# DURANGO RESOURCES INC.

(An Exploration Stage Company)

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE
PERIOD ENDED JANUARY 31, 2019

## 1. Date of Report: March 29, 2019

## 2. Overall Performance

*Nature of Business*

Durango Resources Inc. (the “Company” or “Durango”) was incorporated on August 21, 2006 under the British Columbia Business Corporations Act and is listed on the TSX Venture Exchange (“TSXV”) under the symbol “DGO”. The Company’s business is the exploration of precious and base mineral resource properties within Canada. Accumulated operating losses for the Company to date total $4,883,075 (July 31, 2018 - $4,569,807). At January 31, 2019, the Company is considered an exploration stage company. The head office and principal address of the Company is 248-515 West Pender Street, Vancouver, BC V6B 6H5.

## 3. Results of Operations

The Company is in the mineral exploration business and has no revenues. To date, the funding of the Company’s exploration activities has been provided by private and public equity offerings of its securities.

Business consultant expenses incurred during the six-month period ended January 31, 2019 were $107,623 as compared to $61,025 for the period ended January 31, 2018. Investor relations and conferences were $12,500 for the period ended January 31, 2019 compared to $27,572 for the same period in 2018 due to the attendance of more conferences in 2018. Listing and transfer agent fees were $1,962 in the period ended January 31, 2019 compared with $3,157 for the same period in 2018. Share based payments of $12,075 were incurred in the period ended January 31, 2019 compared to Nil in the same period ended in 2018 due to the issuance of options to directors and consultants.

Current assets are $556,594 as at January 31, 2019, compared to $1,122,596 as at July 31, 2018. Total liabilities are $189,228 compared with $277,924 as at the July 31, 2018.

**Selected Annual Information**

| | 2018 | 2017 | 2016 |
|---|---|---|---|
| Net revenues | $ - | $ - | $ - |
| Net income (loss) | (313,268) | 419,428 | (444,067) |
| Total comprehensive income (loss) | (313,268) | 441,928 | (444,067) |
| Earnings (loss) per share – basic and diluted | $ 0.00 | $ 0.01 | $ (0.03) |
| Total assets | 2,730,969 | 3,090,526 | 1,819,852 |
| Total current liabilities | 189,228 | 62,998 | 143,152 |
| Cash dividends | $ - | $ - | $ - |

## EXPLORATION PROPERTIES

### General

The Qualified Person(s) responsible for the technical aspects of this Management Discussion and Analysis (MD&A) are Case Lewis, P.Geo, a former consultant with the Company and also George Yordanov, P.Geo., a current consultant with the Company.

### Mayner's Fortune claims, British Columbia

On July 29th, 2015, the Company entered into an agreement for the acquisition of the Mayner's Fortune limestone property situated in northwestern British Columbia. The property is located in the Skeena Mining Division approximately 7.5km southwest of Terrace, British Columbia ("BC") and 4km west of Lakelse Lake on the Lakelse River. Consideration was the issuance of 1,400,000 common shares to two arm's length vendors (issued). Finder's fees of 125,000 common shares were issued in relation to this transaction to an arm's length party. During the year ended July 31, 2018, $11,487 in exploration expenditures were expended on the property and an application for a bulk tonnage permit was submitted to the BC Provincial government. No further work was completed for the period ended January 31, 2019 and the company is still awaiting permitting from the BC Provincial government.

### Industrial Minerals claims, British Columbia

In February 2017, the Company entered into an agreement for the acquisition of seven industrial mineral claims totaling 477 hectares which are all located in British Columbia. Consideration was the issuance of 1,000,000 common shares and 100,000 common shares as a finder's fees (issued). These claims have now expired.

### Whitney Northwest claims, Ontario

On March 1st, 2016, the Company entered into an agreement for the 100% acquisition of the Whitney Northwest Gold project in Timmins, Ontario. The property consists of 256 hectares located near the Lakeshore Gold Corp. (T-LSG) and Goldcorp Inc. (T-G) joint venture ground north of the city of Timmins, Ontario and 9km ENE of Timmins. Consideration included $25,000 cash and 1,500,000 common shares which were issued to arm's length vendors. Finder's fees of 100,000 common shares were issued in relation to this transaction to an arm's length party. During the year ended July 31, 2018, the Company completed $9,474 in exploration expenditures and staked additional claims in the area at a cost of $20,000 however management wrote down the project to zero since it had no immediate plans for the project. These claims have now expired.

