	1,000,000	$0.29	March 14, 2016
	June 29, 2011	250,000	$0.215	June 29, 2016
Todd Bruce	March 14, 2011	600,000	$0.29	March 14, 2016
	June 29, 2011	250,000	$0.215	June 29, 2016
Daniel Hamilton	March 14, 2011	400,000	$0.29	March 14, 2016
	June 29, 2011	250,000	$0.215	June 29, 2016
Cary Pothorin	March 14, 2011	400,000	$0.29	March 14, 2016
	June 29, 2011	250,000	$0.215	June 29, 2016
Carmen Yuen	March 14, 2011	200,000	$0.29	March 14, 2016
	June 29, 2011	100,000	$0.215	June 29, 2016
Joe Brunelle	March 14, 2011	200,000	$0.29	March 14, 2016
	June 29, 2011	100,000	$0.215	June 29, 2016
		7,150,000		

The directors and key management were awarded the following stock options under the employee stock option plan during the year ended December 31, 2010:

	Date of grant	Number of options	Exercise price	Expiry date
Jeffrey Reeder	July 9, 2010	200,000	$0.15	July 9, 2015
Joseph Del Campo	July 9, 2010	350,000	$0.15	July 9, 2015
John P. Thompson	July 9, 2010	250,000	$0.15	July 9, 2015
Steve Brunelle	July 9, 2010	300,000	$0.15	July 9, 2015
Todd Bruce	May 27, 2010	200,000	$0.11	May 27, 2015
	July 9, 2010	100,000	$0.15	July 9, 2015
Daniel Hamilton	July 9, 2010	150,000	$0.15	July 9, 2015
Cary Pothorin	July 9, 2010	150,000	$0.15	July 9, 2015
Carmen Yuen	July 9, 2010	125,000	$0.15	July 9, 2015
		1,825,000		

Critical Accounting Estimates

The preparation of 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.

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- Capitalization of exploration and evaluation costs
  Management has determined that exploration and evaluation costs incurred during the year 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 estimates
  The figures for mineral reserves and mineral resources are determined in accordance with National Instrument 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 behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

- Contingencies

Changes in Accounting Policies

The significant accounting policies are outlined in the December 31, 2011 consolidated financial statements.

International Financial Reporting Standards

Effective January 1, 2011 Canadian publicly listed entities were required to prepare their financial statements in accordance with IFRS. Due to the requirement to present comparative financial information, the effective transition date is January 1, 2010. The year ended December 31, 2011 is the Company's first year reporting under IFRS.

The Company's IFRS conversion team identified three phases to our conversion: initial diagnostic phase, impact analysis, evaluation and solution development phase and implementation and review phase. Post-implementation will continue in future periods, as outlined below.

The following outlines the Company's transition project, IFRS transitional impacts and the on-going impact of IFRS on the financial results. Note 18 to the financial statements provides more detail on the key Canadian GAAP to IFRS difference, the accounting policy decisions and IFRS 1, First-Time Adoption of International Financial Reporting Standards, optional exemptions for significant or potentially significant areas that have had an impact on the financial statements on transition to IFRS or may have an impact in future periods.

Transitional Financial Impact

The tables below outline:

a) Adjustments to the Corporation's equity on adoption of IFRS on January 1, 2010 and December 31, 2010 for comparative purposes.

b) Adjustments to statement of income for the year ended December 31, 2010.

The following tables should be read in conjunction with the more detailed footnotes in the consolidated financial statement notes as referenced in the tables.

