MIRASOL RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

December 31, 2018

(Unaudited – Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

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

The Company's auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Mirasol Resources Ltd.

Condensed Consolidated Interim Statements of Financial Position

Canadian Funds
As at

ASSETS		December 31, 2018		June 30, 2018
Current Assets				
Cash and cash equivalents	$	4,538,511	$	2,892,948
Short-term investments *(Note 3)*		20,867,927		23,650,478
Receivables and advances *(Note 4)*		853,611		733,591
		26,260,049		27,277,377
Equipment and Software		185,105		101,661
Exploration and Evaluation Assets		3,000,762		3,000,762
	$	29,445,916	$	30,379,800
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities *(Note 5b)*	$	597,765	$	743,842
Advances from JV Partner *(Note 10f)*		204,610		67,892
		802,375		811,734
EQUITY				
Share Capital		57,470,259		57,426,143
Reserves		16,881,546		16,615,061
Accumulated Other Comprehensive loss		(32,101)		(28,122)
Deficit		(45,676,163)		(44,445,016)
		28,643,541		29,568,066
	$	29,445,916	$	30,379,800

Nature of Business *(Note 1)*
Commitments *(Note 12)*
Subsequent Events *(Note 13)*

On Behalf of the Board:

" Dana Prince ", Director

" Nick DeMare ", Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements

Mirasol Resources Ltd.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

For the Six Months Ended December 31,
Canadian Funds

	For the Three Months Ended December 31, 2018	For the Three Months Ended December 31, 2017	For the Six Months Ended December 31, 2018	For the Six Months Ended December 31, 2017
Operating Expenses				
Exploration expenditures	$ 174,808	$ 90,390	$ 546,884	$ 1,056,614
Business development	198,538	182,864	369,701	385,317
Professional fees	75,591	82,598	125,968	116,955
Management fees *(Note 5a i)*	86,039	94,123	200,949	178,689
Marketing and investor communications	67,410	23,893	158,137	120,097
Office and miscellaneous	74,430	71,211	154,442	146,122
Director fees *(Note 5a iii)*	46,500	46,500	93,000	93,000
Travel	15,796	16,799	39,726	40,012
Depreciation	2,098	1,544	4,197	2,141
Transfer agent and filing fees	5,919	6,099	9,536	6,949
Share-based payments *(Note 7, Note 10)*	254,354	250,106	307,302	509,702
	1,001,483	866,127	2,009,842	2,655,598
Interest income	(170,174)	(67,218)	(248,837)	(96,822)
Foreign exchange (gain)/loss	(1,168,113)	212,049	(529,858)	276,701
	(1,338,287)	144,831	(778,695)	179,879
Net Loss for the Period	$ (336,804)	$ 1,010,958	$ 1,231,147	$ 2,835,477
Other Comprehensive Loss to be Reclassified to Profit or Loss in Subsequent Periods				
Exchange differences on translation of foreign operations	(7,986)	(1,713)	(3,979)	3,233
Loss and Comprehensive Loss for the Period	$ (344,790)	$ 1,009,245	$ 1,227,168	$ 2,838,710
Loss (gain) per Share (Basic and Diluted)	$ (0.01)	$ 0.02	$ 0.02	$ 0.06
Weighted Average Number of Shares Outstanding (Basic and Diluted)	50,380,309	49,161,078	49,461,374	49,144,203

Mirasol Resources Ltd.
Condensed Consolidated Interim Statement of Changes in Equity
For the Six Months Ended December 31,
Canadian Funds

	Share Capital					
	Number of Shares	Amount $	Share-Based Payments Reserve $	Accumulated Other Comprehensive (Loss) $	Deficit $	Total Equity $
Balance – June 30, 2017	**49,116,078**	**48,303,568**	**16,361,942**	**(23,438)**	**(40,103,885)**	**24,538,187**
Shares issue costs	-	-	-	-	-	-
Option exercised *(Note 6b iii)*	45,000	53,590	(13,990)	-	-	39,600
Share-based payments	-	-	509,702	-	-	509,702
Foreign currency translation adjustment	-	-	-	3,233	-	3,233
Loss for the period	-	-	-	-	(2,835,477)	(2,835,477)
Balance – December 31, 2017	**49,116,078**	**48,357,158**	**16,857,654**	**(20,205)**	**(42,939,362)**	**22,255,245**
Balance – June 30, 2018	**53,822,628**	**57,426,143**	**16,615,061**	**(28,122)**	**(44,445,016)**	**29,568,066**
Share issue costs	-	-	-	-	-	-
Shares issued – Restricted share units	35,000	39,900	-	-	-	39,900
Restricted share unit's accrual	-	-	4,950	-	-	4,950
Option exercised *(Note 6b iii)*	3,750	4,216	(916)	-	-	3,300
Share-based payments *(Note 7)*	-	-	262,451	-	-	262,451
Foreign currency translation adjustment	-	-	-	(3,979)	-	(3,979)
Loss for the period	-	-	-	-	(1,231,147)	(1,231,147)
Balance – December 31, 2018	**53,861,378**	**57,470,259**	**16,881,546**	**(32,101)**	**(45,676,163)**	**28,643,541**

Mirasol Resources Ltd.

Condensed Consolidated Interim Statement of Changes in Cash Flows

For the Six Months Ended December 31

Canadian Funds

	2018	2017
Operating Activities		
Loss for the period	$ (1,231,147)	$ (2,835,477)
Adjustments for:		
Share-based payments	307,302	509,702
Interest income	(248,837)	(96,822)
Depreciation	4,197	2,141
Depreciation included in exploration expenses	14,712	14,412
Unrealized foreign exchange	(139,222)	109,120
	(1,292,996)	(2,296,924)
Changes in non-cash working capital items:		
Receivables and advances	(25,344)	305,875
Accounts payable and accrued liabilities	(146,077)	875,451
Advance from joint venture partner	136,718	13,010
Cash used in operating activities	(1,327,698)	(1,102,588)
Investing Activities		
Short-term investments	2,782,551	1,353,988
Interest received	154,521	5,197
Purchase of equipment and software	(102,353)	(32,775)
Cash used in investing activities	2,834,718	1,326,410
Financing Activities		
Exercise of incentive share purchase options	3,300	39,600
Cash provided by financing activities	3,300	39,600
Effect of Exchange Rate Change on Cash and Cash Equivalents	135,243	(105,660)
Change in Cash and Cash Equivalents	1,645,563	157,762
Cash and Cash Equivalents - Beginning of Period	2,892,948	4,629,130
Cash and Cash Equivalents - End of Period	$ 4,538,511	$ 4,786,892

Cash and Cash Equivalents Consist of:		
Cash	$ 4,417,375	$ 2,680,327
Cash equivalents	$ 121,136	$ 2,106,565
	$ 4,538,511	$ 4,786,892

1. Nature of Business

Mirasol Resources Ltd. (“Mirasol” or the “Company”) is incorporated under the laws of the Province of British Columbia, Canada. The Company’s corporate registered and records office is located at 400 – 725 Granville Street, Vancouver, British Columbia and the head office is located at 910 – 850 West Hastings Street, Vancouver, British Columbia.

Mirasol engages in the acquisition and exploration of mineral properties, principally located in Chile and Argentina, with the objective of identifying mineralized deposits economically worthy of subsequent development, mining or sale.

The business of mining and exploration involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company has no source of revenue and has significant cash requirements to meet its administrative overhead and maintain its exploration and evaluation assets. The recovery of the Company’s exploration and evaluation assets is dependent on the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties, and future profitable production or proceeds from disposition of exploration and evaluation assets. While the Company has been successful in the past with its financing efforts, there can be no assurance that it will be able to do so in the future.

Management estimates that the Company has sufficient working capital to maintain its operations and activities for at least the next twelve months.

2. Basis of Presentation

Statement of compliance

The condensed consolidated Interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”). These condensed consolidated interim financial statements were prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements. These condensed consolidated interim financial statements should be read in conjunction with the Company’s annual consolidated financial statements for the year ended June 30, 2018.

The Board of Directors approved the condensed consolidated interim financial statements on February 28th, 2019.

Basis of measurement

These condensed consolidated interim financial statements have been prepared on a historical cost basis. Financial instruments classified as financial instruments at fair value through profit or loss are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for the cash flow information.

Significant Accounting Estimates and Judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended June 30, 2018.

The Company operates in Argentina which is classified as a hyperinflation economy. However, the Companies functional currency is US dollars. Therefore, the provisions of IAS 29 *Financial Reporting in Hyper-Inflationary Economies* have not been adopted nor have they been applied to these condensed consolidated interim financial statements.

3. Short-term Investments

Short term investments comprise cashable and non-cashable Guaranteed Investment Certificates ("GIC") placed with major Canadian and US financial institutions. Maturity dates of these GIC's are between three to twelve months.

4. Receivables and Advances

		December 31, 2018		June 30, 2018
Goods and services tax receivable	$	9,446	$	10,134
Interest receivable		201,466		199,656
Prepaid expenses and advances		138,607		165,259
Due from joint venture partners		504,092		358,902
	$	853,611	$	733,951

5. Related Party Transactions

Details of the transactions between the Company's related parties are disclosed below.

a) Compensation of key management personnel

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole.

The remuneration of management and independent directors was as follows:

	For the Three Months Ended December 31,				For the Six Months Ended December 31,			
		2018		2017		2018		2017
Management compensation (i)	$	126,717	$	125,403	$	253,041	$	252,136
Share-based payments (ii)		148,435		148,757		195,557		214,529
Director's fees (iii)		46,500		46,500		93,000		93,000
	$	321,652	$	320,660	$	541,598	$	569,665

(i) Management compensation is included in management fees (December 31, 2018("2018") - $149,810; December 31, 2017 ("2017") - $84,566) and in exploration expenditures (2018 - $103,230; 2017 - $49,232) in the Company's consolidated statements of loss and comprehensive loss.

(ii) Share-based payments represent the expense for the six months ended December 31, 2018 and 2017.

(iii) The independent directors of the Company are paid $2,100 per month (2017 - $2,100 per month) while the Chairman of the Board of Directors receives an additional $7,100 per month for serving in this capacity (2017 - $7,100).

b) Transactions with other related parties

Certain of the Company's officers and directors render services to the Company as sole proprietors or through companies in which they are an officer, director, or partner.

The following companies are related parties through association of the Company's directors and officers:

	Nature of transactions
Miller Thomson	Legal fees
Global Ore Discovery Pty Ltd. ("Global Ore")	Project generation, exploration management and GIS services
Evrim Resources Corp. ("Evrim")	Office administration support services and office sharing
Chase Management Ltd.	Professional fees
Mathew Lee	CFO services

The Company incurred the following fees and expenses with related parties as follows:

	For the Three Months Ended December 31, 2018	For the Three Months Ended December 31, 2017	For the Six Months Ended December 31, 2018	For the Six Months Ended December 31, 2017
Legal fees	$ 76,773	$ 46,959	$ 128,854	$ 93,405
CFO services	14,175	26,896	28,350	47,958
Project generation, exploration expenses and GIS services	229,100	156,850	478,179	258,471
Office sharing and administration	12,474	12,021	25,809	24,042
	$ 332,522	$ 242,726	$ 661,192	$ 423,876

Included in accounts payable and accrued liabilities at December 31, 2018, is an amount of $201,551 (2017 - $87,830) owing to directors and officers of the Company and to companies where the directors and officers are principals.

6. Share Capital

a) Authorized Share Capital

The Company's authorized share capital consists of an unlimited number of common shares without par value. All issued common shares are fully paid.

b) Reconciliation of Changes in Share Capital

(i) **Financings**

No financings were conducted during the six months ended December 31, 2018.

During the year ended June 30, 2018, the Company completed a non-brokered private placement issuing 4,317,750 units for gross proceeds of $8,635,500. Each unit consisted of one common share and one-half of one non-transferable common share purchase warrant.

Each full warrant is exercisable into one common share at a price of $3.00 for two years from the closing date. The Company incurred $126,750 cash finder's fees, $69,340 for regulatory and other related fees.

(ii) **Options exercised**

The Company issued 3,750 (2017 – 45,000) shares on exercise of share purchase options for gross proceeds of $3,300 (2017 – $39,600).

7. Share Purchase Options

On July 16, 2018, the Company issued 60,000 incentive share purchase options to certain officers, employees and consultants of the Company. The options are exercisable at $1.76 for a period of three years from the date of grant.

Expected dividend yield	0.0%
Expected share price volatility	69.23%
Risk-free interest rate	2.03%
Expected life of options	2.70 years
Fair value of options granted (per share option)	$0.79

The fair value of these stock options was estimated to be $47,122 and the vested share-based amount of $35,265 was recorded in the Company's consolidated statements of loss and comprehensive loss using the weighted average assumptions in the Black-Scholes option pricing model noted below.

On December 14, 2018, the Company issued 397,500 incentive share purchase options to certain officers, employees and consultants of the Company. The options are exercisable at $1.10 for a period of three years from the date of grant.