### Dianna Lake Silver claims, Saskatchewan

Durango entered in an agreement to acquire 100% of the Dianna Lake Silver project located 17km northwest of Uranium City, Saskatchewan. The property consists of 131 hectares and was purchased for $150,000 to and arm's length vendor (paid). An additional $150,000 will be payable pursuant to the agreement upon achieving a National Instrument 43-101 with an indicated resource of a minimum of 50,000 ounces of silver. During the year ended July 31, 2018, $80,150 in exploration expenditures were expended on the property. No further work was completed for the period ended January 31, 2019.

**Trove claims, Quebec**

On August 25th, 2010, the Company signed an agreement for the acquisition of the Trove Property situated in Quebec. Consideration included a $12,000 cash payment on TSX approval (paid), the issuance of 2,500,000 common shares (issued) over a period of two years and $125,000 work commitment to be completed by August 25, 2012. Finder's fees of 250,000 shares were issued and TSXV approval was received for this transaction.

On November 21, 2011, the Company reported via www.sedar.com the completion of its summer program which included geological mapping and sampling, magnetometer and VLF – EM geophysical surveys, and detailed humus grid sampling. Forty-nine outcrops were mapped and identified with 19 rock samples sent for laboratory analysis where they underwent 59 element ultra-trace ICP analysis. A 26-line kilometer grid with 200-meter line spacing was established for the detailed humus sampling and magnetic and VLF-EM survey. A total of 1046 samples were collected at 25-meter stations using a soil auger and sent for 59 element ultra-trace ICP analysis. One sample, at L2+00/S7+75S, returned a highly anomalous gold value of 171 ppb Au. The VLF-EM survey identified four distinctive conductors all trending southwest to northeast. During the year ended July 31, 2016, the Company wrote off an additional $2,506 in property maintenance costs, as the Company did not have the funds to complete a substantial work plan on the property.

The Company entered into an agreement with BonTerra Resources as announced on www.sedar.com on March 30, 2017, to option up to 100% of the property. During the year ended July 31, 2018, the Company received 150,000 in option payments and $743,265 in proceeds from marketable securities due to the option agreement. The Company also booked a cost recovery in 2017 of $354,492 due to the option agreement.

To earn a 100% interest in the Trove Property BonTerra had to complete all of the following terms:

- BonTerra must pay Durango $150,000 in cash and issue to Durango 1,500,000 BonTerra common shares within two business days of the date the TSXV approves of the transaction (received);
- On or before the first anniversary of the closing date, BonTerra must pay Durango a further $150,000 in cash and issue to Durango an additional 1,500,000 common shares (received);
- On or before the second anniversary of the closing date, BonTerra must may Durango $200,000 and complete a minimum of $1,000,000 in exploration expenditures, upon which BonTerra will have exercised its option and full title of the property will be transferred from Durango to BonTerra; and
- BonTerra will issue an additional 2,000,000 common shares to Durango as a discovery bonus if, and when, BonTerra produces a technical report compliant with National Instrument 43-101 showing a minimum of 500,000 oz in inferred resource of gold.

The BonTerra Resources option on the Trove Property in Windfall lake was terminated on October 11, 2018 leaving Durango with 100% ownership of the claims.

**Nemaska claims/NMX East, Quebec**

During the year ended July 31, 2015, the Company staked 353 hectares directly adjoining the Nemaska Lithium Inc.'s Whabouchi lithium deposit in northern Quebec. The NMX East property has all season road access via the Route Nord and is located within a few kilometres of Nemaska Lithium Inc.'s proposed Whabouchi mining pit. During the year-ended July 31, 2017, $46,452 was spent on exploration for the NMX East and the surrounding Nemaska properties in relation to the completion of a phase I exploration program which entailed mapping and sampling of the lithium bearing pegmatites. During the year ended July 31, 2018 the Company wrote down $90,000 in expenditures as it decided to focus on the essential claims only for 2019.

**Decouverte claims, Quebec**

On November 10, 2010, the Company announced an agreement for the acquisition of the Decouverte Property situated in Quebec. Consideration included the issuance of 2,750,000 common shares (issued) and a $200,000 work commitment to be completed one year from TSXV approval received on November 29, 2010. The property is owned 100% by the Company. A news release was issued on November 24, 2011 as filed on www.sedar.com which reported the completion of an airborne magnetics covering 439-line kilometers, with flight lines flown east-west at 100m intervals. The Company hired a professional geophysicist to undertake a detailed interpretation of the survey data which identified seven areas of interest. The geology as mapped indicated a southwest to northeast trend while the airborne survey showed a strong geophysical magnetic anomaly over a 500 x 1000-meter area perpendicular to the geology. Durango received a grant from the Institut National de la Recherche Scientifique (INRS) of Quebec to conduct deep geophysical surveys on the property. The INRS work commenced during the year ended July 31, 2017 and 2016 and consisted of $21,547 (2016 - $17,897) in exploration expenditures. During the period ended July 31, 2018, $498,667 in exploration expenditures were expended on the property and $60,445 for the period ended January 31, 2019.