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Reconciliation of consolidated balance sheet:

	Canadian GAAP	Effect of transition to IFRS	IFRS	Canadian GAAP	Effect of transition to IFRS	IFRS
	January 1, 2010			December 31, 2010		
Assets	$	$	$	$	$	$
Currents assets						
Cash and cash equivalents	772,964	-	772,964	6,002,801	-	6,002,801
Marketable securities	-	-	-	90,000	-	90,000
Prepaid expenses and advances	49,378	-	49,378	12,094	-	12,094
Amounts receivable	6,763	-	6,763	21,574	-	21,574
	829,105	-	829,105	6,126,469	-	6,126,469
Property, plant and equipment	-	111,196	111,196	-	99,760	99,760
Exploration and evaluation assets	8,118,265	(8,118,265)	-	11,458,363	(9,712,210)	1,746,153
Total assets	8,947,370	(8,007,069)	940,301	17,584,832	(9,612,450)	7,972,382
Liabilities and Shareholders' Equity						
Current liabilities						
Accounts payable and accrued liabilities	117,672	-	117,672	222,925	-	222,925
Deferred tax liability	-	-	-	421,300	-	421,300
Total liabilities	117,672	-	117,672	644,225	-	644,225
Shareholders' Equity						
Capital stock	35,592,626	-	35,592,626	43,365,227	-	43,365,227
Warrant reserves	664,101	-	664,101	1,465,046	-	1,465,046
Share-based payment reserves	3,752,639	(2,804,093)	948,546	4,412,312	(3,640,336)	771,976
Accumulated other comprehensive Income	-	-	-	39,375	-	39,375
Deficit	(31,179,668)	(5,202,976)	(36,382,644)	(32,341,353)	(5,972,114)	(38,313,467)
Total equity	8,829,698	(8,007,069)	822,629	16,940,607	(9,612,450)	7,328,157
Total liabilities and equity	8,947,370	(8,007,069)	940,301	17,584,832	(9,612,450)	7,972,382

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Reconciliation of loss and comprehensive loss for the year ended December 31, 2010:

	Year ended December 31, 2010		
	Canadian GAAP	**Effect of Transition to IFRS**	**IFRS**
	$	$	$
Expenses			
Share-based payments	401,000	(95,090)	305,910
Management, director and consulting fees	163,970	-	163,970
General and administrative	147,422	-	147,422
Advertising and investor relations	229,671	-	229,671
Professional fees	159,729	-	159,729
Rent	41,250	-	41,250
Foreign exchange	24,268	-	24,268
Amortization	-	11,436	11,436
Exploration and evaluation expenditures	-	1,593,945	1,593,945
	1,167,310	1,510,291	2,677,601
Loss before taxes	(1,167,310)	(1,510,291)	(2,677,601)
Recovery of deferred income tax	5,625	-	5,625
Net loss for the year	(1,161,685)	(1,510,291)	(2,671,976)
Other comprehensive income	39,375	-	39,375
Comprehensive loss for the year	(1,122,310)	(1,510,291)	(2,632,601)
Loss per share:			
Basic and diluted loss per share	(0.01)		(0.02)
Weighted average number of common shares outstanding	107,622,193		107,622,193

Business Activities and Key Performance Measures
The Company has assessed the impact of the IFRS transition project on key ratios. The transition did not significantly impact key ratios.

Information Technology and Systems
The IFRS transition project did not have a significant impact on our information systems for the convergence periods. The Company does not expect significant changes in the post-convergence periods.

Post-Implementation
The post-implementation phase will involve continuous monitoring of changes in IFRS in future periods. The Company notes that the standard-setting bodies that determine IFRS have significant ongoing projects that could impact the IFRS accounting policies that have been selected. In particular, there may be additional new or revised IFRSs or IFRICs in relation to consolidation, joint ventures, financial instruments, hedge accounting, discontinued operations, leases, employee benefits, revenue recognition and stripping costs in the production phase of a surface mine. The International Accounting Standards Board is currently working on an extractive industries project, which could significantly impact the Company's financial statements. The Company has processes in place to ensure that potential changes are monitored and evaluated. The impact of any new IFRS and IFRIC interpretations will be evaluated as they are drafted and published.

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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 and cash equivalents include cash on hand and balances with banks and short-term deposits with original maturities of three months or less. The deposits are held in a Canadian chartered bank or a financial institution controlled by a Canadian chartered bank.