Expected dividend yield	0.0%
Expected share price volatility	73.88%
Risk-free interest rate	2.00%
Expected life of options	2.10 years
Fair value of options granted (per share option)	$0.46

The fair value of these stock options was estimated to be $180,020 and the vested share-based amount of $180,020 was recorded in the Company's consolidated statements of loss and comprehensive loss using the weighted average assumptions in the Black-Scholes option pricing model noted below.

Additional share-based payments expense of $47,166 was recognized in the Company's statement of loss due to vesting of the stock options granted during previous years.

A summary of the Company's options outstanding as at December 31, 2018 is as follows:

Expiry Date	Exercise price $	Options Outstanding	Weighted Average Remaining Life of Options (years)	Options Exercisable
March 23, 2019	0.88	163,750		163,750
August 4, 2019	0.88	140,000		140,000
April 29, 2021	0.88	545,000		545,000
April 29, 2021	1.38	320,000		320,000
August 26, 2019	2.85	709,376		709,376
September 12, 2021	1.80	150,000		70,000
September 12, 2020	1.80	235,000		235,000
December 19, 2020	1.61	200,000		200,000
December 20, 2020	1.65	350,000		350,000
July 16, 2021	1.76	60,000		60,000
December 18, 2021	1.10	397,500		397,500
		3,270,626	1.63	3,190,626

8. Warrants

There were 2,158,875 of share purchase warrants ouststanding as at December 31, 2018 (2017-Nil) with an exercise price of $3.00 expirying in twenty-four months. These warrants were issued in connection with the Company's private placement offering (Note 6 b (i)).

9. Restricted Share Unit ("RSU") Plan

On April 26, 2018 the shareholders approved a restricted share unit plan (the "RSU Plan"). The RSU plan was also approved by the Board on July 16, 2018 and by the TSX Venture Exchange on July 17, 2018. The RSU Plan provides for the issuance of up to 1,000,000 restricted share units (the "RSUs"). Under the RSU Plan, RSUs may be granted to directors, officers, employees and consultants of the Company (excluding investor relations consultants) as partial compensation for the services they provide to the Company. The RSU Plan is a fixed number plan, and the number of common shares issued under the RSU Plan, when combined with the number of stock options available under the Company's stock option plan, will not exceed 10% of the Company's outstanding common shares. On July 16, 2018, the Company's Board of Directors approved an award subject to certain vesting conditions, of 110,000 RSU's. During the quarter ended December 31, 2018 the vesting conditions of 35,000 RSU's were met and the company issued 35,000 common shares at an ascribed value of $39,900.

10. Segmented Information

The Company's business consists of a single reportable segment being mineral property acquisition and exploration. Details on a geographical basis are as follows:

Total Non-Current Assets	December 31, 2018	June 30, 2018
Canada	$ 23,786	$ 27,983
Argentina	2,941,103	2,844,780
Chile	220,978	229,660
	$ 3,185,867	$ 3,102,423

11. Mineral Properties

a) Altazor joint venture

The Company owns a 100% interest in mining claims of Altazor gold project in Northern Chile.

On November 7, 2017, the Company signed an exploration and option agreement with Newcrest International Pty Limited ("NCM") on the Altazor project whereby, NCM has been granted the option to acquire up to an 80% interest in the property, exercisable in stages over a nine-year, or shorter, earn-in period.

The agreement requires NCM to fund US$1.5 million in exploration expenditures and make a US$100,000 option payment (received) in the first year of the option. The Company will serve as operator for exploration during the option period in return for 10% management fee. As of July 1, 2018, the Company is no longer the operator for exploration and will not be receiving the 10% management fee.

NCM can earn up to 51% interest in the property by making a one-time US$500,000 cash payment to the Company at the start of the earn in period and by spending an additional US$8.5 million in exploration within the next four years of the agreement.

NCM can earn in stages up to a 75% interest in the property by delivering a positive PEA and a BFS (total expenditure capped at US$100 million after the completion of the PEA stage) and by making US$1.3 million cash payments to the Company within the four years after earning the 51% interest.

The Company can retain a participating 25% interest in the project or 20% funded-to production interest with NCM financing the development costs to production.

On November 12, 2018, NCM exercised its option to enter the farm-in stage of the agreement and can earn up to 51% of the interest of the property by making a one-time US$500,000 cash payment to the Company at the start of the earn in period and by spending an additional US$8.5 million in exploration within the next four years of the agreement. NCM will be the operator, managing all exploration activities at the project.

b) Zeus joint venture

The Company owns a 100% interest in certain mining claims, which now form part of the Zeus gold project in Northern Chile acquired by way of staking.

During the year ended June 30, 2018, the Company entered into an option agreement to acquire a 100% in certain other claims, which form part of the Zeus gold project. The Company can acquire the claims under option by making staged option payments totalling US$2.747 million over five years and incur US$300,000 in exploration expenditures within three years. The property owner retains a 1.5% NSR royalty. The Company has a right to buy 0.5% of the royalty for US$3.0 million. Option payments are due as follows:

On signing (paid)	US $12,000
On or before October 10, 2018 (paid)	US $30,000
On or before October 10, 2019 (paid)	US $50,000
On or before October 10, 2020	US $70,000
On or before October 10, 2021	US $90,000
On or before October 10, 2022	US $2,495,000
Total	US $2,747,000

On February 22, 2018, the Company signed an exploration and option agreement with NCM whereby, NCM has been granted the option to acquire up to an 80% interest in the property, exercisable in stages over a nine-year, or shorter, earn-in period. The agreement requires NCM to fund US$1.5 million in exploration expenditures in the first 18 months and make a US$100,000 option payment (received) upon signing option agreement. The Company will serve as operator for exploration during the option period in return for 10% management fee. As of July 1, 2018, the Company is no longer the operator for exploration and will not be receiving the 10% management fee. On December 10, 2018 the Company terminated the agreement.

c) Claudia joint venture

The Company owns a 100% interest in the Claudia property situated in the Santa Cruz Mining District, Argentina.

On October 20, 2017, the Company signed a definitive agreement with OceanaGold Corporation ("OGC") whereby, OGC has been granted the option to acquire up to a 75% interest in the property, exercisable in 4 stages over an eight-year, or shorter, earn-in period.

OGC completed its first-year commitment of US$1.75 million in exploration expenditures, completed 3,000 metres of drilling, and made a US$100,000 option payment to the Company on signing the Agreement. OGC will continue into the second-year commitment of the Claudia project and make a US$100,000 option payment (received) during the year.

The first earn-in option for OGC to earn 51% interest over four years from the date of Agreement requires spending US$10.5 million on exploration, making US$1 million in payments to the Company. Mirasol will serve as operator for exploration for first year in return for 5% management fee and the Company will retain a 30% funded-to production interest in the property.

d) La Curva joint venture

The Company owns a 100% interest in mining claims of La Curva property in the Santa Cruz Province of Argentina.

On May 25, 2017, the Company signed an exploration and option agreement with OGC whereby OGC has been granted the option to acquire up to a 75% interest in the La Curva project, exercisable in 5 stages over an eight-year, or shorter, earn-in period.

OGC completed its first-year commitment of US$1.25 million in exploration expenditures, completed 3,020 metres of drilling, and made a US$100,000 option payment to the Company on signing the Agreement. OGC will continue into the second-year commitment of the La Curva project and make a US$200,000 option payment (received) during the year.

The first earn-in option for OGC to earn 51% interest over four years from the date of Agreement requires spending US$7 million on exploration, making US$1.5 million in payments to the Company.

Mirasol will serve as operator for exploration for first year in return for 5% management fee and the Company will retain a 30% funded-to production interest in the property.

e) Indra joint venture

On October 17, 2018, the Company signed an exploration and option agreement (the "Agreement") with Hochschild Mining Plc ("HOC") on its Indra project in Chile. The Indra project was generated the Company.

HOC has been granted the option to acquire up to a 70% interest in the Indra project, exercisable in five stages over an eight-year, or shorter, earn-in period.

The Agreement requires HOC to incur US$800,000 in exploration expenditures within 18-months and complete a drill program of 1,500 metres within 30 months of the date of the Agreement. In addition, a US$50,000 option payment was paid upon signing the Agreement.

The first earn-in option for HOC to earn 51% interest over three years (total 4.5 years) from the date of the Agreement requires spending an additional US$5.2 million on exploration and making two staged payments totalling US$675,000 to the Company.

HOC can earn in stages additional 10% interest in the property by funding the delivering a positive PEA and further 9% by delivering a BFS.

The Company will retain a 30% interest or can exercise the funding option requiring HOC to fund its interest to production in the Indra project and retain 25%.

The Company will serve as operator during the option phase in return for a 10% management fee from exploration contracts with values less than US$250,000 and 5% fee on contracts over US$250,000.

f) Advances to/from joint venture partners:

The Company is the operator for two joint venture projects. As of December 31, 2018, the Company has $204,610 (2017-$862,342) of unspent exploration advances. Expense reimbursement receivable and joint venture management fees of $504,092 (2017-$51,562) is included in accounts receivable as of December 31, 2018.

12. Commitments

In November 2018, the Company signed consulting agreements, effective July 2018, with Global Ore Discovery Pty Ltd. ("Global Ore") to perform the duties of exploration services for the Company. Under the terms of the Global Ore agreement, the Company has retained the services of Global Ore consultants until June 30, 2019, to provide target generation related consulting services to the Company on an exclusive basis throughout Chile and Argentina.

The Company has agreed to a minimum monthly retainer of Australian Dollar ("AUD") $50,000 and six month minimum of $350,000.

Further, as additional consideration, the Company has agreed to issue Retention Bonus Shares ("the Bonus Shares") of 75,000 (Issued January 3, 2019) stock options, subject to vesting, to key representatives of Global Ore other than Mr. Stephen Nano, the previous CEO of the Company.

The Bonus Shares shall be issued, subject to receipt of TSX Venture Exchange ("TSXV") acceptance, and will be subject to escrow restrictions whereby 37,500 will be released upon TSXV acceptance and signing of the Global Ore consulting contract; 18,750 released on January 1, 2019 and 18,750 released on April 1, 2019. The Global Ore contract can be terminated at any time by the Company after its expiration on June 30, 2019.

13. Subsequent Events

a) <u>Marcelina Option to Purchase</u>

On January 25, 2019, the Company announced the signing of an option to purchase agreement completing consolidation of the large prospective Marcelina property situated in Santa Cruz, Argentina.

The Company can acquire 100% of the claims by making staged option payments totalling US$3.4 million over 4 years with US$3.15 million of the payments due in the fourth year of the option.

The property owner will retain 1.5% NSR royalty. The Company has a minimum US$300,000 exploration spending commitment during the three years of the option period.

b) Newcrest Gorbea Joint Venture

On January 28, 2019, the Company signed a definitive agreement with Newcrest International Pty Limited ("NCM") on Gorbea project.

NCM has been granted the option to acquire up to an 75% interest in the Gorbea project, exercisable in stages over a nine-year, or shorter, earn-in period. The agreement requires NCM to fund US$4.0 million in exploration expenditures and make a US$100,000 option payment (received) in the first year of the option. Newcrest will be the operator of the exploration program and will receive a 5% management fee.

NCM can earn up to 51% of the interest of the property by making a US$500,000 cash payment to the Company at the start of the earn in period and by spending an additional US$15.0 million in exploration within the next four years of the agreement with minimum drilling commitment of 6,000 m to be completed within the first 2 years.

NCM can earn in stages up to a 65% interest in the property by delivering a PEA and a BFS (total expenditure capped at US$100 million after the completion of the PEA stage) and by making a cash payment to the Company within the four years after earning the 51% interest.

The Company can retain a participating 25% interest in the project or right to convert up to 10% interest into 2.0% NSR royalty after completion of BFS stage.

c) Share Purchase Option Grant

On February 1, 2019, the Company issued 750,000 incentive share purchase options to certain directors and officers of the Company with certain vesting conditions. The options are exercisable at $1.27 for a period of three years from the date of grant.

d) Restricted Share Units Issued

On January 3, 2019, the Company awarded 50,000 restricted share units to management fully vested immediately at $1.07 with ascribed value of $57,500.

e) Newcrest Zeus Joint Venture Termination

On February 1, 2019, the Company received US$200,00 payment from Newcrest for termination of the Zeus project joint venture.

f) New Office Lease Commitment

On February 6, 2019, the Company signed a lease for its head office located at 1150 - 355 Burrard Street, Vancouver, British Columbia, effective May 1, 2019 to April 30, 2025. This lease is classified as an operating lease. The Company has made a security deposit of $20,000. The first-year base rent minimum commitment is $75,480 and the commitment for remaining five years is $417,360.

Management Discussion and Analysis
For Mirasol Resources Ltd.
(“Mirasol” or the “Company”)

INTRODUCTION

The Management Discussion and Analysis (“MD&A”) is prepared as of February 28, 2019 and is intended to supplement the Company’s interim condensed consolidated financial statements for the quarter ended December 31, 2018. All financial information, unless otherwise indicated, has been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All dollar amounts referenced, unless otherwise indicated, are expressed in Canadian funds.

