DURAN VENTURES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTH PERIODS ENDED

JUNE 30, 2017

(Unaudited)

(Expressed in Canadian dollars)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

DURAN VENTURES INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

JUNE 30, 2017

(Unaudited)

(Expressed in Canadian dollars)

CONDENSED CONSOLIDATED INTERIM BALANCE SHEETS
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	June 30, 2017 $	December 31, 2016 $
ASSETS		
CURRENT		
Cash	**25,843**	43,003
Marketable securities (Note 6)	**120,000**	-
Prepaid expenses and advances	**29,579**	57,503
Amounts receivable	**59,789**	84,100
Inventory	**44,611**	145,681
TOTAL CURRENT ASSETS	**279,822**	330,287
PROPERTY, PLANT AND EQUIPMENT (Note 7)	**1,976,036**	1,966,949
EXPLORATION AND EVALUATION ASSETS (Notes 8 and 13)	**582,051**	803,051
TOTAL ASSETS	**2,837,909**	3,100,287
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	**970,332**	593,958
Promissory notes and interest payable (Notes 9 and 17)	**186,555**	-
TOTAL LIABILITIES	**1,156,887**	593,958
SHAREHOLDERS' EQUITY		
CAPITAL STOCK (Note 10)	**50,524,965**	50,402,306
WARRANT RESERVE	**498,713**	504,459
SHARE-BASED PAYMENT RESERVE (Note 11)	**35,759**	318,816
ACCUMULATED OTHER COMPREHENSIVE LOSS	**(10,000)**	-
DEFICIT	**(49,330,827)**	(48,749,621)
TOTAL SHAREHOLDERS' EQUITY	**1,718,610**	2,475,960
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTEREST	**(37,588)**	30,369
TOTAL SHAREHOLDERS' EQUITY	**1,681,022**	2,506,329
TOTAL LIABILITES AND SHAREHOLDERS' EQUITY	**2,837,909**	3,100,287

GOING CONCERN (Note 2)

COMMITMENTS AND CONTINGENCIES (Note 18)

SUBSEQUENT EVENTS (Note 19)

APPROVED ON BEHALF OF THE BOARD:

Signed "Steven Brunelle" , Director

Signed "Jeffrey Reeder" , Director

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Three-Months Ended June 30 $		Six-Months Ended June 30 $	
	2017	2016	**2017**	2016
EXPENSES				
Plant start-up expenses (Note 15)	**292,315**	177,745	**453,639**	442,682
Exploration and evaluation expenditures (Note 13)	**117,770**	124,523	**185,056**	267,751
Revaluation of exploration assets (Note 8)	**(9,500)**	-	**(9,000)**	-
General and administration (Note 16)	**185,702**	266,148	**298,637**	472,491
Loss before the following:	**586,287**	568,416	**928,332**	1,182,924
Foreign exchange loss	**193,392**	267,882	**62,593**	409,792
Interest expense	**3,722**	-	**7,295**	-
NET LOSS FOR THE PERIOD	**783,401**	836,298	**998,220**	1,592,716
Other comprehensive loss	**-**	5,189	**10,000**	20,189
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	**783,401**	841,487	**1,008,220**	1,612,905
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO:				
Non-controlling interest	**18,446**	-	**67,957**	-
Common shareholders	**764,955**	1,012,301	**940,263**	1,612,905
	783,401	1,012,301	**1,008,220**	1,612,905
Loss per share – basic and diluted	**0.017**	0.025	**0.022**	0.048
Weighted average number of common shares outstanding	**46,339,211**	33,521,410	**46,131,989**	33,521,410

See accompanying notes to the unaudited condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF ACCUMULATED OTHER COMPREHENSIVE LOSS ("AOCI")
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Three-Months Ended June 30 $		Six-Months Ended June 30 $	
	2017	2016	**2017**	2016
Accumulated other comprehensive loss at beginning of period	**-**	152,000	**-**	137,000
Unrealized loss on marketable securities	**-**	5,189	**10,000**	20,189
Accumulated other comprehensive loss at end of period	**-**	157,189	**10,000**	157,189