**Golden Triangle (GT) claims, British Columbia**

In September 2017, the Company acquired fractional claims and claim blocks northern BC totaling 2,500 hectares for $15,000 (paid). During the year ended July 31, 2018, $40,610 in exploration expenditures were expended on the property searching for gold. No further exploration work was completed in the period ended January 31, 2019.

**Baby claims, Ontario**

The Company announced on October 11, 2017 it had acquired a 100% interest in a 520 hectare gold prospect property called the Baby, Baby property located near Timmins, Ontario. Consideration for the property was $60,000 on signing (paid) and the issuance of three million common shares (not yet issued) and 250,000 common share finder's fee (not yet issued). These claims have now expired.

## 4. Summary of Quarterly Results

| | 31-Jan | 31-Oct | 31-Jul | 30-Apr | 31-Jan | 31-Oct | 31-Jul | 30-Apr |
|---|---|---|---|---|---|---|---|---|
| | Fiscal 2019 | | Fiscal 2018 | | | | Fiscal 2017 | |
| Revenues | $ - | | $ - | $ - | $ - | $ - | $ - | $ - |
| Net gain (loss) | (160,766) | (152,502) | (695,790) | 707,426 | 4,091 | (33,821) | 172,987 | 354,567 |
| Gain (loss) per share | $ - | $ - | $ (0.02) | $ 0.02 | $ - | $ - | $ - | $ 0.01 |

Administrative expenses for the three months ended January 31, 2019 were $149,634 compared to $88,682 in the prior period ended January 31, 2018. The most significant increase for the comparable periods ended January 31 was an increase of $12,075 in share-based payments for the issuance of options were incurred, internet and website increased $9,250 due to social media advertising and an increase of $3,000 in director fees was due to the increase of directors for the 2019 period. Losses in the 8 quarters above remain consistent with an exploration stage company however the second and third quarters of 2018 incurred a realized gain on available for sale investments due to the Trove Property Option agreement and the fourth quarter incurred a loss on investment of $396,332 for the same agreement. The fourth quarter of 2018 included a $475,090 write down in exploration expenses on properties which were not substantively worked on during the year or downsized.

## 5. Liquidity

The ability of the Company to meet its obligations as they come due is mainly dependent on its ability to continue to fund operations through equity and/or debt financings. To further the exploration as planned in the 2019 year it may be necessary for Durango to raise money to fund operations.

The Company did not complete any share transactions during the year ended July 31, 2018.

In 2017, the Company completed a non-brokered financing of 120,000 flow through units issued at $0.125 per unit for gross proceeds of $15,000. The flow through units consisted of one flow through share and one non-flow through warrant exercisable at $0.15 for a period of one year.

During the year ended July 31, 2017, 500,000 warrants were exercised at $0.10 for gross proceeds of $50,000. 1,730,000 warrants were exercised at a price of $0.15 for gross proceeds of $259,500. 70,000 broker warrants were exercised at $0.10 for gross proceeds of $7,000. 500,000 options were exercised at an average price of $0.07 for gross proceeds of $36,250.

In the year ended 2017, the Company issued 100,961 shares for debt satisfying $12,125 in accounts payable and accrued liabilities. The shares were valued at $9,591, and the Company realized a gain on settlement of debt of $2,534.

In the year ended 2017, the Company completed a non-brokered financing with net proceeds of $300,309 which consisted of 5,005,152 units issued at a price of $0.06.

### 5. Liquidity (continued)

Each unit consisted of one common share and one warrant exercisable at $0.10 for a period of 24 months from the closing date.

The Company has a cash balance of $13,606 and GST/QST recoverable of $125,419 and working capital of $366,366 as at January 31, 2019.

### Going Concern

The Company has sufficient working capital to meet its ongoing financial obligations for the next twelve months and fund its business plan. It may require additional funds from financing to continue its operations. While management of the Company believes that it will be able to generate funding through equity financing, there can be no guarantee that the Company will be successful in obtaining additional financing to continue operations beyond 2019.

### 6. Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed to as at January 31, 2019.

### 7. Transactions with Related Parties

The following transactions with related parties have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties:

Key management personnel compensation

| **For the period ended January 31,** | | **2019** | | **2018** |
|---|---|---|---|---|
| Consulting fees with a company controlled by the President of the Company | $ | 60,000 | $ | 60,000 |
| Share based payments to directors | | | | - |
| Rental fees with a company with a common director of the Company | | 5,250 | | 5,250 |
| Director's Fees | | 10,000 | | 8,000 |
| | $ | 75,250 | $ | 73,250 |

As at January 31, 2019, the unpaid balances to related parties amounted to $72,400. The amounts due are non-interest bearing, unsecured, and due on demand.

### 8. Critical Accounting Estimates

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

## 8. Critical Accounting Estimates (continued)

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities if actual results differ from assumptions made, relate to, but are not limited to, the following:

i) The carrying value and the recoverability of the exploration and evaluation assets.
ii) The estimated amounts of reclamation and environmental obligations.

## 9. Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents, amounts receivable, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest rate, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

(i) Financial assets

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. The Company's accounting policy for each category is as follows:

Fair value through profit or loss ("FVTPL")

A financial asset is classified as FVTPL if it is classified as held-for-trading or is designated as such upon initial recognition. Financial assets are designated as FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Financial assets designated as FVTPL are measured at fair value, and changes therein are recognized in profit or loss. The Company does not have any financial assets classified as FVTPL.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

Available-for-sale financial assets

Available-for-sale (AFS) financial assets are non-derivatives that are either designated as available-for-sale or not classified in any of the other financial asset categories. Changes in the fair value of AFS financial assets other than impairment losses are recognized as other comprehensive income and classified as a component of equity. AFS assets include marketable securities.

Management assesses the carrying value of AFS financial assets at least annually and any impairment charges are recognized in profit or loss. When financial assets classified as available-for-sale are sold, the accumulated fair value adjustments recognized in other comprehensive income are included in profit and loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date. Loans and receivables are initially recognized at fair value and subsequently carried at amortized cost less any impairment. Loans and receivables are comprised of cash as well as amounts receivables.

Held-to-maturity

Held-to-maturity financial assets are measured at amortized cost. The Company does not have any financial assets classified as held-to-maturity.

Impairment of financial assets

The Company assesses at each reporting date whether a financial asset is impaired.

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the financial asset is then reduced by the amount of the impairment. The amount of the loss is recognized in profit or loss.

If, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the financial asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

In relation to trade receivables, a provision for impairment is made and an impairment loss is recognized in profit and loss when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are written off against the allowance account when they are assessed as uncollectible.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment loss previously recognized in profit or loss, is transferred from accumulated other comprehensive income (loss) to profit or loss. Reversals in respect of equity instruments classified as available-for-sale are not recognized in profit or loss.

(ii) Financial liabilities

The Company classifies its financial liabilities in the following categories: other financial liabilities and FVTPL financial liabilities.

Other financial liabilities

Other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit and loss over the period to maturity using the effective interest method.

Other financial liabilities are classified as current or non-current based on their maturity date. Financial liabilities include accounts payable and accrued liabilities and due to related parties.

FVTPL financial liabilities

FVTPL financial liabilities including derivatives are initially recognized at their fair value on the date the derivative contract is entered and are subsequently re-measured at their fair value at each reporting period with changes in the fair value recognized in profit and loss. Derivative financial liabilities include warrants issued by the Company denominated in a currency other than the Company's functional currency. The Company does not have any financial liabilities classified as FVTPL.

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk and currency risk.

Credit risk

The Company is exposed to credit risk by holding cash. The maximum exposure to credit risk is equal to the carrying value of the financial assets. This risk is minimized by holding the investments in large Canadian financial institutions or with Canadian governments. The Company has minimal accounts receivable exposure, and its various refundable credits are due from Canadian governments.

Interest rate risk

The Company is exposed to interest rate risk because of fluctuating interest rates. Fluctuations in market rates do not have a significant impact on the Company's operations.

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources. As at January 31, 2019 the Company was holding cash of $13,606 to satisfy current liabilities of $190,228. The Company plans to obtain cash inflows from share capital financings. There can be no guarantee that management's efforts to raise additional funds will be successful.

Commodity price risk

The Company's ability to raise capital to develop its mineral properties is subject to risks associated with fluctuations in the market prices of precious metals, graphite, base metals and rare earth elements.

Currency rate risk

The Company's functional currency is the Canadian dollar. There is no significant foreign exchange risk to the Company. The Company does not engage in any form of derivative or hedging instruments.