As of December 31, 2011, the Company had a cash balance of $1,290,618 (December 31, 2010 - $6,002,801; January 1, 2010 - $772,964) to settle current accounts payable and accrued liabilities of $232,996 (December 31, 2010 - $222,925; January 1, 2010 - $117,672). The Company's other current assets consist of marketable securities of $36,000 (December 31, 2010 - $90,000; January 1, 2010 - Nil), amounts receivable of $644,123 (December 31, 2010 - $21,574; January 1, 2010 - $6,763) and prepaid expenses and advances of $60,906 (December 31, 2010 - $12,094; January 1, 2010 - $49,378).

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. Revenue, cash flow, and profits from any future mining operations 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 which would affect comprehensive income (loss) by approximately $1,800 based on the fair value of marketable securities held at December 31, 2011.

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, 2011, the Company had cash balances of $776,139 (US$762,798) (December 31, 2010 - $1,107,273 (US$1,113,284)) in U.S. dollars and accounts payable of $98,186 (S/.260,993) (December 31, 2010 – $56,151 (S/.160,171)) in Peruvian Nuevo Soles.

Sensitivity to a plus or minus 5% change in the foreign exchange rate would have affected the net loss by approximately $33,898 in the year ended December 31, 2011.

The Company does not undertake currency hedging activities to mitigate its foreign currency risk.

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 year ended December 31, 2011.

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:

	Carrying amount	Fair Value	Carrying amount	Fair Value	Carrying amount	Fair Value
	As at December 31, 2011		As at December 31, 2010		As at January 1, 2010	
	$	$	$	$	$	$
Cash and cash equivalents	1,290,618	1,290,618	6,002,801	6,002,801	772,964	772,964
Marketable securities	36,000	36,000	90,000	90,000	-	-
Amounts receivable	644,123	644,123	21,574	21,574	6,763	6,763
Accounts payable and accrued liabilities	(232,996)	(232,996)	(222,925)	(222,925)	(117,672)	(117,672)

Other MD&A Requirements

Capital Stock

a) Authorized share capital as at December 31, 2011:
Unlimited common shares without par value
100,000,000 preferred shares without par value

b) Securities issued and options granted:

Securities issued during the year ended December 31, 2011:	15,851,000
Options granted during the year ended December 31, 2011:	8,510,000

c) Common shares issued and outstanding at April 25, 2012:

	Shares #
Balance, December 31, 2011	183,049,958
Issued subsequent to December 31, 2011	1,670,000
	184,719,958
Potential issuance of common shares:	
Stock options	13,485,000
Warrants	30,424,445
Fully diluted	228,629,403

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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 29, 2011. The SRP was subsequently approved by the TSX Venture Exchange, and is effective June 29, 2011.

Risks and Uncertainties

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. Revenues, profitability and cash flow from any future mining operations 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 projects 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, with the possible dilution or loss of such interests.

Commitments

In February 2011, the Company signed a lease agreement for a new office space commencing June 1, 2011. The term of the lease is for a period of five years, expiring on May 31, 2016. The annual lease payments are approximately $135,000.

Appointments

On April 19, 2012, Mr. Oscar Francisco Pezo Camacho was appointed to the Board of Directors. Mr. Pezo is a Peruvian National and is well known in the Peruvian mining and financial communities.

Subsequent Events

Minasnioc Gold Property

Subsequent to December 31, 2011, the Company acquired from Barrick Gold Corp. ("Barrick") the historical geological and drill data on the Company's wholly owned Minasnioc Gold Property. Furthermore, the Company acquired three additional concessions (Azura Azul 6, 7 and 8) from Barrick totaling an additional 2,000 hectares. The Company issued 1,000,000 common shares to Barrick as consideration paid for the data acquired and transfer of concessions. These concessions are subject to a 2% Net Smelter Return. The existing concession held by the Company is not subject to any royalty.

Management contracts

Subsequent to December 31, 2011, the Company entered into certain management and consulting contracts. Minimum commitments under the agreements are approximately $405,000, all payable during 2012. These contracts also require that additional payments of up to $720,000 be made upon the occurrence of certain events such as a change of control.

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