See accompanying notes to the unaudited condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Common Shares	Warrants						
	Amount $	Reserve Amount $	Share-based Payment Reserve $	Accumulated Other Comp. Income $	Deficit $	Total $	Non-Controlling Interest $	Total Shareholders' Equity $
Balance, December 31, 2015	49,830,521	-	1,390,079	(137,000)	(47,397,168)	3,686,432	-	3,686,432
Value of warrants and options expired	-	-	(1,071,263)	-	1,071,263	-	-	-
Unrealized loss on marketable securities	-	-	-	(20,189)	20,189	-	-	-
Net loss	-	-	-	-	(1,592,716)	(1,592,716)	-	(1,592,716)
Balance, June 30, 2016	49,830,521	-	318,816	(157,189)	(47,898,432)	2,093,716	-	2,093,716
Issued for cash	571,785	503,894	-	-	-	1,075,679	-	1,075,679
Issued for finder's fee	-	565	-	-	-	565	-	565
Unrealized gain on marketable securities	-	-	-	7,883	(7,883)	-	-	-
Reclassification of loss on marketable securities	-	-	-	149,306	-	149,306	-	149,306
Issuance of non-controlling interest	-	-	-	-	-	-	59,950	59,950
Net loss	-	-	-	-	(843,306)	(843,306)	(29,581)	(872,887)
Balance, December 31, 2016	50,402,306	504,459	318,816	-	(48,749,621)	2,475,960	30,369	2,506,329
Shares issued for cash – exercise of warrants	26,596	(5,746)	-	-	-	20,850	-	20,850
Shares issued for debt settlement	96,063	-	-	-	-	96,063	-	96,063
Share based payments	-	-	66,000	-	-	66,000	-	66,000
Value of options expired	-	-	(349,057)	-	349,057	-	-	-
Unrealized loss on marketable securities	-	-	-	(10,000)	10,000	-	-	-
Net loss	-	-	-	-	(940,263)	(940,263)	(67,957)	(1,008,220)
Balance, June 30, 2017	50,524,965	498,713	35,759	(10,000)	(49,330,827)	1,718,610	(37,588)	1,681,022

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Six-Months Ended June 30 $ **2017**	2016
CASH FLOWS PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss for the period	**(998,220)**	(1,592,716)
Add items not requiring cash:		
Share based payments	**66,000**	-
Interest payable on promissory notes	**6,555**	-
Write-up of exploration and evaluation asset	**(9,000)**	-
Amortization	**316**	316
Change in non-cash operating working capital:		
Decrease in prepaids and advances	**27,924**	279,292
Decrease (Increase) in amounts receivable	**24,311**	(220,238)
Decrease (Increase) in inventory	**101,070**	(101,913)
Increase in accounts payable and accrued liabilities	**472,437**	163,181
Cash flows used in operating activities	**(308,607)**	(1,472,078)
INVESTING ACTIVITIES		
Proceeds on sale of exploration and evaluation asset	**100,000**	-
Additions to property, plant and equipment	**(67,302)**	(828,181)
Proceeds from plant commissioning revenue	**57,899**	
Cash flows to investing activities	**90,597**	(828,181)
FINANCING ACTIVITIES		
Promissory notes received	**225,000**	-
Repayment of promissory note	**(45,000)**	-
Share issued for cash – exercise of warrants	**20,850**	-
	200,850	-
Decrease in cash	**(17,160)**	(2,300,259)
Cash, beginning of period	**43,003**	2,497,888
Cash, end of period	**25,843**	197,629
Supplemental Information		
Common shares issued for debt	**96,063**	
Marketable securities received for sale of asset	**130,000**	

See accompanying notes to the unaudited condensed consolidated interim financial statements.

1. GENERAL INFORMATION

Duran Ventures Inc. ("Duran" or "the Company") is a publicly listed company originally incorporated in British Columbia and subsequently continued to Ontario under the Canada Business Corporations Act. The Company's common shares have been listed on the TSX Venture Exchange ("TSXVE") since July 4, 2007, and on the Risk Capital Segment of the Lima Stock Exchange (Segmento de Capital de Riesgo de la Bolsa de Valores de Lima) in Peru, since September 21, 2012, and trade under the symbol "DRV" on both Exchanges. The Company, directly and with exploration partners, is engaged in the exploration of mineral properties in Peru. The Company's principal office is located at 40 University Avenue, Suite 603, Toronto, Ontario, Canada M5J 1T1 and substantially all of the Company's administrative expenses are incurred in Canada.

2. GOING CONCERN

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

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing registration or regulations, unregistered prior agreements, unregistered claims, aboriginal claims and non-compliance with regulatory, social and environmental requirements.

These unaudited condensed consolidated interim financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. The Company also had a loss during the six month period ended June 30, 2017 and a cumulative deficit as at June 30, 2017. Management is aware, in making its assessment, of material uncertainties related to events or conditions that cast significant doubt upon the Company's ability to continues as a going concern. The Company's continuance as a going concern is dependent upon its ability to obtain adequate financing or to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operation.

3. BASIS OF CONSOLIDATION

These unaudited condensed consolidated interim financial statements include the accounts of the Company, which is incorporated in Canada under the Canada Business Corporations Act, and its wholly owned subsidiaries, Corongo Exploraciones SAC ("Corongo"), Empresa Querco SAC ("Querco"), Mamaniña Exploraciones SAC ("Mamaniña Exploraciones") and Hatum Minas SAC ("Hatum Minas"), and it's 80% owned subsidiary companies Minera Aguila de Oro SAC ("Madosac") and Insumos Y Minerales del Notre SRL ("Insumos"), all of which were incorporated in Peru. Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. All inter-

3. BASIS OF CONSOLIDATION (continued)

company balances and transactions have been eliminated. The unaudited condensed consolidated interim financial statements include assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

For non-wholly owned, controlled subsidiaries, the net assets attributable to outside equity shareholders are presented as "non-controlling interests" in the equity section of the unaudited condensed consolidated statement of financial position.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

These unaudited condensed consolidated interim financial statements of the Company and its subsidiaries were prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34"). They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company's 2016 annual financial statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The accounting policies and the application are consistent with those disclosed in Note 4 to the Company's consolidated financial statements for the year ended December 31, 2016.

The policies applied in these unaudited condensed consolidated interim financial statements are based on the IFRS issued and effective as of June 30, 2017. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending December 31, 2016 could result in restatement of these interim consolidated financial statements. These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on August 28, 2017.

(b) Basis of preparation

The unaudited condensed consolidated interim financial statements are presented in Canadian dollars. The financial statements are prepared on the historical cost basis except for marketable securities and derivative instruments, which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

(c) Standards, Amendments and Interpretations Not Yet Effective

Certain pronouncements were issued by the IASB or the IRFS Interpretations Committee that are not mandatory for accounting periods beginning on or after January 1, 2018 or later periods. They have not been early adopted in these interim financial statements, and they are expected to affect the Company in the period of initial application. In all cases the Company intends to apply these standards from application date as indicated below:

- IFRS 2 Share-based Payment

  IFRS 2 – Share-based Payment ("IFRS 2") was amended by the IASB in June 2016 to clarify the accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled. The amendments are effective for annual periods beginning on or after January 1, 2019, with earlier application permitted.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(c) Standards, Amendments and Interpretations Not Yet Effective (continued)

- IFRS 9 Financial Instruments

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 IAS39. 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 IAS39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS9, 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 IAS39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

- IFRS 16 Leases

IFRS 16 – Leases ("IFRS 16") was issued in January 2016 and replaces IAS17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS16 states that upon lease commencement a lessee recognizes a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted it IFRS 15 has also been applied.

- IFRIC 22 Foreign Currency Transactions and Advance Consideration

IFRIC 22 – foreign Currency Transactions and Advance Consideration ("IFRIC 22") was issued in December 2016 and addresses foreign currency transactions or parts of transactions where there is consideration that is denominated in a foreign currency; a prepaid asset or deferred income liability is recognized in respect of that consideration, in advance of the recognition of the related asset, expense or income; and the prepaid asset or deferred income liability is non-monetary. The interpretation committee concluded that the date of the transaction, for purposes of determining the exchange rate, is the date of initial recognition of the non-monetary prepaid asset or deferred income liability. IFRIC 22 is effective for annual periods beginning on or after January 1, 2018.

- IFRS 15 Revenue From Contracts with Customers

IFRS 15 - Revenue From Contracts With Customers ("IFRS 15") proposes to replace IAS 18 - Revenue, IAS 11 - Construction contracts, and some revenue-related interpretations. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue

(Expressed in Canadian dollars)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(c) Standards, Amendments and Interpretations Not Yet Effective (continued)

recognized. IFRS 15 is effective for annual periods beginning on or after January 1, 2018. Earlier adoption is permitted.

