

Form 45-106F1
Report of Exempt Distribution

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution.

Issuer/underwriter information

Item 1: State the full name of the issuer of the security distributed and the address and telephone number of its head office. If the issuer of the security distributed is an investment fund, state the name of the fund as the issuer, and provide the full name of the manager of the investment fund and the address and telephone number of the head office of the manager. Include the former name of the issuer if its name has changed since last report. If an underwriter is completing this form, also state the full name of the underwriter and the address and telephone number of the head office of the underwriter.

DURANGO RESOURCES INC. (the "Issuer")
Suite 248 – 515 West Pender Street
Vancouver, British Columbia
V6B 6H5
Tel: (604) 428-2900

Item 2: State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

The Issuer is a reporting issuer in British Columbia and Alberta.

Item 3: Indicate the industry of the issuer by checking the appropriate box next to one of the industries listed below.

- | | |
|---|---|
| <input type="checkbox"/> Bio-tech | Mining |
| Financial Services | <input checked="" type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production |
| <input type="checkbox"/> mortgage investment companies | <input type="checkbox"/> Oil and gas |
| <input type="checkbox"/> Forestry | <input type="checkbox"/> Real estate |
| <input type="checkbox"/> Hi-tech | <input type="checkbox"/> Utilities |
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Other (describe) |
-

Details of distribution

Item 4: Complete Schedule I to this report. Schedule I is designed to assist in completing the remainder of this report.

Item 5: State the distribution date. If the report is being filed for securities distributed on more than one distribution date, state all distribution dates. **June 29, 2016, June 30, 2016**

Item 6: For each security distributed:

- (a) describe the type of security,

Common shares issued in a private placement

- (b) state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and

2,510,000 units at \$0.10 per unit (unit consists of one common share and one share purchase warrant convertible at \$0.15 for a period of 1 year)

- (c) state the exemption(s) relied on.

Section 2.14 of NI 45-106

Item 7: Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table, securities issued as payment for commissions or finder's fees disclosed under item 8, below.

Each jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
British Columbia	10	\$0.10	231,000.00
Ontario	1	\$0.10	20,000
Total number of Purchasers	11		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$251,000.00

Item 8: Information about purchasers

Instructions

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II.

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Steveston Finance Inc. PO Box31880, Richmond, BC V7E 3A0 (Marcy Kiesman) tel:604.339.2243	I	350,000	\$35,000	Section 2.14 of NI 45-106	2016-06-29
Syndicated Capital Corp. 211-1275 Hamilton Street, Vancouver, V6B 1E2 (Aly Salman Jamal) tel:604.551.9227	-	210,000	21,000	Section 2.14 of NI 45-106	2016-06-29

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$)	Exemption relied on	Date of distribution (yyyy-mm-dd)
Skeena Gold Fishing Inc. (Robert Kiesman) 11871 Sixth Avenue, Richmond, BC V7E 6L4 tel: 778-840-5553	-	300,000	30,000	Section 2.14 of NI 45-106	2016-06-29

Commissions and finder's fees

Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

If the securities being issued as compensation are or include convertible securities, such as warrants or options, please add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Compensation paid or to be paid (cash and/or securities)				
	Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
		Number and type of securities issued	Price per security	Exemption relied on and date of distribution	
Haywood Securities Corp.	7,000	70,000	0.10	2016-06-29	7,000
Leede Jones Gable Inc.	2,000	20,000	0.10	2016-06-30	2,000

Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: July 9, 2016

Durango Resources Inc.

Name of issuer

Marcy Kiesman, President & CEO (604) 428-2900

Print name, title and telephone number of person signing

"*Marcy Kiesman*"

Signature

Instruction

The person filing the form must complete the bracketed information by deleting the inappropriate word.

Item 8: State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, **if different** than the person signing the certificate.

Same as above

Print name, title and telephone number of person who may be contacted

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT

