MIRASOL RESOURCES LTD.

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2016

Canadian Funds

(Unaudited – Prepared by Management)

Reader's Note:

These unaudited condensed interim consolidated financial statements of Mirasol Resources Ltd. have been prepared by management and have not been reviewed by the Company's auditors

Mirasol Resources Ltd.

(An Exploration Stage Company)

Interim Consolidated Statements of Financial Position

Unaudited – Prepared by Management
Canadian Funds
As at

ASSETS		March 31, 2016		June 30, 2015
Current Assets				
Cash and cash equivalents	$	18,639,848	$	19,120,394
Short-term investments		650,000		1,200,000
Receivables, Prepaids and advances *(Note 3)*		106,312		486,844
Income taxes recoverable (*Note 4)*		23,991		3,032,000
		19,420,151		23,839,238
Equipment and Software		78,325		120,590
Exploration and Evaluation Assets		2,829,814		2,829,814
	$	22,328,290	$	26,789,642
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities *(Note 6)*	$	518,726	$	923,261
EQUITY				
Share Capital		38,230,186		37,858,186
Reserves		15,347,754		15,146,472
Accumulated Other Comprehensive Income/(Loss)		(201)		2,958
Deficit		(31,768,175)		(27,141,235)
		21,809,564		25,866,381
	$	22,328,290	$	26,789,642

Nature of Business *(Note 1)*
Subsequent Events *(Note 9)*

On Behalf of the Board:

“ Stephen C. Nano ” , Director

“ Nick DeMare ” , Director

Mirasol Resources Ltd.
(An Exploration Stage Company)

Interim Consolidated Statements of (Income) Loss and Comprehensive (Income) Loss

Unaudited – Prepared by Management
Canadian Funds

	For the Three Months Ended March 31		For the Nine Months Ended March 31	
	2016	2015	2016	2015
Operating Expenses				
Exploration costs *(Note 5 and 6)*	$ 1,263,723	$ 1,651,982	$ 3,788,594	$ 4,695,823
Business development	26,636	33,937	141,519	337,883
Professional fees *(Note 6b)*	74,012	135,639	275,496	283,613
Management fees *(Note 6a)*	414,082	47,482	506,033	149,826
Marketing and investor communications	115,204	101,808	255,056	202,948
Office and miscellaneous	172,241	40,805	428,264	113,888
Director fees *(Note 6a)*	33,600	31,873	112,800	59,518
Travel	13,885	27,873	48,008	37,886
Depreciation	4,377	4,695	13,131	13,897
Transfer agent and filing fees	12,335	14,816	17,644	21,028
Share-based payments *(Note 7)*	131,683	-	201,282	-
	2,261,778	2,090,910	5,787,827	5,916,310
Interest income	(25,676)	(15,203)	(59,700)	(44,721)
Foreign exchange loss (gain)	1,021,105	(1,808,458)	(1,013,187)	(3,702,618)
Loss on investment	-	-	-	6,381,125
Net Loss for the Period before Income Taxes	3,257,207	267,249	4,714,940	8,550,096
Income tax recovery *(Note 4)*	-	(255,368)	(88,000)	(3,154,940)
Net Loss for the Period	$ 3,257,207	$ 11,881	$ 4,626,940	$ 5,395,156
Other Comprehensive (Income) Loss to be Reclassified to Profit or Loss in Subsequent Periods				
Exchange differences on translation of foreign operations	2,115	(565)	3,159	(1,509)
Comprehensive Loss for the Period	$ 3,259,322	$ 11,316	$ 4,630,099	$ 5,393,647
Basic and Diluted Loss per Share	$ 0.07	$ 0.00	$ 0.10	$ 0.12
Weighted Average Number of Shares Outstanding	44,275,331	44,245,661	44,255,479	44,245,661

Mirasol Resources Ltd.

(An Exploration Stage Company)

Interim Consolidated Statements of Changes in Equity

Unaudited – Prepared by Management
Canadian Funds

	Share Capital Common Shares		Reserves	Accumulated Other Comprehensive (Loss) income	Deficit	Total
	Number	$	$	$	$	$
Balance – June 30, 2014	44,245,661	37,858,186	14,820,837	1,605	(19,222,084)	33,458,544
Foreign currency translation adjustment	-	-	-	1,509	-	1,509
Loss for the Period	-	-	-	-	(5,395,156)	(5,395,156)
Balance – March 31, 2015	44,245,661	37,858,186	14,820,837	3,114	(24,617,240)	28,064,897
Balance – June 30, 2015	44,245,661	37,858,186	15,146,472	2,958	(27,141,235)	25,866,381
Bonus share issue *(Note 6)*	300,000	372,000	-	-	-	372,000
Share-based payments	-	-	201,282	-	-	201,282
Foreign currency translation adjustment	-	-	-	(3,159)	-	(3,159)
Loss for the period	-	-	-	-	(4,626,940)	(4,626,940)
Balance – March 31, 2016	44,545,661	38,230,186	15,347,754	(201)	(31,768,175)	21,809,564