There are no other IFRS's or IFRIC Interpretations that are not yet effective that would be expected to have a material impact on the Company.

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

Areas of critical accounting estimates and judgements that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements are disclosed in Note 5 of the Company's consolidated financial statements as at and for the year ended December 31, 2016.

6. MARKETABLE SECURITIES

The Company's marketable securities consist of 1,000,000 common shares (December 31, 2016 – Nil common shares) of Tartisan Resources Corp. ("Tartisan"). The fair value of the listed available for sale investment has been determined directly by reference to published price quotations in an active market.

7. PROPERTY, PLANT AND EQUIPMENT

Cost	Office furniture and equipment	Computer equipment	Field equipment	Plant	Total
	$	$	$	$	$
Balance at December 31, 2016	29,582	28,591	15,148	1,959,697	2,033,018
Additions	-	-	-	67,302	67,302
Plant commissioning revenue	-	-	-	(57,899)	(57,899)
Balance at June 30, 2017	29,582	28,591	15,148	1,969,100	2,042,421

Amortization and impairment	Office furniture and equipment	Computer equipment	Field equipment	Plant	Total
	$	$	$	$	$
Balance at December 31, 2016	29,582	27,621	8,866	-	66,069
Additions	-	162	154	-	316
Balance at June 30, 2017	29,582	27,783	9,020	-	66,385

Carrying amounts	Office furniture and equipment	Computer equipment	Field equipment	Plant	Total
	$	$	$	$	$
At December 31, 2016	-	970	6,282	1,959,697	1,966,949
At June 30, 2017	-	808	6,128	1,969,100	1,976,036

As at June 30, 2017, the plant is in commissioning phase and has not achieved commercial production. Therefore no amortization has been taken on this asset.

The net book value of the Company's property, plant and equipment at June 30, 2017 by geographic location is as follows: Canada - Nil (2016 - Nil), and Peru $2,033,935 (2016 - $1,966,949).

(Expressed in Canadian dollars)

8. EXPLORATION AND EVALUATION ASSETS

	December 31, 2015 $	Impairment reversal $	December 31, 2016 $	Impairment reversal $	Sale of Assets $	June 30, 2017 $
Peru						
Hatum Minas Properties	582,051	221,000	803,051	9,000	(230,000)	582,051
Total Exploration Properties	582,051	221,000	803,051	9,000	(230,000)	582,051

Hatum Minas Properties
As at June 30, 2017 the Hatum Minas Properties include the Panteria porphyry copper project. Title to the Hatum Minas Properties is held by the Company's wholly-owned Peruvian subsidiary, Hatum Minas.

On March 23, 2017 the Company sold the Don Pancho property to Tartisan for cash consideration of $50,000 and 500,000 shares of Tartisan valued at $60,000 as at the date received, based on the quoted market price of the shares. Duran will also receive an additional 500,000 shares of Tartisan as certain project milestones are achieved by Tartisan, and will retain a 2% Net Smelter Royalty ("NSR") in the Don Pancho Project of which half (1%) can be purchased by Tartisan for US$500,000.

On April 12, 2017 the Company sold the Ichuña property to Tartisan for cash consideration of $50,000 and 500,000 shares of Tartisan valued $70,000 as at the date received, based on the quoted market price of the shares. Duran will also receive an additional 500,000 shares of Tartisan as certain project milestones are achieved by Tartisan, and will retain a 2% NSR in the Ichuña project of which half (1%) can be purchased by Tartisan for US$500,000.

See Exploration and Evaluation Expenditures (Note 13).

9. PROMISSORY NOTES AND INTEREST PAYABLE

During the six months ended June 30, 2017, the Company issued promissory notes of $225,000 of which $45,000 was repaid in May as a part of a shares for debt settlement (See Note 10(a)(iii)). As at June 30, 2017, the Company had promissory notes payable outstanding of $180,000 (December 31, 2016 - Nil). The promissory notes are due on demand and bear interest at an annual rate of 18%. As at June 30, 2017, there was interest payable balance of $6,555 (December 31, 2016 - $ Nil). (See Note 17)

10. CAPITAL STOCK AND OTHER EQUITY

a) Authorized, Issued and Outstanding shares

Authorized - unlimited number of common shares with no par value,
- 100,000,000 preferred shares with no par value

A summary of common shares outstanding as at June 30, 2017 and December 31, 2016 and changes during the periods then ended are presented below:

	Shares #	*Amount* $
Balance, December 31, 2015	33,521,409	49,830,521
Issued in private placement (i)	12,326,921	1,109,423
Value assigned to warrants issued in private placement, net of costs (i)	-	(504,459)
Share issue costs (i)	-	(33,179)
Balance, December 31, 2016	45,848,330	50,402,306
Exercise of warrants (ii)	139,000	20,850
Allocation from warrant reserve	-	5,746
Issued for settlement of debt (iii)	1,067,368	96,063
Balance, June 30, 2017	47,054,698	50,524,965

(Expressed in Canadian dollars)

10. CAPITAL STOCK AND OTHER EQUITY

a) Authorized, Issued and Outstanding shares (continued)

(i) During the year ended December 31, 2016, the Company completed a non-brokered private placement financing (the "Offering"). In total the Offering consisted of 12,326,921 Units for aggregate gross proceeds to the Company of $1,109,423. Each Unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share at an exercise price of $0.15 for a period of two years from the closing of each tranche of the Offering. The Company paid total finder's fees of $32,614 and issued 12,000 broker warrants (valued at $565) which entitles the holder to purchase 12,000 common shares at an exercise price of $0.09 until July 25, 2018.

(ii) In February 2017, there were 139,000 warrants exercised at $0.15 per share for gross proceeds of $20,850.

(iii) On May 30, 2017, the Company issued 1,067,368 common shares on settlement of debt amounting to $96,063. A total of 63,888 of the foregoing common shares were issued to an officer of the Company for an aggregate settlement of $56,870. All shares issued as settlement for debt have a four month hold period.

b) Share Purchase Warrants

A summary of warrants outstanding as at June 30, 2017 and December 31, 2016 and changes during the periods then ended are presented below:

	Warrants #	Amount $	Weighted average exercise price $
Balance, December 31, 2015	-	-	
Issued in private placement (i)	12,326,921	512,542	0.15
Broker warrants (i)	12,000	565	0.09
Issue cost	-	(8,648)	
Balance, December 31, 2016	12,338,921	504,450	0.15
Exercised	(139,000)	(5,746)	0.15
Balance, June 30, 2017	12,199,921	498,713	

(i) As a result of the Offering the Company issued 12,326,921 common share purchase warrants (valued at $512,542) with an exercise price of $0.15. In addition the Company issued 12,000 broker warrants (valued at $565) which entitle the holder to purchase 12,000 common shares at an exercise price of $0.09 until July 25, 2018. The fair value of the common share purchase warrants and the broker warrants issued in the private placement was estimated at the date of grant using the Black-Sholes pricing model with the following assumptions: expected dividend yield 0%, expected volatility 252%, risk free interest rate of 0.99% and an expected life of two years.

The following warrants are outstanding as at June 30, 2017:

Expiry date	Number of warrants outstanding	Exercise price $	Weighted average remaining contractual life (years)
July 25, 2018	12,000	0.09	1.07
July 25, 2018	6,579,421	0.15	1.07
August 12, 2018	1,180,000	0.15	1.12
September 30, 2018	2,825,000	0.15	1.25
October 7, 2018	1,603,500	0.15	1.27
	12,199,921		1.14

(Expressed in Canadian dollars)

11. SHARE-BASED PAYMENTS – EMPLOYEE SHARE OPTION PLAN

The Company has adopted a share option plan (the "Plan") for its directors, officers, employees and consultants to acquire common shares of the Company at a price determined by the fair market value of the shares at the date immediately preceding the date on which the option is granted. The terms and conditions of the options are determined by the Board of Directors.

The aggregate number of share options shall not exceed 10% of the issued and outstanding common shares of the Company, and if any option granted under the plan expires or terminates for any reason in accordance with the terms of the plan without being exercised, that option shall again be available for the purpose of the plan. In addition, the exercise price of options granted under the plan shall not be lower than the exercise price permitted by the TSX Venture Exchange, and all options granted under the plan will have a term not to exceed five years after issuance.

A summary of the status of the Plan as at June 30, 2017 and December 31, 2016, and changes during the periods ended on those dates are presented below:

	Number of options #	Weighted average exercise price $
Balance, December 31, 2015	1,407,143	1.33
Expired	(778,573)	1.90
Balance, December 31, 2016	628,570	0.87
Issued	1,100,000	0.10
Expired	(549,999)	(0.90)
Balance, June 30, 2017	1,178,571	0.14

As at June 30, 2017, the Company had outstanding share options issued to directors, officers and employees of the Company as follows:

Date of Grant	Options Outstanding #	Options Vested #	Exercise Price $	Expiry Date
August 20, 2012	28,571	28,571	0.70	August 20, 2017
February 19, 2013	50,000	50,000	0.70	February 18, 2018
April 27, 2017	1,000,000	1,000,000	0.10	April 27, 2022
June 28, 2017	100,000	100,000	0.10	June 28, 2022
	1,178,571	1,178,571		

The weighted average remaining contractual life of options issued and outstanding as at June 30, 2017 was 4.55 years. (December 31, 2016 was 0.46 years).

The grant date fair value of the options granted was estimated using the Black-Sholes option pricing model, using the following weighted average assumptions:

	2017	2016
Risk-free interest rate	1%	-
Expected life (years)	5.0	-
Expected volatility	199%	-
Expected rate of forfeiture	nil	-
Expected dividend yield	nil	-

(Expressed in Canadian dollars)

12. INVESTMENT IN INSUMOS

On September 14, 2015, the Company and its wholly-owned subsidiary, Madosac, entered into an agreement with a private Peruvian company, Insumos, to establish a mineral processing plant in northern Peru. Under the terms of the agreement Duran was required to invest US$1.5million and establish a line of credit of US$250,000 for the purpose of general working capital for the start-up. Insumos holds the concessions on which the plant was built. The Company had the necessary permits in place to construct the mineral processing plant.

On November 7, 2016, the Company and Insumos finalized the transaction and 20% of the outstanding shares of Madosac were transferred to the majority shareholder of Insumos in exchange for 80% of the outstanding shares of Insumos. As the Company received 80% of the outstanding shares of Insumos, the Company consolidated Insumos for the period of November 7, 2016 to December 31, 2016 in its consolidated financial statements as at and for the year ended December 31, 2016. The transaction has been accounted for as an asset acquisition.

The assets acquired and liabilities of Insumos were recorded at their estimated fair market values as follows:

Purchase Price Consideration Paid		
Estimated fair value of Madosac shares issued	$	48,049
Net Assets Acquired		
Cash	$	4,415
Amounts receivable		2,382
Inventory		17,108
Mining concessions		127,535
Accounts payable and accruals		(91,379)
Non-controlling interest		(12,012)
	$	48,409

13. EXPLORATION AND EVALUATION EXPENDITURES

During the three months ended June 30, 2017, the Company had net exploration and evaluation expenditures of $117,770 (three months ended June 30, 2016 - $124,523). During the six months ended June 30, 2017, the Company incurred exploration and evaluation expenditures of $185,056 (June 30, 2016 - $267,751).

Mamaniña Project
The Company holds a 100% interest in the Mamaniña copper/gold project located in north central Peru. Title to the concessions comprising this project is held by Mamaniña.

Panteria Project
The Company holds a 100% interest in the Panteria phorphyry copper project located in south central Peru. Title to the concessions comprising this project is held by Hatum Minas.

On March 14, 2016 the Company entered into an option agreement (the “Agreement”) on its Panteria project with Minera Antares Peru SAC – a wholly owned subsidiary of First Quantum Minerals Ltd. (collectively “FQM”).

Under the terms of the Agreement, FQM can conduct due diligence studies for up to 18 months before proceeding to earn up to 80% of the Project by delineation of a resource greater than 1 million tonnes of copper equivalent and making a series of staged payments over 5 years. If FQM proceed to a decision to mine they have the option to buy the remaining 20% equity from Duran for US $0.02 per lb of copper equivalent based on 20% of delineated reserves. Duran will retain a 0.5% Net Smelter Royalty (“NSR”).

(Expressed in Canadian dollars)

13. EXPLORATION AND EVALUATION EXPENDITURES (continued)

The Agreement outlines an exploration and development schedule divided into 3 states:

Stage 1: Duran will assign all exploration rights to FQM and FQM will contract Duran's community relations team in order to obtain community approval as a pre-requisite for the environmental permit (DIA). FQM will have the rights to carry out due diligence studies over a period of 18 months subsequent to receiving the aforementioned community approval.