Fair value hierarchy

Financial instruments recorded at fair value on the Statement of Financial Position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

i. Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

ii. Level 2 – Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and

iii. Level 3 – Input for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

| January 31, 2019 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Marketable Securities | $ 416,000 | $ - | $ - | $ 416,000 |

| July 31, 2018 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Marketable Securities | $576,000 | $ - | $ - | $ 576,000 |

## 10. Risks and Uncertainties

The Company is in the mineral exploration and development business and as such is exposed to many risks and uncertainties that are not uncommon to other companies in the same type of business. Some of the possible risks include the following:

- The industry is capital intensive and is subject to fluctuations in metal and commodity prices, market sentiment, foreign exchange and interest rates.

- The only source of future funds for further exploration programs, or if such exploration programs are successful for the development of economic ore bodies and commencement of commercial production therein, which are presently available to the Company are the sale of equity capital or the offering by the Company of an interest in its properties to be earned by another party carrying out further exploration or development.

- Any future equity financings by the Company for raising additional capital may result in substantial dilution to the holdings of existing shareholders.

- The Company must comply with environmental regulations governing air and water quality and land disturbance and provide for mine reclamation and closure costs.

- The operations of the Company will require various licenses and permits from various governmental authorities. There is no assurance that the Company will be successful in obtaining the necessary licenses and permits to continue its exploration and development activities in the future.
- There is no certainty that the properties which the Company has deferred as assets on its balance sheet will be realized at the amounts recorded.

Should one or more of these risks materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on its forward-looking statements. The Company has not completed a feasibility study on any of its deposits to determine if it hosts a mineral resource that can be economically developed and profitably mined.

## 11. Other MD&A Requirements

*Disclosure of Outstanding Share Data*

Authorized Capital:
Unlimited common shares without par value

| Issued Common Shares: | Number |
|---|---|
| Balance, January 31, 2019 | 38,266,019 |
| Balance, March 29, 2019 | 40,669,907 |

Commitments:

*Options:* 4,050,000 outstanding as at January 31, 2019 and 4,050,000 as at March 29, 2019.
*Warrants:* 5,005,152 outstanding as at January 31, 2019 and 7,554,951 as at March 29, 2019.

As at March 29, 2019:

a) 40,669,907 common shares were issued and outstanding

b) Option balances are: 700,000 exercisable at $0.15 expiring May 8, 2019, 300,000 exercisable at $0.075 expiring February 7, 2020, 850,000 exercisable at $0.10 expiring February 18, 2020, 750,000 exercisable at $0.10 expiring May 17, 2020, 200,000 exercisable at $0.10 expiring June 25, 2021 and 650,000 exercisable at $0.06 expiring September 19, 2021, 400,000 exercisable at $0.07 expiring December 4, 2021, and 200,000 exercisable at $0.07 expiring on December 12, 2021.

c) Warrant balances are: 2,823,485 exercisable at $0.10 expiring June 7, 2019, 1,066,667 exercisable at $0.10 expiring June 9, 2019 and 1,115,000 exercisable at $0.10 expiring June 20, 2019, 2,148,133 exercisable at $0.15 expiring March 28, 2020 and 401,666 exercisable at $0.125 expiring March 28, 2022.

## 12. Corporate Governance

The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders.

The current Board of Directors is comprised of four individuals, three of whom are neither an officer nor employee of the Company and are unrelated and independent from Management. The audit committee is comprised of three directors, two of whom are independent from management.

The audit committee fulfills its role of ensuring the integrity of the reported information through its review of the interim and audited financial statements prior to their submission to the Board of Directors for approval. The audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

## 13. Subsequent Events

On March 29, 2019 the Company announced the close of a first tranche of a non-brokered private placement for gross proceeds of $210,324.93. The financing is comprised of a flow through component and a non- flow through component. The flow through component consists of up to 10,000,000 flow through units at $0.09 per unit with each unit being comprised of one common share and one share purchase warrant exercisable at $0.15 for a period of one year. The non-flow through component consists of up to 1,333,333 units at $0.075 per unit with each unit being composed of on common share and one share purchase warrant exercisable at $0.125 for a period of three years. The Company issued 2,002,222 flow through units for proceeds of $180,199.98 and 401,666 non-flow through units for proceeds of $30,124.95. All securities issued in the financing are subject to TSX Venture Exchange final approval.

On March 29, 2019 the Company also announced an application for the extension of the expiry dates of warrants issued to subscribers pursuant to a private placement of units which closed in three tranches on June 7, 9, and 20, 2017. The 2017 warrants currently have respective expiry dates of June 7, 9, and 20, 2019 and Durango intends to extend the expiry dates of the warrants by two years to June 7, 9, and 20, 2021. The $0.10 exercise price and all other terms of the 2017 warrants will remain unchanged for the extended exercise period.