Mirasol Resources Ltd.
(An Exploration Stage Company)

Interim Consolidated Statements of Cash flows

For the Nine Months Ended March 31

Unaudited – Prepared by Management
Canadian Funds

	2016	2015
Operating Activities		
Net loss for the period	$ (4,626,940)	$ (5,395,156)
Adjustments for:		
Realized and unrealized loss on investments	-	6,381,125
Income tax recovery *(Note 4)*	(88,000)	(3,154,940)
Share-based payments	201,282	-
Bonus share issue	372,000	-
Interest income	(59,700)	(44,721)
Depreciation	13,131	13,897
Depreciation included in exploration expenses	30,454	34,433
Unrealized foreign exchange	(868,805)	(3,647,848)
	(5,026,578)	(5,813,210)
Changes in non-cash working capital items:		
Receivables and advances	(1,405)	(139,930)
Due from joint venture partner *(Note 3)*	383,021	-
Accounts payable and accrued liabilities	(404,535)	184,330
Other:		
Income tax refund (payment)	3,097,701	977,368
Cash used in operating activities	(1,951,796)	(4,791,442)
Investing Activities		
Interest received	54,523	30,477
Proceeds from sale of investment	-	4,625,381
Short-term investments redeemed	550,000	-
Option payment received from joint venture partner *(Note 3)*	2,401	-
Purchase of equipment and software	(1,320)	(33,828)
Cash provided by investing activities	605,604	4,622,030
Effect of Exchange Rate Change on Cash and Cash Equivalents	865,646	3,296,490
Change in Cash and Cash Equivalents	(480,546)	3,127,078
Cash and Cash Equivalents - Beginning of Period	19,120,394	18,120,310
Cash and Cash Equivalents - End of Period	$ 18,639,848	$ 21,247,388

Cash and Cash Equivalents Consist of:		
Cash	$ 310,022	$ 4,512,253
Cash equivalents	$ 18,329,826	$ 16,735,135

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

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 1000 – 840 Howe Street, Vancouver, British Columbia and the head office is located at 910 – 850 West Hastings Street, Vancouver, British Columbia.

Mirasol engages in acquiring and exploring 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 believes that the Company has sufficient working capital to maintain its operations and activities for the next twelve months.

2. Basis of Presentation

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, and based on the principles of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These condensed interim consolidated financial statements should be read in conjunction with the Company's annual consolidated financial statements for the year ended June 30, 2015, which include the Company's significant accounting policies, and have been prepared in accordance with the same methods of application.

These condensed interim consolidated financial statements were approved by the Board of Directors on May 26, 2016.

Basis of measurement

These condensed interim consolidated 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 in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income 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 interim consolidated 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, 2015.

3. Receivables, Prepaids and Advances

		March 31, 2016		June 30, 2015
Good and services tax receivable	$	10,838	$	5,587
Interest receivable		7,071		1,903
Prepaid expenses and advances		88,403		93,932
Due from joint venture partners (i)		-		385,422
	$	106,312	$	486,844

(i) On March 25, 2015, the Company entered into a joint venture agreement (the "Letter Agreement"), granting Yamana Gold Inc. ("Yamana") the option to acquire up to a 75% interest in the Company's nine precious metals properties that define the Gorbea Belt in northern Chile (the "Gorbea Project"). For the first earn-in of 51% Yamana is required to incur, over a period of four years, annual staged expenditures totalling US$10,000,000 and make annual staged payments totalling US$2,000,000. A total of $31,185 (US$25,000) of these staged payments that was due upon signing was received by the Company on July 9, 2015. The Company proportionately allocated $2,401 to the capitalized cost of Dos Hermanos, while the remaining was netted off against the exploration costs incurred during the year ended June 30, 2015.

On July 9, 2015, the Company also received $354,237 (US$283,980) from Yamana as reimbursement of costs incurred by the Company on the Gorbea Project during the year ended June 30, 2015.

4. Income Taxes Recoverable

		March 31, 2016		June 30, 2015
Income taxes recoverable	$	23,999	$	3,032,000

Mirasol received from the Canada Revenue Agency an income tax refund, inclusive of refund interest, of $3,097,701 on February 9, 2016, as a result of its corporate tax filing for the year ended June 30, 2015. As at March 31, 2016, the Company revised its estimate of such refund to $3,120,000 (June 30, 2015 - $3,032,000) and as a result income tax recovery of $88,000 is recognized in the Company's statement of (income) loss.

5. Exploration Costs

	For the Three Months Ended March 31 2016	For the Three Months Ended March 31 2015	For the Nine Months Ended March 31 2016	For the Nine Months Ended March 31 2015
Chile				
Camp and general	$ 80	$ 17,866	$ 6,466	$ 120,628
Consultants and salaries	62,202	39,083	132,387	441,660
Geophysics	2,931	3,112	7,133	48,253
Mining rights and fees	216,397	277,852	232,599	350,617
Travel	574	2,687	5,094	26,086
Recovery of costs	(44,818)	-	(44,818)	-
Total – Properties joint ventured to others	273,366	340,600	338,861	987,244
Assays and sampling	56,880	-	78,163	-
Camp and general	35,320	986	55,690	22,647
Consultants and salary	233,622	33,232	361,577	55,023
Geophysics	22,046	-	34,645	-
Mining rights and fees	27,950	4,480	79,345	10,477
Travel	39,570	8,241	54,701	10,389
Option payment	-	-	-	(54,956)
Recovery of costs	-	(111,347)	-	(111,347)
Total – 100% owned properties	415,388	(64,408)	664,121	(67,767)
Camp and general	-	50,119	216	143,937
Consultants and salary	7,359	100,510	49,889	395,841
Geophysics	885	47,227	4,647	119,085
Mining rights and fees	2,297	6,424	103,508	137,086
Travel	148	9,943	2,284	49,521
Total – Earn-in joint venture	10,689	214,223	160,544	845,470
Project Generation	290,465	347,078	1,121,728	862,342
Operation & Management	104,209	184,045	316,339	603,191
Total Chile	1,058,117	1,021,538	2,601,593	3,230,480
Argentina				
Assays and sampling	-	245	3,549	857
Camp and general	27,057	28,009	75,913	87,472
Consultants and salary	55,715	87,528	138,614	212,470
Mining rights and access fees	121,901	25,676	358,909	79,040
Travel	3,700	6,851	8,544	19,517
Option payment	(135,230)	-	(135,230)	-
Total – 100% owned properties	73,143	148,309	450,299	399,356
Project Generation	63,850	229,456	408,537	303,997
Operation & Management	68,611	252,679	328,162	761,990
Total Argentina	205,604	630,444	1,186,998	1,465,343
Total Exploration Costs	1,263,721	1,651,982	3,788,591	4,695,823

6. 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 compensation of management and independent directors was as follows:

	For the Three Months Ended March 31		For the Nine Months Ended March 31	
	2016	2015	2016	2015
Management compensation (i)	$ 129,232	$ 127,012	$ 395,134	$ 375,262
Share-based payments *(note 6)*	113,835	-	113,835	-
Bonus share payment (iii)	372,000	-	372,000	-
Director's fees (ii)	33,600	25,380	112,800	39,025
	$ 648,666	$ 152,392	$ 993,769	$ 414,287

(i) Management compensation is included in Management fees (2016 - $134,153; 2015 - $128,434) and in Exploration costs (2016 - $260,981; 2015 - $246,828) in the Company's consolidated statements of loss and comprehensive loss.

(ii) The independent directors of the Company are paid $2,100 per month (2015 - $1,000 per month) while the Chairman of the Board of Directors receives an additional $3,000 per month for serving in this capacity (2015 - $nil). The independent directors are also paid for serving on certain special committees of the Board of Directors.

(iii) In February 2016, the Company signed Consulting Agreements, effective July 2015, with each of Global Ore consultants and Stephen Nano, to perform the duties of President, CEO and QP for the Company. Under the terms of the Global Ore agreement, the Company has retained the services of Global Ore consultants until June 30, 2018, to provide target generation related consulting services to the Company on an exclusive basis throughout Chile and Argentina. The Company has agreed to pay for such services at an agreed upon preferential discounted rate but has agreed to a minimum monthly retainer of Australian Dollar ("AUD") $35,000. Further, as additional consideration, the Company has agreed to an incentive grant (as soon as practicable) of 255,000 stock options, subject to vesting, to key representatives of Global Ore other than Mr. Nano. The Global Ore contract can be terminated at any time by the Company by paying a fee of AUD $225,000.

The CEO consulting agreement with Mr. Nano is also for a term expiring on June 30, 2018, and provides for payment of a consulting fee of $25,000 per month, and the issuance of 300,000 Retention Bonus Shares (the "Bonus Shares") in consideration for past services. The Bonus Shares were issued, on March 22, 2016 and will be subject to escrow restrictions whereby 100,000 released on March 22, 2016; 100,000 released on July 2, 2016 and 100,000 released on July 2, 2017. The contract with Mr. Nano contains termination provisions which require payment of one-year's fees for termination without cause and two years for termination due to a change of control event, as defined.