Stage 2: FQM may earn an 80% interest in the Project by defining a mineral resource, and reporting the resource in compliance with National Instrument 43-101, in excess of 1 million tonnes of copper equivalent within 5 years and making a series of escalating payments with a maximum cumulative total of US $500,000 (First Option).

Stage 3: FQM will be granted a Second Option to purchase Duran's remaining 20% interest by carrying out additional technical/feasibility studies and declaring a "decision to mine". The purchase amount will be calculated by applying a value of US$0.02 per pound of copper equivalent to 20% of reserves. Duran will also be paid a NSR of 0.5% on all metal production from any subsequent mining operation (capped annually at US$15 million) except in the case where FQM elects not to exercise the Second Option and Duran contributes its proportion of project development and construction costs. Duran's 20% interest will be free-carried through to a decision to mine.

Minasnioc Project
The Minasnioc Gold Project concession is located in the Department of Huancavelica, approximately 300 kilometres southeast of Lima. Title to the Minasnioc Gold Project property is held by Querco. In December 2015 the Company entered into an agreement with a private Peruvian mining company (the "Optionee") whereby the Optionee can earn a 100% interest in the Minasnioc Project by paying Duran US$750,000 ($1,038,000) (US$50,000 received ($69,200)) by December 2017, subject to the Optionee receiving approval from the local Minasnioc community. The Company will also be entitled to a 1.0% NSR on all concessions except for certain concessions acquired from Barrick Gold Corp. in April 2012.

Huachocolpa Properties
The Company holds a 100% interest in the Huachocolpa Properties, which consist of 82 contiguous and non-contiguous mining concessions in the Department of Huancavelica, approximately 260 kilometres southeast of Lima. Title to the Huachocolpa Properties is held by Corongo.

14. LOSS PER SHARE

a) Basic
Basic loss per share is calculated by dividing the comprehensive loss by the weighted average number of common shares in issue during the period.

	Three-Months Ended June 30,		Six-Months Ended June 30,	
	2017	2016	**2017**	2016
Comprehensive loss for the period	**783,401**	841,487	**1,008,220**	1,612,906
Weighted average number of common shares outstanding	**46,339,211**	33,521,410	**46,131,989**	33,521,410
Loss per share	**0.017**	0.025	**0.022**	0.048

b) Diluted
Diluted loss per common share is equal to the basic loss per common share as the stock options and warrants outstanding for the three and six month periods are anti-dilutive.

(Expressed in Canadian dollars)

15. PLANT START-UP EXPENSES

	Three-months ended June 30,		Six-months ended June 30,	
	2017	2016	**2017**	2016
	$	$	**$**	$
Commissioning phase revenue	**60,844**	-	**-**	-
Salaries and management fees	**148,468**	124,467	**331, 427**	298,372
Geological and laboratory	**13,625**	29,017	**19,192**	58,698
Office and general	**63,830**	-	**86,540**	20,408
Consultants	**-**	-	**-**	29,950
Rent and utilities	**4,537**	9,328	**14,186**	18,444
Professional fees	**1,011**	14,933	**2,294**	16,810
	292,315	177,745	**453,639**	442,682

16. GENERAL AND ADMINISTRATIVE

	Three-Months Ended June 30 $		Six-Months Ended June 30 $	
	2017	2016	**2017**	2016
Shareholder relations and filing fees	**32,444**	20,812	**71,960**	57,004
Management and consulting fees	**33,000**	145,625	**66,000**	221,250
Share based payments	**66,000**	-	**66,000**	-
Accounting and administration	**18,620**	20,111	**32,487**	44,309
Professional fees	**14,023**	36,447	**26,842**	68,140
Travel	**8,648**	9,160	**13,874**	17,666
Rent	**5,100**	13,494	**10,200**	26,315
Insurance	**6,735**	9,008	**9,570**	18,137
Telephone and communication	**974**	1,333	**1,388**	2,354
Amortization	**158**	158	**316**	316
Director fees	**-**	10,000	**-**	17,000
	185,702	266,148	**298,637**	472,491

17. RELATED PARTY TRANSACTIONS

Related parties include officers of the Company, 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 directors of the Company for the six months ended June 30, 2017 and 2016 was as follows:

	Three Months ended June 30		Six Months ended June 30	
	$	$	$	$
	2017	2016	2017	2016
Aggregate cash compensation	74,255	212,185	159,126	354,246
Director's fees	-	10,000	-	17,000
	74,255	222,185	159,126	371,246

As at June 30, 2017, a balance of $286,843 (December 2016 - $139,394) in unpaid compensation and $80,000 (December 2016 - $30,000) in advances was due to certain officers and directors of the Company. These amounts are unsecured, non-interest bearing with no fixed terms of repayment.