The following discussion of the Company’s financial condition and results of operations should be read in conjunction with its annual audited consolidated financial statements for the year ended June 30, 2018, and its condensed interim consolidated financial statements for the quarter ended December 31, 2018 and related notes.

FORWARD LOOKING INFORMATION

This MD&A contains certain forward-looking statements and information relating to Mirasol that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words “anticipate”, “believe”, “estimate”, “expect” and similar expressions, as they relate to Mirasol or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, the Company’s goals and plans going forward, regulatory compliance, the sufficiency of current working capital, and the estimated cost and availability of funding for the continued exploration and development of the Company’s exploration properties. Such statements reflect the current views of Mirasol with respect to future events and are subject to certain risks, uncertainties and assumptions. The material factors and assumptions used to develop forward-looking information include, but are not limited to, the future prices of gold, silver and copper, success of exploration activities, permitting time lines, currency exchange rate fluctuations, government regulation of mining operations, environmental risks, the estimation of mineral resources, capital expenditures, costs and timing of the development of new discoveries, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage, continued availability of capital and financing, and general economic, market or business conditions.

Forward looking statements are based on the beliefs, estimates and opinions of the Company’s management on the date the statements are made. The Company undertakes no obligation to update these forward-looking statements in the event that management’s beliefs, estimates or opinions, or other factors, should change, except as may be required by applicable law.

This MD&A also uses the terms pit constrained mineral resources estimate and indicated resource. The Company advises that these terms are recognized by Canadian securities regulations (under National Instrument 43-101 “Standards of Disclosure for Mineral Projects”), however the US Securities and Exchange Commission does not recognize these terms. Investors are cautioned not to assume that any part of or all, of the mineral occurrences in these categories will ever be converted into reserves. Stephen Nano, Director, Business Development and Technical Advisor, a “Qualified Person” under National Instrument 43-101 (“NI 43-101”), has reviewed and approved the scientific and technical information in this MD&A.

CORPORATE AND STRATEGIC OVERVIEW

Mirasol (TSXV-MRZ) is a mineral exploration company focused on the exploration and discovery of gold, silver and copper (“Au”, “Ag” and “Cu” respectively) deposits, by applying the project generator business model, in the Atacama-Puna region of northern Chile and Argentina, and in the Santa Cruz Province of southern Argentina. These regions are highly prospective and host many large-scale precious and base metal mines, operated by some of the world’s largest mining companies (Figure 1). Mirasol believes well-managed and focused exploration can deliver further discoveries within its generative regions and increase shareholder value.

In 2014, the Company recognized that the protracted, industry-wide downturn in exploration expenditures could create business opportunities for generative exploration programs. While most competitors were inactive, Mirasol embarked on a 3-year countercyclical project generation strategy to build a large and diverse portfolio of prospective Au, Ag and Cu properties in anticipation for an upswing in global exploration expenditure and the ensuing increase in demand for quality exploration projects.

During 2017, global precious metal exploration budgets began increasing This trend was further signaled by improving demand for Mirasol’s projects from leading mid-tier and major precious metal producers. In response, Mirasol focused a higher proportion of its budget on business development activities with the objective of maximizing partner-funded exploration spending on the Company’s projects.

As a result, Mirasol has now secured five Joint Venture (“JVs”) option agreements with major and mid-tier precious metals producers on its projects in Chile and Argentina. Under these agreements, the JV partners fund all exploration and tenure holding costs, and also make staged option payments and management fee payment for the JVs operated by Mirasol. This allows Mirasol to focus its available treasury on further exploration and business development activities while maximizing the potential for new discoveries with multiple projects being drill tested with partner funding.

While the Company retains the joint venture business model as the central pillar of its business philosophy and path to discovery, Mirasol has expanded its business and exploration strategy to include self-funded drilling of certain infrastructure advantaged and high-grade Au+Ag projects and closed in June 2018, a CA$8.6 million non-brokered private placement to, in part, fund this exploration. The self-funded drill testing of these properties will give Mirasol greater deal-making leverage and a better position to monetize its assets in the event of positive exploration results. The Company believes that its new strategy will accelerate drill testing of key projects and accelerate the path to potential discoveries.

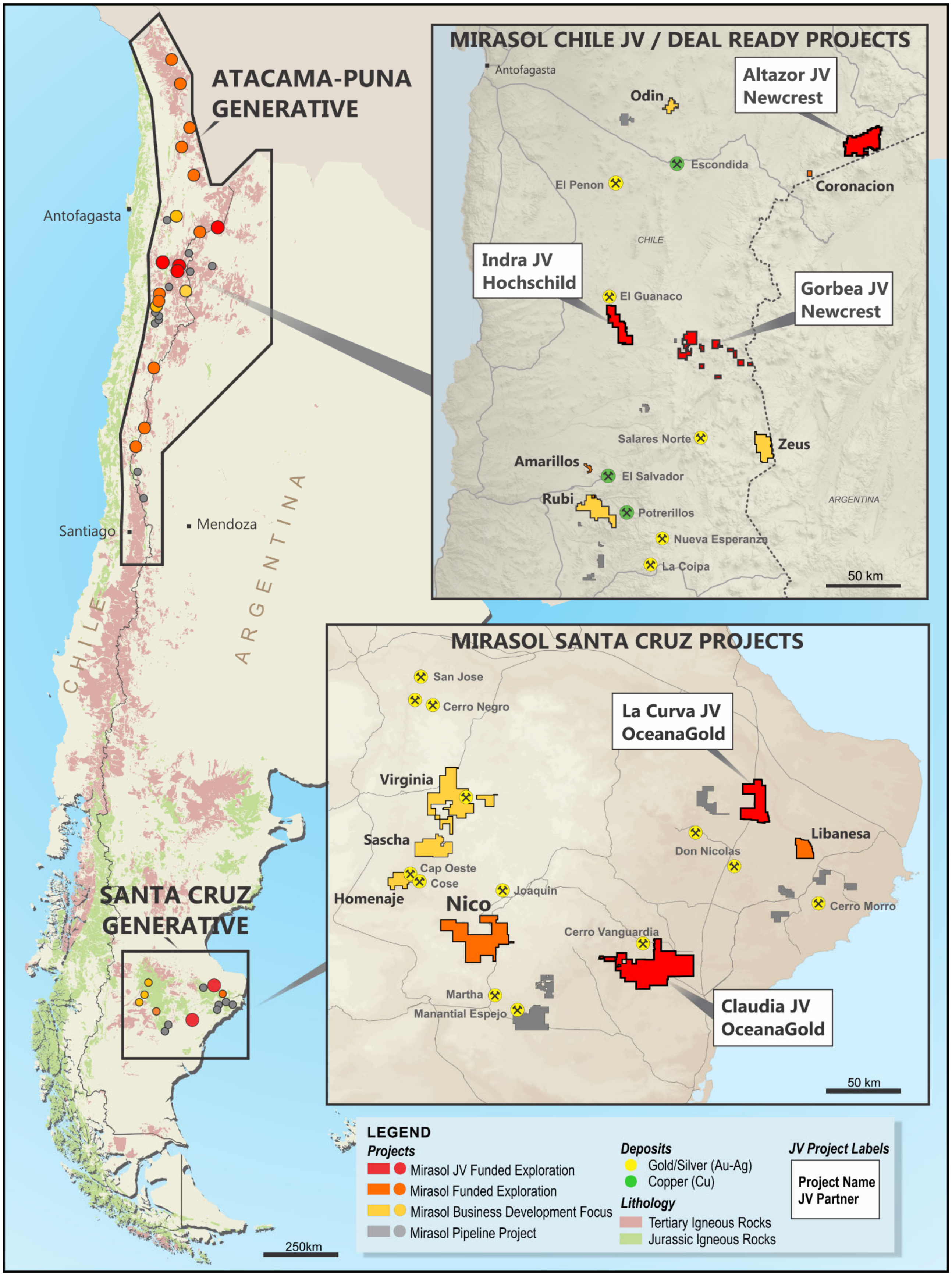

Figure 1: Location of Mirasol's Exploration Projects, Joint Ventures, and Generative Programs.

Financial Condition

Mirasol remains in a strong financial position with cash and short-term investment of $25,406,438 as of December 31, 2018. The annual level of spending by the Company is largely determined by its ability to secure financing through the sale of its securities, sales of assets and JV arrangements with its industry partners.

During the quarter, Mirasol incurred total company-wide net cash expenditures of $745,031. The financial statements for the quarter show a total expenditure of $1,001,483 of which non-cash items such as share-based payments and depreciation totalled to $260,273.

For the quarter, the total net cash expenditure was distributed between head office corporate spending of $570,223, inclusive of officer's salaries, board fees, business development, corporate administration, investor relations and regulatory compliance; and a total net exploration expenditure of $174,808. For the quarter, the Company has accounted for $399,031 in exploration reimbursements, $861,030 (US$ 650,000) in option payments and $100,054 in management fee income from JV partners, which are offset against the Company's exploration and in-country management and operating costs.

Mirasol's Exploration Focus

Mirasol is a successful project generator with a mission to create shareholder value from resource discoveries.

The Company maintains a high-quality portfolio of exploration properties with the potential to deliver economic discoveries by applying innovative, concept-driven geological techniques integrated with detailed field work. Mirasol advances prospects with technical merit by: 1) entering strong JV earn-in agreements with major mining companies, reducing exploration risk while conserving the Company's treasury; and /or 2) testing high priority targets with self-funded drill programs where warranted, thereby positioning the Company to optimize the monetization of its assets in the event of successful exploration results. Mirasol's Joaquin and Virginia silver discoveries in Argentina are evidence of successful outcomes of these processes. Joaquin was monetized through sale to Coeur d'Alene Mines (now Coeur Mining) in 2012.

Project Generation and Business Development Strategy

The primary focus of the Company's project generation efforts has been the Atacama-Puna program where Mirasol is exploring the world class Tertiary age mineral belts in northern Chile. However, during 2016 improved investment conditions in Argentina, encouraged Mirasol to reinitiate exploration on and adjacent to its Santa Cruz projects and, in some areas,
stake new claims to consolidate its project portfolio.

During the 2018 financial year, Mirasol focused a larger proportion of its budget on business development activities with the objective of securing new JVs for assets within its property portfolio and other business opportunities to accelerate drill testing of the Company's assets. The focus on business development was timed to coincide with an upturn in demand for projects from precious metal producers, allowing the business development team to secure five new JVs with major and mid-tier mining companies in Chile and Argentina.

Mirasol is seeing growing interest in its Au+Ag and Cu project portfolio from companies seeking new JVs and is focused on securing new agreements during the 2019 financial year.

Chile/Argentina: Atacama – Puna Generative Region

The Company's generative program in the Atacama-Puna region encompasses a 1,700 km-long segment of three north-south oriented prolific mineral belts which run through Chile and Argentina and host many world-class Cu and Au mines and occurrences and are of differing ages in millions of years (Ma; Figure 2).

From youngest to oldest, these are:

- Miocene to Pliocene (Mio-Pliocene, 23-5 Ma): High-sulfidation epithermal ("HSE") Au+Ag
- Middle Eocene to Early Oligocene (Eocene-Oligocene 40-28 Ma): Porphyry Cu+Mo
- Paleocene to Early Eocene (Paleocene, 66-53 Ma): Low-intermediate-sulfidation epithermal Au+Ag and porphyry Cu+Mo

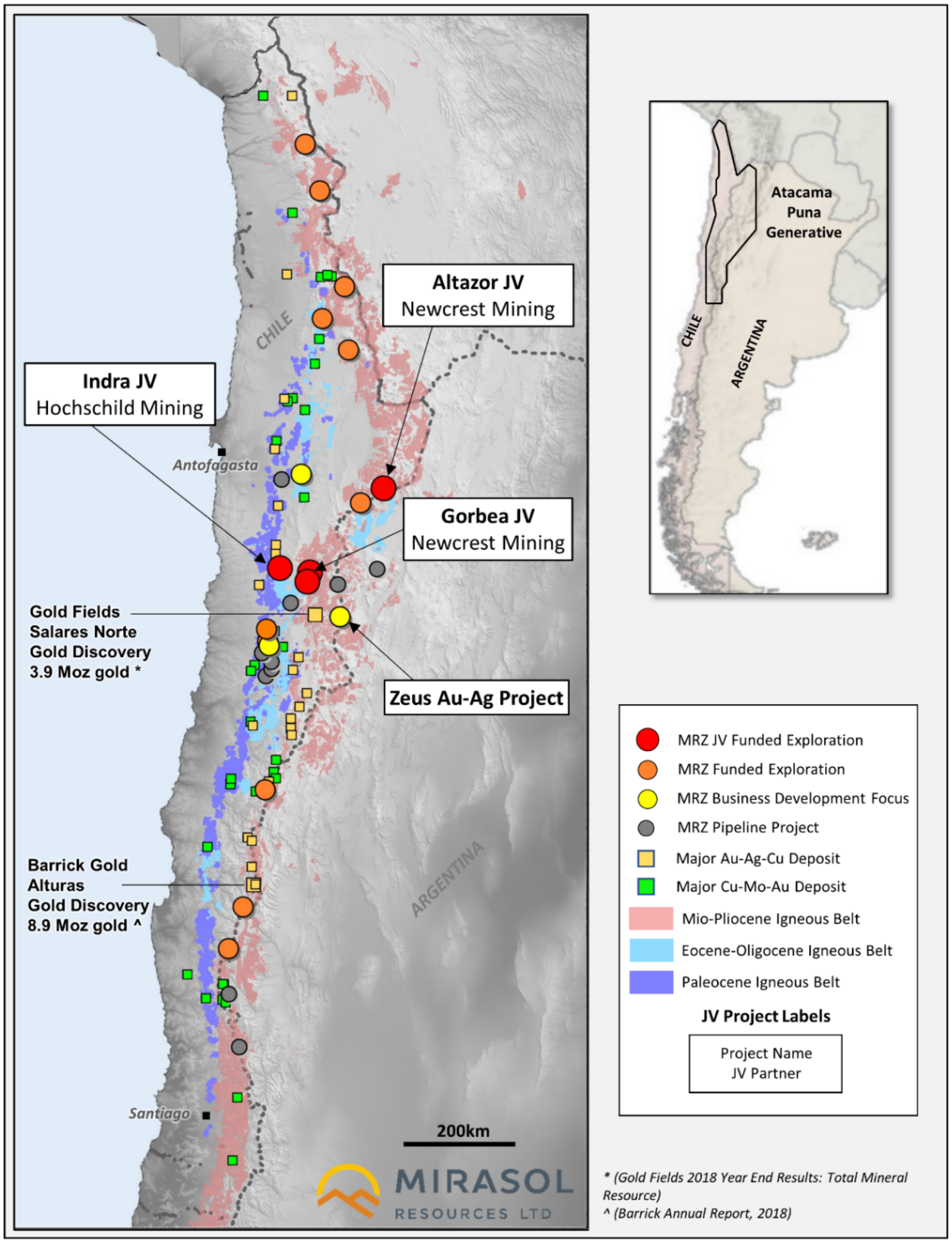

Figure 2: Mirasol's Atacama - Puna Generative Program.

Mirasol uses its advanced scientific analysis techniques to target areas with high potential for discovery of quality mineral prospects. The Company also applies several risk qualifying filters to both minimize exposure to and/or increase awareness of areas that may have environment and/or community sensitivities.

The following are brief explanations of the three metallogenic belts and Mirasol's target concepts:

Miocene – Pliocene belt

This mineral belt, in-particular, has been the focus of two recent substantial discoveries of multi-million-ounce HSE oxide Au deposits;

- Alturas deposit, with Inferred resources of 8.9 Moz Au grading 1.06 g/t Au contained within 261.3 Mt (Barrick 2018 Mineral Reserves and Mineral Resources).
- Salares Norte deposit, with a maiden reserve of 3.5 Moz Au at 5.1 g/t Au and 39.3 Moz Ag contained within 21.1 Mt. Gold Fields announced in February 2019, the completion of a positive feasibility study on this project and its confidence that that the project will be developed. Gold Fields is working on permitting and detailed engineering with construction potentially in late 2020 (Gold Fields Ltd. 2018 Year End Results).

Alturas and Salares Norte are large-tonnage, near-surface oxidized Au deposits, which are largely concealed beneath geochemically barren, but hydrothermally altered, cap rocks (the "steam heated cap") which obscured earlier recognition. These discoveries were further complicated by their remote location and high elevation. Mirasol is actively exploring for this type of Au deposit at its Atlas and Titan projects in the Gorbea property package and at the Altazor project, where Mirasol announced (news release November 21, 2017 and December 10, 2018) the signing of two option and farm-in agreements with a subsidiary of Newcrest Mining Limited ("NCM").

In the Mio-Pliocene belt north of the Maricunga Belt, Mirasol has approximately 115,000 ha of granted exploration claims. In the Mio-Pliocene aged "Southern Porphyry Belt", Mirasol holds exploration rights to approximately 23,000 ha of granted claims.

Middle Eocene – Early Oligocene belt

The Eocene-Oligocene belt hosts many giant porphyry Cu mines such as Escondida, Chuquicamata and Collahuasi that significantly contribute to the annual Cu production in Chile. This Cu belt is considered a "mature exploration terrain" but it is also recognized as prospective for future Cu discoveries. The continued prospectivity of this belt is attributed to its extensive post-mineral cover, and in some cases, its "geochemically barren" alteration caps concealing a substantial proportion of the most productive and logistically accessible segments of the belt. While Cu was not previously considered a core commodity for Mirasol, several factors point toward possible supply deficits. Mirasol considers the projected supply shortfall a potential driver for increased demand for Cu exploration projects and, accordingly, has staked new claims and expanded existing claim holdings in this belt to secure quality exploration ground to build a pipeline of Cu exploration projects.

Mirasol presently holds approximately 39,000 ha in the Cu-rich Eocene-Oligocene belt, including the Rubi and Odin projects.

Paleocene to Early Eocene belt

This belt hosts significant mines, including BHP's Spence porphyry Cu+Mo mine, and Yamana Gold's El Peñón, a high-grade, low-sulfidation epithermal Au+Ag deposit. El Peñón is the largest precious metal mine in the Paleocene belt with contained metal of 7 Moz Au and 188 Moz Ag (reserves, resources and historic production; SNL Metals & Mining – December 31, 2017).

In this belt, Mirasol is targeting large-scale multi-million-ounce epithermal Au+Ag and large porphyry Cu deposits. Mirasol is actively exploring for this type of Au deposit at its Indra project where Mirasol announced the signing of Option and Earn-in Agreements with Hochschild Mining ("HOC") (news release August 29 and 30, 2018 and October 17th, 2018). Mirasol presently controls approximately 29,000 ha of granted exploration claims in Paleocene belt.

Argentina: Santa Cruz Province Generative Region

The Company's generative program in Argentina is focussed in Santa Cruz Province and encompasses the area of the Deseado Massif, a 60,000 sq-km region of upper-middle Jurassic age volcanics which are recognized as an under-explored terrain with high potential for hosting low- and intermediate-sulfidation epithermal Au and Ag deposits. Mirasol controls approximately 425,000 ha of exploration and mining claims in the province.

The Santa Cruz Province hosts six operating Au+Ag mines with the recent commissioning of the Cerro Morro mine operated by Yamana Gold. Five of the mines are owned and operated by international, mid-tier to major precious metal producing companies. Mineralization in Santa Cruz typically occurs in high-grade vein systems with both Low Sulfidation Epithermal ("LSE") and Intermediate Sulfidation Epithermal ("ISE") styles. These deposits are mined by both open-pit and bulk underground mining techniques.

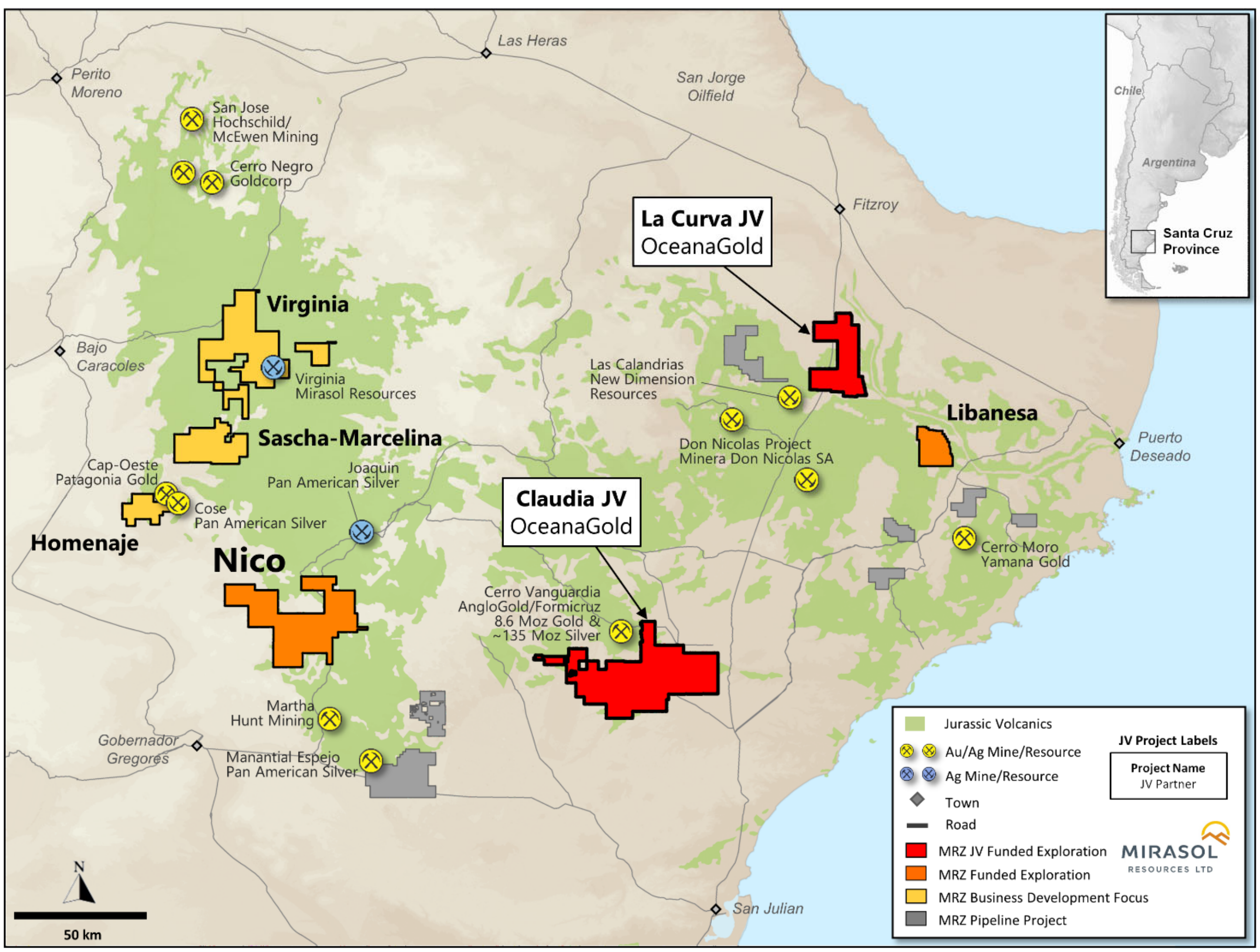

Figure 3: Santa Cruz Project Portfolio.

Mirasol has been exploring in Santa Cruz for over 10 years and has a successful track record of targeting, securing and delivering attractive, district-scale projects to precious metal producers as demonstrated by the discovery of two Ag deposits: Joaquin, sold to JV partner Coeur Mining in 2012; and Virginia which remains 100% owned by the Company.

The Company's strategy in Santa Cruz since December 2016, has been focused on consolidating claims holdings around key mineral districts where Mirasol already has established projects and where the Company's exploration has confirmed the potential for, large-sized precious metal systems.

The Company is monitoring the impact of the recently announced new export tax, and the rapid currency devaluation (inflation). To date, these issues have not impacted Mirasol's capacity to operate in Argentina. The Company's JV partner in Santa Cruz, OceanaGold Corporation ("OGC"), is continuing with its exploration programs at the Claudia project and late last year completed a second phase 3,227.8-meter drill program at the Curva project. Mirasol is also continuing to experience strong, broad-based interest in its Argentine projects for potential new JVs, from major to mid-tier producers, well-funded private and listed junior resource companies. Notably, expressions of interest are being received from in-country precious metal producers as well as companies that are interested in making new or first-time investments. Mirasol is focused on securing new partner investments in its Argentine projects.

The Company continually assesses the investment and operating climate in Argentina and will adjust its activities in response to the evolving investment and operational environment, if necessary.

JOINT VENTURE, BUSINESS DEVELOPMENT AND EXPLORATION ACTIVITIES

Activities on Projects Under Option to Joint Venture

Chile

Altazor-NCM JV: Altazor Au project, northern Chile

Altazor is an HSE Au project covering 33,230 ha located in an underexplored section of the Mio-Pliocene age mineral belt. Mirasol has completed a first-pass reconnaissance sampling over approximately 50% of the project area and reported the results on October 11, 2017. The results show comparable geology, alteration patterns and Au ppb level anomalous assays in soil and rock chip samples to those reported from surface sampling at Gold Fields' Salares Norte Project, which has a geological setting analogous to Altazor in the Mio-Pliocene mineral belt of Chile.