17. RELATED PARTY TRANSACTIONS (continued)

During the six months ended June 30, 2017 the Company issued promissory notes totaling $125,000 to certain officers and directors of the Company (June 30, 2016 - Nil) and incurred interest of $7,295 (June 30, 2016 - Nil). A total of $45,000 in promissory notes was repaid as part of the shares for debt settlement. As at June 30, 2017, the promissory notes balance and interest outstanding for the related parties was $85,667 (December 31, 2016 - $ Nil) (See Note 9). During the year ended December 31, 2016 certain directors and offices of the Company subscribed for 3,866,667 Units in connection with the Offering as disclosed in Note 10 (a)(i).

No stock options were granted to related parties under the Company's stock option plan during the six months ended June 30, 2017 and 2016.

18. COMMITMENTS AND CONTINGENCIES

Lease agreement
Effective August 1, 2016 the Company entered into an agreement to sublease office space expiring on January 30, 2018. The annual lease payment, before sublease income, is $32,400.

The Company's subsidiary, Madosac, has annual office rental obligations of US$20,400 ($27,220).

Management contracts
Effective January 1, 2015, the Company entered into certain management and consulting contracts. Minimum annual payments are approximately $355,000. These contracts also require that additional payments of up to $1,086,200 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 condensed consolidated interim financial statements. (See Note 19)

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 proceeding

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 June 30, 2017 and December 2016, no amounts have been accrued related to such matters.

19. SUBSEQUENT EVENTS

Effective July 1, 2017 the Company amended the existing management and consulting contracts to eliminate certain contingent events such as a change of control. As consideration for these amendments the Company agreed to pay management one-time termination fees totaling $375,000. Payment of the termination fees will only occur after payment of existing and ongoing trade payables and wages of the Company outstanding as of July 1, 2017; payment of all advances and promissory notes outstanding as of July 1, 2017: and all unpaid management fees as at July 1, 2017. In addition, management agreed to reduce their minimum annual payments to $240,000.

Subsequent to June 30, 2017 a total of 37,000 common share warrants were exercised for proceeds to the Company of $5,550 and 28,571 stock options expired unexercised.

19. SUBSEQUENT EVENTS (continued)

On August 21, 2017 The Company announced a non-brokered private placement financing of up to 5,000,000 units (each, a “Unit”) at $0.05 per Unit for total gross proceeds of up to $250,000 (the “Offering”), subject to approval of the TSX Venture Exchange (the “TSXV”). Each Unit will consist of one common share of the Company (“Common Share”) and one half common share purchase warrant (each whole common share purchase warrant a “Warrant”). Each Warrant will entitle the holder to purchase one additional Common Share at an exercise price of $0.075 for a period of two years from the closing of the Offering. In the event that the closing sale price of the Common Shares on the TSXV is greater than C$0.15 per share for a period of 20 consecutive trading days at any time after the date that is four months and one day after the closing of the Offering, the Corporation may accelerate the expiry date of the Warrants by giving notice to the holders and in such case the Warrants will expire on the 30th day after the date on which such notice is given by the Corporation.

The Company anticipates entering into a finder’s agreement with one or more finders to assist the Company with the Offering. The Company anticipates paying such finders a cash fee equal to 6% of the gross proceeds raised in the Offering from purchasers directly introduced to the Company by the finders (“Purchasers”). Additionally, the Company anticipates issuing the finders share purchase warrants (the “Finders Warrants”) equal to 6% of the number of Units sold to purchasers directly introduced to the Company by such finders. Each Finders Warrant will be exercisable to purchase one Common Share at a price of $0.05 for a period of two years from the closing of the Offering.

The net proceeds from the Offering will be used for the Aguila Norte plant commissioning and operations, and general and administrative purposes. All securities issued in the Offering and to the finders will be subject to a restricted period of four months and one day as required under applicable securities laws.

The Company closed the first tranche of the Offering, which consisted of 2,000,000 Units for gross proceeds of $100,000. No finder’s fees were paid in connection with the first tranche. All securities issued in the first tranche are subject to a restricted period of four months and one day, expiring on December 23, 2017.