On November 21, 2017 Mirasol announced the signing of an Option and Farm-in Agreement with Newcrest International Pty Limited. The JV agreement grants NCM the right to acquire up to an 80% interest in the Altazor project by making US$10 million in exploration expenditures, delivering a feasibility study and, at Mirasol's request, funding to commercial production the Company's 20% retained project equity. The first-year spending commitment of US$ 1.5 million has been directed to an aggressive property wide surface exploration and geophysics program for drill target definition. NCM is also required to pay US$ 1.9 million in staged option payments to Mirasol over the duration of the agreement.

On November 12, 2018 the Company reported that the initial 12-month Option stage of the Altazor Agreement has been completed with NCM incurring exploration expenditures in excess of US$1.5 million. NCM exercised its option to enter the Farm-in stage, triggering a US$500,000 payment to Mirasol. NCM also presented a budget of US$4.3 million for this season's exploration program, including a maiden drill program, subject to obtaining applicable permits and permissions.

Exploration Program Results

Mirasol's initial reconnaissance sampling, completed in 2017 prior to the NCM JV, covered approximately 50% of the project area. A total of 216 stream sediment, 395 soil and 933 rock chip samples were collected and returned low-level but significantly anomalous Au, Ag, Cu, Pb, Zn and epithermal path finder element assays, from sampling in the vicinity, and of mapped breccia bodies (news release October 11, 2017).

In November 2018, Mirasol reported the results from the 2017/18 exploration program completed under the JV with NCM, which included alteration analysis of soils and radiometric age dates as well as results from a 1,035 line-km ground magnetic survey, geological mapping and rock chip sampling over an area of 128 sq. km, a 2,030 sample, low detection limit soil grid covering 85.6 sq. km, and a 66.9 line-km Controlled Source Audio-Magnetotellurics (CSAMT) resistivity geophysical survey. Integrated analysis of the combined data sets shows Altazor to be a district-scale, zoned alteration system, preserved at a level that could conceal HSE gold deposits beneath "barren" steam heated cap rocks and post mineral cover, as has been the case at recent multimillion-ounce discoveries elsewhere in the Mio-Pliocene mineral belt in Chile.

The 2017/2018 Altazor exploration results highlight the very large areal extent of the alteration system at the project where it will require several seasons of work to complete a first pass evaluation. The integrated leading-edge technologies applied during the first season's exploration have identified multiple compelling large-scale drill targets in three principal prospects that have alteration, geochemical and geophysical characteristics in common with the predrill target signatures of Salares Norte and other recent HSE gold discoveries.

Mirasol and NCM have also recently staked an additional 10,000 ha of claims covering potential extension of the Altazor alteration system, bringing the total area covered by the project to approximately 32,000 ha. NCM has assembled a Chile-based exploration team and elected to take operatorship of the exploration program from July 1, 2018. This has freed Mirasol exploration and management teams to peruse new project opportunities.

NCM has notified Mirasol that they have budgeted approximately $4.3 million for a large-scale surface exploration program and a maiden drill program to test compelling high sulfidation epithermal gold targets, during the 2019 southern Hemisphere summer exploration season.

In the first quarter of 2019, NCM reinitiated surface exploration of the large Altazor alteration systems, aimed at exploring extensions of the prospects identified during last season's program, to undertake first pass exploration of new claims staked at the end of last season, and to cover interpreted extensions of the alteration system. Some delays were experienced during late January to early February due to flooding from unusually heavy rain and snow fall. Work recommenced in mid-February.

NCM and Mirasol are collaborating to advance the community liaison and the drill permitting process, which includes environmental baseline studies and water access agreements. Subject to positive outcomes, NCM will commence the construction of drill access with the objective of undertaking 2,000 m initial drill testing of four HSE gold targets before the end of the 2019 southern hemisphere field season.

Zeus-NCM JV: Zeus Au project, northern Chile

Zeus is a gold project covering 18,500 ha that is located 40 km east-south-east of the Salares Norte project.

On February 26, 2018, Mirasol announced the signing of an Option and Farm-in Agreement with NCM. Following execution of the agreement, a US$ 750,000 surface exploration program was completed (see News Release April 24, 2018). The program was focused on the known breccia bodies at Apollo and Artemisa prospects, and included detailed mapping, gridded systematic soil and rock chip sampling geochemistry, CoreScan alteration mapping and 32 line-km of CSAMT geophysics. Analysis of exploration data is currently being performed and will be completed during the second quarter of 2019.

On December 10, 2018, Mirasol announced that the companies agreed to the early termination of the Zeus Option to Farm-in Agreement. NCM agreed to a US$200,000 early termination payment to Mirasol.

NCM has no retained rights in the Zeus project.

Mirasol has initiated the business development process to identify a new JV partner to continue exploration at the Zeus project. Mirasol believes that Zeus is a very prospective, underexplored, Au+Ag project hosted in a permissive geological setting, 43km East of the Salares Norte project. Mirasol also views Goldfields' reporting in February this year, of a positive feasibility study for the Salares Norte Project, as a potentially encouraging outcome for the Zeus project.

Exploration Program Results

Mirasol's exploration prior to commencement of the NCM agreement identified two breccia bodies at the Zeus project, Artemisa and Apollo (news release January 16, 2018):

- <u>Artemisa:</u> Mirasol's exploration has outlined an 800 m diameter zone of advanced argillic alteration developed in a breccia where reconnaissance level soil sampling has defined a low-level coincident Au+Ag+As+Cu+Pb+Sb+Mo geochemical anomaly, which overlies the edge of the mapped breccia body.

- <u>Apollo:</u> Mirasol has identified a 0.6 x 1.2 km crescent-shaped zone of advanced-stage argillic and intermediate-argillic altered pyroclastic breccias and epiclastic sediments which outcrop through an erosional window through post-mineral (late) lava flows. Mirasol interprets this alteration to be hosted within a phreatomagmatic breccia and flow-dome complex, which, while poorly exposed, presents a geological setting favorable for hosting HSE occurrences. Mirasol has undertaken initial mapping, rock chip sampling and alteration modelling from 218 samples collected throughout the Apollo "alteration window". Assay results show wide-spread strongly anomalous Ag, As, Ba, Hg, Sb, with 38 of 218 samples collected in the altered window returning Au assays in the range 0.1 to 1.28 g/t Au.

<u>Gorbea – NCM JV: Gorbea Au Project, Atacama Puna, Northern Chile</u>

The Gorbea Project comprises a package of projects totaling 23,000 ha, including the Atlas Au+Ag and the Titan Au (Cu) projects, located in the Mio-Pliocene age mineral belt of northern Chile.

The Gorbea properties were subject to a previous joint venture with Yamana Gold that was terminated in April 2018, after the partner had incurred exploration expenditures in excess of US$ 8 million. The exploration identified a significant body of HSE gold mineralization at the Atlas project, which returned a drill intercept of 114 m grading 1.07 g/t Au, including 36 m grading 2.49 g/t Au (news release September 11, 2017).

On December 10, 2018, the Company announced a Heads of Agreement granting NCM the right to acquire, in multiple stages, up to 75% of the Gorbea Project by completing US$19 million in exploration expenditures and delivering a feasibility study as well as making staged option payments to Mirasol. Upon NCM earning 75% of the Project, Mirasol can elect to fund its share and retain a 25% project equity position, or exercise a one-time equity conversion option to convert up to 10% of its equity to a NSR royalty at a rate of 2.5% equity per 0.5% NSR royalty (max 2% NSR royalty). NCM has committed to spend a minimum of US$4 million and complete a minimum of 3,000 m of drilling over an initial 18-month period. The Company announced the signing of the definitive Letter Agreement on January 28, 2019.

Exploration Program Results

On January 7, 2019, Mirasol reported significant progress in geological understanding derived from Mirasol's initial interpretation of exploration data generated under a recently terminated JV on the Gorbea package (see news release April 13, 2018).

The outcomes of this work include the recognition of a large breccias complex at Atlas that hosts the better gold mineralization, the development of a new alteration vectoring model suggesting that a number of previous drill holes with anomalous Au+Ag assays may have been terminated too early above the potentially better mineralized zone, and the recognition of new target areas where gold mineralization may occur closer to surface.

The scale of the Atlas Au+Ag system, combined with the relatively modest amount of exploration drilling to date (10,499 m in 26 holes) and the range of priority targets identified, highlights the project as a large, under-explored HSE system, requiring further drill testing for potential large tonnage bulk minable Au+Ag mineralization.

NCM is operating the Gorbea exploration program. Mirasol and NCM are advancing the drill permitting process and upgrading the exploration camp to accommodate up to 50 people. Negotiations for water access and the drill contract are advancing.

Exploration will be focused on the Atlas project for the 2019 southern hemisphere summer season. Efforts are currently being directed towards re-logging existing core and a surface re-mapping program to develop a new exploration model for the project. A CSAMT electrical geophysical program is scheduled to start in Q1 2019. Subject to successful completion of a water access agreement and completion of the expanded exploration camp, NCM is planning an approximate 2,000 m drill program during the second quarter of 2019.

<u>Indra-HOC JV: Indra Precious Metals project, Northern Chile</u>

Indra is a 20,000-ha epithermal precious metals project located in the Paleocene Age Mineral Belt, 5 km south of the 1.37 Moz Au equivalent El Guanaco Au mine in northern Chile (reserves, resources and historic production; SNL Metals & Mining – December 31, 2017). The project is interpreted to host the upper levels of a large low to intermediate sulfidation epithermal Au+Ag system. The project is characterized by a large carbonate+silica vein and breccia system with weakly anomalous Au+Ag rock chip assays and strongly anomalous epithermal path finder geochemistry.

On October 17, 2018, the Company announced the signing of an Option and Earn-in Agreement with Hochschild Mining (HOC) for the Company's Indra precious metals project in northern Chile and the beginning of a surface exploration program on the project. The agreement gives HOC the right to acquire, in multiple stages, up to 70% of the project by completing a series of exploration and development milestones and making staged option payments. Mirasol can elect to contribute its 30% of development expenditures or exercise an option for HOC to finance 100% of the development costs through to production, in this latter scenario, Mirasol would retain a 25% interest in the project and HOC's interest would be increased to 75%. HOC is also required to pay US$ 725,000 in staged option payments to Mirasol over the duration of the agreement and committed to spending US$800,000 over the first 18 months.

Exploration Program Results

The Indra project was staked by Mirasol as an outcome of the Company's Atacama – Puna generative exploration program and encompasses what Mirasol interprets may be the upper levels of a large epithermal Au-Ag system. Mirasol has identified a limited number of prospect pits at Indra, estimated to be from the 1900's, however, there is no evidence of modern exploration at the project despite year-round access and its location adjacent to an operating mine (news release August 30, 2018).

The project hosts the following encouraging prospects:

- <u>Agni</u>, with a large chalcedony and opal silica alteration system and associated silica – barite structures; and
- <u>Indra</u>, with a large carbonate-silica vein and vein-breccia zone.

On October 17, 2018, Mirasol announced that the Company had initiated an approximately US$250,000 exploration on the Indra project. Mirasol is operating the Indra exploration program including detailed mapping, sampling and completing a 2,100-line km ground magnetics survey.
This phase of the exploration program has been completed during the December quarter of 2018 and was designed to identify areas for potential trenching and deep penetrating geophysics prior to drill testing.

Analysis of the exploration program results are in progress. An in-field JV meeting with HOC is planned for Q1 2019 to review exploration results and select drill sites for an initial drill program proposed for the second quarter of 2019.

Argentina

La Curva-OGC JV: La Curva Au Project, Santa Cruz, Argentina

The La Curva Au project, with 36,100 ha, includes three priority drill-ready prospects along the La Castora trend and a series of other early stage prospects in the Curva West area. The geological setting of the La Curva project is prospective for high-grade LSE breccia/sheeted veinlet, and fissure vein styles of Au+Ag mineralization.

On May 18, 2017, Mirasol signed a definitive JV agreement with OceanaGold Corporation (OGC) to explore the La Curva project in Santa Cruz Argentina for LSE Au+Ag mineralization. The agreement grants OGC the right to earn up to 75% of the project by spending US$ 7.0 million in exploration expenditures, delivering a feasibility study, a decision to mine and funding Mirasol 25% project equity position to commercial production. If OGC elects to stay in the JV to the 51% earn-in, OGC will have paid US$ 1.5 million in staged cash payments to Mirasol.

The JV completed 2,550 m of drilling in the first JV year at the Castora trend. On October 9, 2018 the JV commenced the second season drilling with a 3,000 m drill program at the project to follow-up and test additional targets at the Castora Trend and to test new targets at the Curva West prospect.

Exploration Program Results

On February 28, 2018, Mirasol announced the results from the first season of drilling at Curva. The 18-hole, 2,550 m, DDH program provided an initial test of three prospects on the Castora Trend: Cerro Chato, Loma Arthur and SouthWest. Drilling intersected widespread pervasive argillic alteration, silicification and Au+Ag mineralization indicative of a large LSE Au+Ag system.

Highlights include:

- 0.48 g/t Au and 2.1 g/t Ag over 47.9 m (CC-DDH-01)
- 0.61 g/t Au and 2.7 g/t Ag over 106.2 m (SW-DDH-02)

Presently, two distinct stages of Au mineralization are recognized: Stage 1) broad zones (up to 106.2 m downhole) of lower-grade, early quartz+pyrite mineralization; and Stage 2) an overprinting phase of higher-grade multi-pulse epithermal veins and veinlets with individual assays up to 12.72 g/t Au and 145.4 g/t Ag over 0.8 m (SW-DDH-02). The better DDH intersections include:

- 0.72 g/t Au and 2.6 g/t Ag over 0.8 m (including 6.12 g/t Au and 18.6 g/t Ag over 19.65 m); and 1.24 g/t Au and 2.0 g/t Ag over 5.75 m (including 5.99 g/t Au and 5.9 g/t Ag over 0.85 m; CC-DDH-01)
- 1.22 g/t Au and 0.7 g/t Ag over 13 m (including 1.81 g/t Au and 0.7 g/t Ag over 7.4 m; LA-DDH-04).
- 2.33 g/t Au and 31.1 g/t Ag over 6.2 m (including 6.88 g/t Au and 84.9 g/t Ag over 1.8 m), and 0.82 g/t Au and 2.2 g/t Ag over 26.7 m (including 3.5 g/t Au and 11.3 g/t Ag over 1.45 m; SW-DDH-02).

Preliminary geological interpretation suggests the Castora Trend prospects represent a series of intrusive flow dome related maar diatreme breccias.

On September 19, 2018, Mirasol announced the receipt of the US$ 200,000 option payment confirming that OCG will continue into the second year of the La Curva JV. OGC has met the first-year minimum JV commitments spending approximately US$ 1.50 million to the end of May 2018 (against US$ 1.25 million committed) and drilling 3,020 m at the Castora Trend (news release May 25, 2017).

A follow-up deep stratigraphic drill hole was also completed to test for the presence of permissive hosts rocks a depth at the Cerro Chato prospect. Additional surface work also confirmed the presence of a prospective geological environment for epithermal Au+Ag mineralization at the undrilled Curva West and the Castora Trend SouthWest prospects.

During the fourth quarter of 2018, OCG and Mirasol completed a 17 hole, 3,227.8 m drill program at La Curva, which included 4 reverse circulation drill holes totalling 375 m and 13 diamond core holes totaling 2,852.8 m. Drilling provided initial testing of targets at the Curva West and a third round of drilling at the Castora trend prospects.

Nine 1-kg composite samples of the different mineralization styles from the Cerro Chato and South West prospects were also submitted for cyanide leach analysis to provide an initial indication of the metallurgical characteristics of the mineralization.

Results from this drill program and the cyanide leach tests have been received and are currently being compiled and analysed. It is anticipated that results will be reported shortly.

Claudia-OGC JV: Claudia Au+Ag Project, Santa Cruz, Argentina

The large Claudia Au+Ag project (approximately 102,000 ha) comprises several drill-ready prospects and is contiguous with the world-class Cerro Vanguardia Au+Ag district operated by Cerro Vanguardia S.A., a 92.5 % owned subsidiary of Anglo Gold Ashanti ("CVSA"). Mirasol's exploration has outlined five large-scale epithermal Au+Ag vein prospects at Rio Seco, Laguna Blanca, Ailen, Cilene and Curahue. At Curahue, six separate vein trends have been identified: Io, Europa, Ganymede, Callisto, Sinope and Themisto, along a 15 km corridor (news release July 27, 2015). A series of drill ready targets are also defined at Rio Seco, Ailen and the large Curahue zone.

A definitive JV option agreement was signed with OceanaGold Corporation on October 20, 2017, granting OGC the right to earn up to 75% of the project by spending US$ 10.5 million in exploration expenditures, delivering a feasibility study, a decision to mine and funding Mirasol's 25% project equity position to commercial production. If OGC elects to stay in the JV to the 51% earn-in, OGC will have paid Mirasol US$ 1 million in staged cash payments. Further, OGC will make a one-off payment to Mirasol of US$ 250,000 if the Au+Ag ounces in a non-NI 43-101 compliant mineral inventory, outlined in the Curahue prospect Io Vein preliminary block model by Mirasol's previous JV partner CVSA, are included by OCG within the PEA, or feasibility stage, declaration of resources.

Exploration Program Results

On September 17, 2018 Mirasol reported the first season exploration results for the Claudia-OCG JV. Highlights from exploration include:

- Drilling Results: Since inception of the OGC Joint Venture 12 diamond core holes (DDH) totaling 2,529 m have been drilled, testing targets at the Curahue and Cilene prospects. Assays from the Curahue prospect, Europa and Io trends include 0.6 m at 0.08 g/t Au and 610.0 g/t Ag, and 0.55 m at 1.15 g/t Au and 22.9 g/t Ag; and from the Cilene prospect 0.9 m at 1.95 g/t Au and 5.7 g/t Ag;
- Geophysical Surveys: A combined 114.5 line-km of gradient array and IP electrical geophysics surveys have been completed at the Rio Seco, Curahue and Cilene prospects;

- Geophysical Models: 3D models have been generated from existing ground magnetics and from combined new and existing electrical geophysical data sets for the NW end of Curahue and for Rio Seco;
- Reconnaissance: Prospecting of the large property package has progressed with rock chip sampling returning Au assays up to 7.26 g/t Au and 124 g/t Ag from extensions or new vein and veinlet zones at Europa and Themisto Trends at Curahue, and new Volcan prospect located 7 km to the east of the Cerro Vanguardia Mine.

Integrated analysis of this season's data with existing data, has provided new geological insight into the controls on mineralization at the Curahue and Rio Seco prospects, guiding exploration program design for Southern Hemisphere spring and summer exploration season.

During the last quarter of 2018 and the first quarter of 2019, OCG and Mirasol undertook an approximately US$230,000 exploration program at Claudia, encompassing IP electrical geophysics and mapping of rock chip sampling at the Volcan, Curahue and Laguna Blanca prospects. Results are being received and will be used to identify targets for a drill program currently planned for the second quarter of 2019.

Exploration Activities On 100% Owned Mirasol Claims

Chile

Odin Cu Project, Atacama Puna

Odin is located 20 km north of the giant Escondida Cu mine. The Odin claims cover a previously unexplored Mirasol-generated conceptual porphyry Cu mineralization target, concealed by a strongly altered geochemically barren lithocap. In Q1, Mirasol reported the expansion of claims at Odin from 900 to 5,700 ha (news release July 25, 2017).

Mirasol expanded reconnaissance rock chip sampling outward from the original Odin target into the new claims. Initial results have returned encouraging Cu + Mo + Au assays. These areas will be the focus of future exploration.

Rubi Cu Project, Atacama Puna

Rubi is located in the El Salvador Cu-Au mining district, Chile, and hosts the Lithocap, Zafiro and Puertozuelo porphyry Cu targets. The El Salvador district hosts large-scale porphyry Cu mines operated by Codelco, the Chilean national mining company.

Mirasol completed field evaluation and targeting programs at Rubi identifying three large-scale Cu + Mo + Au targets at the Lithocap, Zafiro, and Portezuelo prospects. The targets were defined by integrated analysis, including re-logging of drill samples and the re-interpretation of geophysics and geochemistry from previous JV partner exploration at Rubi. This was combined with recent Mirasol geological mapping, rock chip sampling and target vector modelling from field-based measurements of alteration minerology (news release July 24, 2017).

The Company has systematically consolidated claims holdings at Rubi over the past 12 months and has expanded the claim area to a total of nearly 26,000 ha (news release July 24, 2017).

Argentina

Nico Au Ag Project, Santa Cruz

The Nico project is located 85 km from the Pan American Silver Manantial Espejo Ag+Au combination open-pit and underground mine. Mirasol has been actively exploring the Nico project and reporting results throughout the last year.

On August 8, 2017, Mirasol reported that reconnaissance mapping and sampling at the Nico claims, approximately 12 km to the east of the Aurora prospect, led to the discovery of a new high-grade epithermal vein at the Resolution prospect where reconnaissance rock chip sampling returned assays ranging to 4.79 g/t Au and 6,181 g/t Ag. This mineralization is contained within oxidized veins and veinlets of a grey, chalcedonic silica with localized zones of banded saccharoidal silica and breccia textures all hosted within dacitic subvolcanic rocks.

On March 2, 2018, Mirasol announced the upgrade of the Resolution Trend, upon receipt of additional Ag+Au rock chip assay results of up to 5.73 g/t Au and 528 g/t Ag, identifying new parallel vein echelon mineralized structures with intervening zones of sheeted and stockwork veinlets. At that time and as defined by anomalous Ag+Au rock chip assays, the Resolution Trend was a 1.25 km long zone, defined by parallel 0.1 to 1.0 m wide veins and intervening stockwork veinlets, that combine up to 80 m wide zones of veining and stockwork.

On July 5, 2018, Mirasol announced that a 1.7 sq-km, 100 m line-spacing geophysical survey outlined a 1.4 km long chargeability anomaly coincident with the down-dip projection of the previously reported high-grade Ag+Au bearing vein breccias (news releases, March 2, 2018 and August 8, 2017). Geological mapping outlined a prospective setting of outcropping mineralized structures with a defined cumulative strike length in excess of 1.5 km, hosted within a porphyritic sub-volcanic dacite dome unit

On July 12, 2018, the Company reported systematic rock chip outcrop and float sampling returns of "bonanza" grade Ag+Au assays from a 1.2 km long section of Resolution Trend. Assay results support reported anomalous electrical geophysics survey results (news release July 5, 2018) from the Resolution Trend include these highest grades from outcrop samples:

- 1,435.9 g/t Ag and 1.37 g/t Au (25.3 g/t AuEq60[1]) and 456.9 g/t Ag and 1.76 g/t Au (9.4 g/t AuEq60).
- 2,332.3 g/t Ag and 9.62 g/t Au (48.5 g/t AuEq60) and 1,484.7 g/t Ag and 8.15 g/t Au (32.9 g/t AuEq60)

On August 27, 2018, the Company announced the receipt of 208 rock chip samples from the Resolution Prospect that returned assays of up to 544.9 g/t Ag and 0.87 g/t Au, with the top 79 Ag samples averaging 127.6 g/t Ag. These samples were collected from structures peripheral to the core of the prospect and expand the known area of mineralization.

In addition, saw-cut channel samples from the Resolution Main and peripheral structures return length-weighted average assays that include 1.34 m at 155 g/t Ag and 0.04 g/t Au (2.6 g/t AuEq60), 0.7 m at 369.5 g/t Ag and 1.41 g/t Au (7.6 g/t AuEq60) and 0.3 m at 950 g/t Ag and 4.27 g/t Au (20.1 g/t AuEq60) at an AuEq60 1.0 g/t cut off. 55 rock chip samples of oxidized vein-breccia from these trends, averaged 44.46 g/t Ag and 4.03 g/t Au and (4.8 g/t AuEq60), with a peak assay of 454.1 g/t Ag and 21.40 g/t Au (28.9 g/t AuEq60).

Mirasol also completed reconnaissance exploration work at the Aurora prospect identifying new high-grade Ag+Au vein-breccia trends. To date, nine priority targets have been defined at the Aurora prospect. The work completed comprised geological mapping, detailed ground magnetics and rock chip sampling, which defined a system of structurally-hosted epithermal silica-iron oxide breccias and chalcedonic silica veinlets, developed in multiple interpreted mineralized trends over a 4.0 by 2.1 km area (news releases August 27, 2018, June 12, 2017 and July 5, 2017).

A new Ag+Au vein corridor was delineated at the Vittoria Vein Trend, that to date has been traced over a 1.6 km strike length. The Vittoria Vein Trend as known to date, ranges from sub-meter to locally up to 10 m wide trend, characterized by multiple parallel 0.3-0.5 m wide chalcedonic quartz vein outcrops and sub-cropping blocks, that have returned rock chip assays of up to 1.44 g/t Au and 174 g/t Ag. (news release March 2, 2018).

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[1] AuEq60 is the sum of the value of Au and Ag in a given interval represented as an Au equivalent g/t value calculated via the formula: Au assay in g/t + (Ag assay in g/t ÷ 60)

Mirasol increased the area of the Nico Project by staking of new claims to secure extensions of the volcanic complex interpreted to relate to the mineralization, bringing the total project area to over 78,000 ha (news release August 8, 2017).

On September 25, 2018 Mirasol recommenced exploration at the Nico project for the 2018-19 southern hemisphere summer exploration season. In mid-December 2018, Mirasol initiated a shallow drill program at the project. The program was suspended over the Christmas – New Year period, recommencing in mid January 2019 and was completed during late February 2019.

Mirasol completed 27 holes totalling 1,610.2 m, including 17 reverse circulation holes totalling 907m and 10 diamond core holes totalling 703.2 m. Drilling was designed to provide an initial shallow test of narrow structures that have returned high grade Au and Ag assays from surface rock chip and saw cut channel sampling. The objectives of this program are to:

1) test if high grades surface gold and silver assays persist to depth;
2) determine if mineralised vein and breccias structures show indications of increased width at depth; and
3) provide structural information to guide potential deep diamond core drilling of structures, if warranted by initial drill results.

Results from this program will be reported once received, compiled and analysed.

Sascha – Marcelina Au Ag Project, Santa Cruz

Mirasol staked the Sascha project in 2003 to secure the 5 km-long Sascha Vein Zone, which was partially drill tested on the western end while under JV to Coeur Mining from 2006 to 2009. Coeur terminated the JV in 2009 and returned 100% of the project to Mirasol. On January 23, 2019, Mirasol signed an option to purchase agreement with a private mining company for the 5,700 ha Marcelina claims, consolidating for the first time the full district under one company.

Under the terms of the Agreement, Mirasol can acquire 100% of the Marcelina claims, by making staged option payments totalling US$3.4 million over 4 years and subject to a 1.5% NSR royalty. US$3.15 million of the option payments are due on the 4th anniversary. Mirasol committed to a minimum US$300,000 exploration spending during the first three years of the option period.

Mirasol has completed an integrated interpretation of district-scale exploration data sets collected prior to 2009. Anomalous rock chip Au+Ag assays and Aster satellite alteration anomalies defined a 16.5 x 4.0 km (65 sq. km) "footprint" to the district, showing a large-scale, zoned alteration system characteristic of a large LSE Au+Ag system. Five, multi-kilometre long, mineralized vein and silicified breccia trends have been recognized to date across the consolidated district. The trends traverse the Marcelina Silica Cap, or outcrop through post mineral gravel and basalt cover that surrounds the Silica Cap.

The geologic and geomorphic setting of the Marcelina Silica Cap and related silica structures and veins is analogous to the Cerro Negro Silica Cap, where Goldcorp is mining plus million-ounce Au+Ag resources at Bajo Negro and Vein Zone deposits, at the Cerro Negro Mine located 100 km to the north of the Sascha – Marcelina project.

Interpretation of mapped volcanic and sedimentary stratigraphy, Au+Ag and multielement geochemistry and alteration mineralogy shows that different levels of the epithermal system outcrop across the district, exposing what are interpreted to be different levels of the mineralized column of an LSE Au+Ag system.

Mirasol will mobilize a field team to the Marcelina district to begin a program of systematic surface exploration to define drill targets during the 2nd quarter of 2019.

Virginia Ag Project, Santa Cruz

The Virginia high-grade, Ag vein zone was discovered by Mirasol in late 2009. In the 2015 financial year, Mirasol reported an initial mineral resource estimate for the Virginia project. The report presents a conceptual, open-pit constrained, mineral resource estimate focused exclusively on the high-grade vein/breccia component of the mineralization as previously reported (news release February 7, 2013). The mineral resource estimate contains Indicated resources totalling 11.9 Moz Ag at 310 g/t, and Inferred material totalling 3.1 Moz Ag at 207 g/t, all contained within seven outcropping veins of high-grade Ag mineralization (news release January 28, 2015).

On March 29, 2016, Mirasol filed an amended technical report on SEDAR dated February 29, 2016. The Amended Report addressed specific technical comments received from the BC Securities Commission ("BCSC") following their routine review of technical disclosure. The base case Mineral Resource estimate contained in the Original Report remains unchanged in the Amended Report.

Mirasol's holdings at Virginia were expanded to 70,000 ha and preliminary prospecting south of the limit of Mirasol drilling on the newly acquired claims identified quartz vein and vein breccia "float", scattered along a 2 km trend (news release September 14, 2016).

During the last financial year, prospecting and reconnaissance mapping on the newly acquired claims resulted in the discovery of additional high-grade Ag mineralization (news release May 10, 2018). Surface Ag mineralization at Margarita was extended over a 450 m strike-length. The newly recognized Julia South Dome Trend is defined by intermittent vein and vein-breccia subcrop and float samples which extend 2.15 km south from the limits of drilling defining the resources at Virginia. The new East Zone target covers a 1.2 km x 600 m area where rock chip sampling of subcropping epithermal vein-breccia and aligned float blocks have returned high-grade Ag assays.

Detailed exploration, including surface electrical geophysics, trenching and shallow drilling are required to further test these new target areas to confirm if shallow cover is concealing undiscovered Ag veins that are the source of the float.

Other Properties

Mirasol holds several additional drill-ready and early-stage exploration properties, which are prospective for Au and/or Ag and Cu mineralization in southern Argentina and northern Chile.

Mirasol is advancing first pass reconnaissance sampling of its Mio-Pliocene pipeline property portfolio and will report results from this exploration at the end of the 2019 southern hemisphere summer season.

Business Development Activities

Since the beginning of July 2018, Mirasol has signed confidentiality agreements, distributed data sets and conducted field reviews with selected Au and Cu companies with the objective of securing potential new JVs for many of its projects including:

- Santa Cruz: Sascha-Marcelina Au Ag Projects, Libanesa, Homenaje and Virginia Ag Projects in Argentina.
- Eocene-Oligocene Belt: Odin and Rubi Cu Projects in Chile.
- Mio-Pliocene Belt: Zeus Project and other Mio-Pliocene pipeline projects in Chile.

The Company is also focusing its exploration activities on its Mio-Pliocene "pipeline" properties to advance them to drill-ready status in preparation for JV's.

HIGHLIGHTS FOR THE PERIOD JULY 1, 2018 TO FEBRUARY 28, 2019

Exploration Financial Summary

The Company's total exploration costs include generative exploration, property retention costs of the exploration project portfolio, costs associated with preparing projects for joint venture, in-country operation and management, and local value added taxes (VAT). For the quarter, Mirasol invested $(334,517) (Table 2) on exploration in Chile and $509,325 in Argentina.

The Company received $399,031 in cost recoveries for the quarter; claims fees, salaries of Mirasol employees seconded to the JV programs and other operational costs that are covered by the JV partners under the terms of the JV agreements. Mirasol earned $100,854 of management fee income during the period.

Mirasol also received JV option payments of US $1,150,000 comprised of:

- In October 2018, the Indra JV signing payment from HOC of US$ 50,000.
- In August 2018, a La Curva JV option payment from OGC of US$ 200,000.
- In November 2018, a Claudia JV option payment from OGC of US$ 100,000.
- In November 2018, the Altazor Option exercise payment from NCM of US$ 500,000.
- In February 2019, the Gorbea signing and Zeus termination payment from NCM of US$ 300,000.

Corporate Matters

On July 17, 2018, the Company announced the appointment of Jonathan Rosset as Vice-President Corporate Development and the grant of 60,000 stock options and 110,000 restricted share units ("RSUs") under its Equity Incentive Plan to certain officers, employees and consultants. The options are exercisable at $1.76 per share for a period of three years from the date of grant and are subject to vesting whereby 50% shall be vesting immediately and the balance shall vest in six months, subject to certain contractual conditions. The RSUs are also subject to vesting whereby 50% shall vest on the date that new contracts are entered into with each recipient, and the balance shall vest 12 months thereafter. The RSUs entitle the holder to be issued one common share for each vested RSU. The Company currently has 3.1 million options allocated of the 5.4 million options available under the Company's Options Plan.

On November 21, 2018, the Company reported that Borden R. Putnam III resigned as a director effective November 20, 2018. Mr. Putnam served on the Board since December 2012 and has been involved in various committees as an independent director during his tenure.

On December 18, 2018, the Company announced the annual grant of stock options under its Equity Incentive Plan. A total of 397,500 options were granted to directors, officers, employees and consultants, which are exercisable at $1.10 per share for a period of three years. The Company has also announced that it renewed consulting agreements with:

(i) Global Ore Discovery ("Global Ore") to provide continued technical services, under which the Company agreed to grant Global Ore 75,000 common shares in stages as a retention bonus, with 37,500 shares being issued with 10 days of TSX Venture Exchange acceptance, 18,750 shares on January 1, 2019, and 18,750 shares on April 1, 2019; and

(ii) Stephen Nano, who served at the time as CEO and President of the Company, under which the Company granted 50,000 RSUs under its Equity Incentive Plan to Mr. Nano, who is a principal of Global Ore.

Effective February 1, 2019, Norman Pitcher, P.Geo., was appointed President and CEO of the Company. In connection with his appointment, the Company granted 600,000 stock options to Mr. Pitcher. The options are exercisable at $1.27 per share for a period of four years subject to vesting restrictions whereby 200,000 options shall vest immediately; 200,000 options shall vest on February 1, 2020; and 200,000 options shall vest on February 1, 2021, provided that Mr. Pitcher's employment agreement is in effect on such dates. An additional 150,000 stock options were granted to the Chairman of the Board and are exercisable at $1.27 per share for a period of three years.

RESULTS OF OPERATIONS

Table 2: *Exploration expenditures per projects under active exploration* *(following page)*

	For the Three Months Ended December 31, 2018	2017	For the Six Months Ended December 31, 2018	2017
CHILE				
Gorbea - Joint Venture				
Assays and sampling	2,228	-	2,228	-
Camp and general	72,172	-	81,460	-
Contractors and consultants	27,138	24,407	49,759	20,727
Mining rights and fees	17,434	(18,436)	21,148	2,873
Travel & accommodation	3,898	1,466	8,960	4,410
Professional fees	-	-	-	661
	122,870	7,437	163,555	28,671
Altazor - Joint Venture				
Assays and sampling	-	28,412	13,326	28,412
Camp and general	27,458	23,995	32,831	23,995
Contractors and consultants	25,883	175,608	86,160	175,608
Exploration costs recovered	(80,924)	(454,743)	(202,186)	(454,743)
Geophysics	-	83,505	-	83,505
Management fees	-	41,340	-	41,340
Mining rights and fees	14,063	47,763	37,444	48,315
Professional fees	2,373	1,042	2,373	1,042
Travel & accommodation	17,917	47,697	40,952	47,697
Resource Studies	1,040	33,774	1,040	33,774
Option income	(662,950)	(126,040)	(662,950)	(126,040)
	(655,140)	(97,647)	(651,010)	(97,095)
Zeus - Joint Venture				
Assays and sampling	-	10,467	3,021	10,467
Camp and general	939	1,642	(4,089)	1,642
Contractors and consultants	12,333	36,399	46,036	40,274
Exploration costs recovered	(43,601)	-	(72,468)	-
Mining rights and fees	42,005	18,863	46,624	19,258
Resource Studies	-	8,238	-	8,238
Travel & accommodation	75	3,233	1,083	3,233
	11,751	78,842	20,207	83,112
Indra_Agni - Joint Venture				
Assays and sampling	15,710	-	15,710	-
Camp and general	57,215	-	68,627	-
Contractors and consultants	133,845	-	165,839	-
Exploration costs recovered	(364,631)	-	(364,631)	-
Management fees	40,164	-	40,164	-
Mining rights and fees	4,854	-	8,610	-
Option Income	(65,380)	-	(65,380)	-
Travel & accommodation	35,980	-	46,417	-
	(142,243)	-	(84,644)	-
Total - Properties joint ventured to other companies	**(662,762)**	**(11,368)**	**(551,892)**	**14,688**

	For the Three Months Ended December 31,		For the Six Months Ended December 31,	
	2018	2017	2018	2017
Chile Pipeline Projects				
Assays and sampling	4,322	12,123	7,925	29,212
Camp and general	6,834	2,351	10,217	18,847
Contractors and consultants	46,933	31,462	82,958	119,564
Geophysics	-	486	-	565
Mining rights and fees	27,578	33,149	53,391	81,306
Professional fees	-	(16,701)	-	-
Travel & accommodation	4,051	4,140	16,119	16,479
	89,718	67,010	170,610	265,973
Rubi				
Assays and sampling	-	-	990	-
Camp and general	2,101	-	1,671	-
Contractors and consultants	3,576	166	4,926	166
Geophysics	38	-	38	-
Mining rights and fees	6,769	6,525	6,769	17,139
Travel & accommodation	156	-	156	-
	12,640	6,691	14,550	17,305
Total - 100% owned properties	**102,358**	**73,701**	**185,160**	**283,278**
Frontera - Joint Venture				
Camp and general	-	8	-	8
Geophysics	-	48	-	48
	-	56	-	56
Total - Earn-in joint venture on third party projects	**-**	**56**	**-**	**56**
Project Generation	6,237	-	7,837	-
Management Fee Income	(40,164)	(41,340)	(40,164)	(41,340)
Corporate Operation & Management - Chile	259,814	137,830	445,259	301,374
Total Chile	**(334,517)**	**158,879**	**46,200**	**558,056**

	For the Three Months Ended December 31, 2018	2017	For the Six Months Ended December 31, 2018	2017
ARGENTINA				
Claudia - Joint Venture				
Assays and Sampling	9,925	8,325	3,073	16,038
Option income	(132,700)	(126,552)	(132,700)	(126,552)
Camp and general	20,539	34,432	32,014	43,308
Contractors and consultants	53,052	52,589	127,711	100,577
Environmental	9,459	3,478	9,459	3,478
Exploration costs recovered	(155,814)	(144,131)	(280,042)	(144,131)
Interest	-	-	12	-
Mining rights and fees	38,572	45,438	70,676	79,821
Management fees	4,817	6,863	10,176	6,863
Professional fees	3,750	-	4,025	4,719
Travel & accommodation	5,129	7,786	7,982	15,006
	(143,271)	(111,772)	(147,614)	(873)
La Curva - Joint Venture				
Assays and Sampling	82,691	72,206	85,312	72,206
Camp and general	137,011	146,802	147,600	225,651
Contractors and consultants	140,325	177,146	225,269	282,448
Exploration costs recovered	(1,397,603)	(1,451,542)	(1,522,276)	(1,494,314)
Environmental	-	8,304	1,146	8,304
Management fees	55,073	58,023	57,944	58,023
Option Income	-	-	(263,040)	-
Drilling	698,896	587,726	698,896	587,726
Interest	-	131	-	131
Mining rights and fees	26,224	27,010	33,155	36,598
Professional fees	-	-	1,097	6,026
Travel & accommodation	27,630	33,261	30,193	39,484
	(229,753)	(340,933)	(504,704)	(177,717)
Total - Properties joint ventured to other companies	**(373,024)**	**(452,705)**	**(652,318)**	**(178,590)**
Santa Rita and Virginia				
Assays and sampling	-	-	-	-
Camp and general	8,562	9,185	13,943	15,295
Contractors and consultants	2,566	6,639	3,275	8,142
Mining rights and fees	8,223	18,458	9,456	24,037
Environmental	-	(9)	-	2,752
Travel & accommodation	192	-	192	8
	19,543	34,273	26,866	50,234
Argentina Pipeline Projects				
Assays and sampling	43,143	10,296	38,365	34,511
Camp and general	131,156	1,255	139,320	6,762
Contractors and consultants	127,543	13,344	186,469	47,437
Drilling	70,904	-	70,904	-
Environmental	1,834	783	7,625	7,059
Geophysics	13,173	48	13,083	48
Mining rights and fees	49,195	39,973	57,925	75,418
Professional fees	505	-	505	1,060
Travel & accommodation	14,506	3,946	19,005	5,889
	451,959	69,645	533,201	178,184
Total - 100% owned properties	**471,502**	**103,918**	**560,067**	**228,418**
Project Generation	-	-	150	-
Management Fee Income	(59,890)	(64,886)	(68,120)	(64,886)
Corporate Operation & Management - Argentina	470,737	345,184	660,903	513,614
Total Argentina	**509,325**	**(68,489)**	**500,684**	**498,558**
Total Exploration and Evaluation Costs	**174,808**	**90,390**	**546,884**	**1,056,614**

FOR THE SIX MONTHS ENDED DECEMBER 31, 2018, AS COMPARED TO THE SIX MONTHS ENDED DECEMBER 31, 2017

The Company's net comprehensive loss for the six months ended December 31, 2018 ("2019") was $1,227,168 or $0.02 per share compared to a net comprehensive loss of $2,838,710 or $0.06 per share for the six months ended December 31, 2017 ("2018"), a decrease of $1,611,542.

The decrease in net loss during 2019 is due to a decrease in exploration expenditures and redirection of resources towards business development. The Company recorded a gain on foreign exchange from conversion of funds during the year.

The Company's total operating expenses were $2,009,842 in 2019 compared to $2,655,598 in 2018.

As presented in Table 3 above, the Company incurred exploration costs of $546,884 in 2019, compared to $1,056,614 in 2018. Reduction in generative exploration and increased JV project management in Argentina and Chile during 2018 resulted in reduction in exploration expenses.

Stock-based payments and depreciation are non-cash items. Excluding the above and the exploration cost, the Company incurred $1,151,459 in 2019 compared to $1,087,141 in 2018. The increase of $64,318 is attributable to the increase in management fees, office and miscellaneous, marketing and professional fees redirection of company objectives. This also includes the salary increases during 2019.

Reductions in marketing and office and miscellaneous and business development in 2019 compared to 2018, were attributable to reduction in rates and the services obtained and efficient cost management.

The Company also recorded a foreign exchange gain of $529,858 during 2019 compared to the loss of $276,701 in 2018. The periodic variance in foreign exchange gain or loss recorded by the Company is primarily the result of the movement in the value of the US dollar relative to the Canadian dollar, due to the significant US dollar asset holding by the Company.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited quarterly financial information of the Company and is derived from unaudited quarterly consolidated financial statements prepared by management in accordance with IAS 34 and accounting policies consistent with IFRS.

Period	Revenues $	Income (Loss) from Continued Operations $	Basic Income (Loss) per Share from Continued Operations $	Diluted Income (Loss) per Share from Continued Operations $
2nd Quarter 2019	Nil	344,790	0.01	0.01
1st Quarter 2019	Nil	(1,567,951)	(0.03)	(0.03)
4th Quarter 2018	Nil	(14,623)	(0.001)	(0.001)
3rd Quarter 2018	Nil	(1,491,031)	(0.03)	(0.03)
2nd Quarter 2018	Nil	(1,010,958)	(0.02)	(0.02)
1st Quarter 2018	Nil	(1,824,519)	(0.04)	(0.04)
4th Quarter 2017	Nil	(1,388,787)	(0.03)	(0.03)
3rd Quarter 2017	Nil	(1,789,281)	(0.04)	(0.04)
2nd Quarter 2017	Nil	(1,669,075)	(0.03)	(0.03)
1st Quarter 2017	Nil	(2,098,504)	(0.05)	(0.05)

The Company's quarterly results will vary primarily in accordance with the Company's exploration and business development activities. To finance its operations, the Company also grants incentive stock options to its directors, management, employees, and consultants, which will also cause variation in the Company's results from period to period.

The movement in the value of the US dollar relative to the Canadian dollar could also have a significant impact on the Company's results from one period to the next as the Company primarily holds its working capital in US dollars.

INVESTING ACTIVITIES

Company continued to invest Canadian, Australian and US dollars in interest-bearing financial instruments maturing up to one year. The total amount invested was CAD$20,867,927. The Company received interest income of $248,837 during 2018 compared to $96,822 in 2017.

CAPITAL RESOURCES AND LIQUIDITY

In order to finance the Company's exploration programs and to cover administrative and overhead expenses, the Company primarily raises money through equity sales and from the exercise of convertible securities (share purchase options and warrants). Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record and the experience and calibre of its management.

The Company has no operations that generate cash flow and its long-term financial success is dependent on management's ability to discover economically viable mineral deposits. The Company applies the Project Generator model where it seeks and presents partners with an option to joint venture the Company's projects, in order to have those partners fund the exploration of the project to earn an interest. In some agreements, the Company receives cash option payments or common stock of the joint venture partner, as a portion of the partner's cost to earn an interest. If any of its exploration programs are successful and the partners complete their earn-ins, the Company would have to provide its share of ongoing exploration and development costs in order to maintain its interests; and if not, reduce its equity interest through a monetization transaction or dilution of its ownership interest or conversion to a royalty interest. The Company does not anticipate mining revenues from sale of mineral production in the foreseeable future.

With working capital of approximately $25 million on December 31, 2018, the Company believes it has more than sufficient funds to conduct its administrative, business development, and discretionary exploration activities over the next twelve months. Actual funding requirements may vary from those planned due to several factors, including the Company's joint venture partners encountering difficulty in financing exploration programs on the optioned properties. The Company further believes it has the ability to raise equity capital to meet its foreseeable longer-term working capital needs but recognizes that the ability to raise capital in the future involves risks beyond its control.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no significant off-balance sheet arrangements.

PROPOSED TRANSACTIONS

The Company has no proposed transactions.

TRANSACTIONS WITH RELATED PARTIES

Details of the transactions between the Company's related parties are disclosed below.

Compensation of key management personnel

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole.

The remuneration of management and independent directors was as follows:

	For the Three Months Ended December 31		For the Six Months Ended December 31	
	2018	2017	2018	2017
Management compensation (i)	$ 126,717	$ 125,403	$ 253,041	$ 252,136
Share-based payments (ii)	148,435	148,757	195,557	214,529
Director's fees (iii)	46,500	46,500	93,000	93,000
	$ 321,652	$ 320,660	$ 541,598	$ 569,665

(i) Management compensation is included in management fees (December 31, 2018("2018") - $149,810; December 31, 2017 ("2017") - $84,566) and in exploration expenditures (2018 - $103,230; 2017 - $49,232) in the Company's consolidated statements of loss and comprehensive loss.

(ii) Share-based payments represent the expense for the six months ended December 31, 2018 and 2017.

(iii) The independent directors of the Company are paid $2,100 per month (2017 - $2,100 per month) while the Chairman of the Board of Directors receives an additional $7,100 per month for serving in this capacity (2017 - $7,100).

Transactions with other related parties

Certain of the Company's officers and directors render services to the Company as sole proprietors or through companies in which they are an officer, director, or partner.

The following companies are related parties through association of the Company's directors and officers:

	Nature of transactions
Miller Thomson	Legal fees
Global Ore Discovery Pty Ltd. ("Global Ore")	Project generation, exploration management and GIS services
Evrim Resources Corp. ("Evrim")	Office administration support services and office sharing
Chase Management Ltd.	Professional fees
Mathew Lee	CFO services

The Company incurred the following fees and expenses with related parties as follows:

	For the Three Months Ended December 31,		For the Six Months Ended December 31,	
	2018	2017	2018	2017
Legal fees	$ 76,773	$ 46,959	$ 128,854	$ 93,405
CFO services	14,175	26,896	28,350	47,958
Project generation, exploration expenses and GIS services	229,100	156,850	478,179	258,471
Office sharing and administration	12,474	12,021	25,809	24,042
	$ 332,522	$ 242,726	$ 661,192	$ 423,876

Included in accounts payable and accrued liabilities at December 31, 2018, is an amount of $201,551 (2017 - $87,830) owing to directors and officers of the Company and to companies where the directors and officers are principals.

SIGNIFICANT ACCOUNTING POLICIES

The details of the Company's accounting policies are presented in Note 3 of the Company's consolidated financial statements for the year ended June 30, 2018. The following policies are considered by management to be essential to the understanding of the processes and reasoning that go into the preparation of the Company's financial statements and the uncertainties that could have a bearing on its financial results.

The Company did not adopt any significant new accounting policies during the reporting period.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

In preparing the Company's condensed consolidated interim financial statements for the six months ended December 31, 2018, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended June 30, 2018.

The Company operates in Argentina which is classified as a hyperinflation economy. However, the Companies functional currency is US dollars. Therefore, the provisions of IAS 29 *Financial Reporting in Hyper-Inflationary Economies* have not been adopted nor have they been applied to these condensed consolidated interim financial statements.

FINANCIAL INSTRUMENTS

The Company's financial instruments as at December 31, 2018, consist of cash and cash equivalents, interest receivable, accounts payable and accrued liabilities and advances from joint venture partners. The fair value of all these instruments approximates their carrying value. There are no off-balance sheet financial instruments.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada, Argentina and Chile and a portion of its expenses are incurred in United States ("US") dollars, Australian dollars and in Argentine and Chilean Pesos. A significant change in the currency exchange rates between the US and Australian dollar relative to the Canadian dollar and the Argentine and Chilean Peso to the Canadian dollar could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

The Company appointed a special treasury committee comprising of three board members to consider management's recommendations to mitigate the exposure to foreign currency risk. The committee accepted the consideration that the management maintain a ratio of 70:15:15 for US$: CAD$: AUD$ of the treasury whenever practical.

MANAGEMENT OF CAPITAL RISK

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes the components of equity.

The Company manages the capital structure and adjusts it considering changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, acquire or dispose of assets, enter into joint ventures or obtain debt financing. To facilitate the management of its capital requirements, the Company prepares annual and quarterly expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

To maximize ongoing development efforts, the Company does not pay out dividends.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments with maturities of twelve months or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

The Company does not invest in commercial paper. The Company is not subject to externally imposed capital requirements.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's operating expenses is provided above, in the Company's consolidated statements of (income) loss of the audited annual consolidated financial statements for the period ended June 30, 2018 that is available on the Company's website at www.mirasolresources.com or on its SEDAR company page accessed through www.sedar.com.

OUTSTANDING SHARE DATA

As of the date of this MD&A, the Company had 54,026,378 issued and outstanding common shares. In addition, the Company has 3,984,376 options outstanding that expire through December 18th, 2021, and 2,158,875 warrants outstanding that expire through June 1st, 2020. At the date of this MD&A, 25,000 RSU's were outstanding of the 110,000 that were previously granted.

Details of issued share capital are included in Note 6 of the condensed consolidated interim financial statements for the six months ended December 31, 2018.

APPROVAL

The Audit Committee of the Company has approved the disclosure contained in this MD&A.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com and on the Company's website at www.mirasolresources.com.