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 services
Avisar Chartered Professional Accountants (i)	Financial reporting and tax compliance
Chase Management Ltd.	Consulting services
Global Ore Discovery ("Global Ore")	Project generation, exploration management and GIS services
Evrim Resources Corp.	CFO services, office administration support services and office sharing

(i) No longer a related party (as of March 11, 2016).

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

	For the Three Months Ended March 31		For the Nine Months Ended March 31	
	2016	2015	2016	2015
Legal fees	$ 49,329	$ 65,753	$ 140,178	$ 220,545
Accounting fees	39,048	84,500	126,398	145,750
Consulting fees	-	-	-	23,150
Professional fees	10,300	6,493	34,900	20,493
Exploration costs and project management fees	217,284	226,577	621,098	780,203
Office sharing and administration	7,012	-	7,012	-
	$ 322,973	$ 383,323	$ 929,586	$ 1,190,141

Included in accounts payable and accrued liabilities at March 31, 2016 is an amount of $161,585 (June 30, 2015 - $317,081) owing to directors and officers of the Company and to companies where the directors and officers are principals.

7. Incentive Stock Options

During the six months ended March 31, 2016, the Company and certain holders of its stock options agreed to amend the terms of 920,000 previously granted stock options as follows:

- A total of 30,000 options granted on December 16, 2010, with an exercise price of $5.55 per share and due to expire on December 16, 2015, were amended resulting in 15,000 amended options exercisable at a price of $0.88 per share and with an amended expiration date of December 16, 2018.
- A total of 435,000 options granted on March 23, 2011, with an exercise price of $3.32 per share and due to expire on March 23, 2016, were amended resulting in 217,500 amended options exercisable at a price of $0.88 per share and with an amended expiration date of March 23, 2019.
- A total of 455,000 options granted on August 4, 2011, with an exercise price of $5,23 per share and due to expire on August 4, 2016, were amended resulting in 227,500 amended options exercisable at a price of $0.88 per share and with an amended expiration date of August 4, 2019.

The above included 585,000 of stock options originally granted to the related parties which were approved by the Company's shareholders at the Annual General Meeting held on February 15, 2016.

As a result, the Company cancelled 920,000 stock options and reissued 460,000 stock options on amended terms. The fair value of these stock options was estimated to be $147,344 using the following weighted average assumptions in the Black-Scholes option pricing model.

Expected dividend yield	0.0%
Expected share price volatility	52.44%
Risk-free interest rate	0.51%
Expected life of options	2.73 years

Additional share-based payments expense of $53,938 was recognized in the Company's statement of loss due to vesting of the stock options granted during the year ended June 30, 2015.

A summary of the Company's options outstanding as at March 31, 2016 is as follows:

Expiry Date	Exercise price $	Options Outstanding	Weighted Average Remaining Life of Options (years)	Options Exercisable
December 16, 2018	0.88	15,000	2.71	15,000
March 23, 2019	0.88	217,500	2.98	217,500
August 4, 2019	0.88	227,500	3.35	227,500
September 26, 2017	2.34	62,500	1.49	62,500
May 14, 2018	1.28	617,500	2.12	617,500
April 29, 2021	0.88	1,212,500	5.08	712,500
		2,352,500	3.83	1,852,500

8. Segmented Information

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

Total Non-Current Assets		March 31, 2016		June 30, 2015
Canada	$	26,880	$	40,012
Argentina		2,682,729		2,704,095
Chile		198,530		206,297
	$	2,908,139	$	2,950,404

9. Subsequent Event

The Company received $45,800 and issued 47,500 common shares on exercise of 47,500 options by employees and consultants.

Form 51-102F1
Management Discussion and Analysis
For Mirasol Resources Ltd

INTRODUCTION

The Management Discussion and Analysis ("MD&A") is prepared as of May 26, 2016 and is intended to supplement Mirasol Resources Ltd.'s ("Mirasol" or the "Company") unaudited condensed interim consolidated financial statements for the nine months ended March 31, 2016. All financial information, unless otherwise indicated, has been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting ("IAS 34") and based on the principles of 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 as of June 30, 2015 and the unaudited condensed interim consolidated financial statements and related notes for the nine months ended March 31, 2016.

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. Many factors could cause the actual results, performance or achievement of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

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.

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 deposits in these categories will ever be converted into reserves. Stephen Nano, President and CEO for the Company and 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 an exploration company focused on the discovery or acquisition of prospective gold, silver, and copper properties in the Atacama-Puna region of northern Chile and Argentina, and the Santa Cruz Province in southern Argentina (Figure 1). Presently, the Company has joint-ventured three of it's prospects to majors who are funding all exploration and tenure holding costs, and also holds 100% of the mineral exploration rights to a large and diverse portfolio of prospective gold, silver and copper properties throughout the region, while continuing to aggressively assess and stake new areas and pursue additional joint-ventures in the region. Mirasol believes well managed and focussed exploration can deliver further discoveries in these regions.

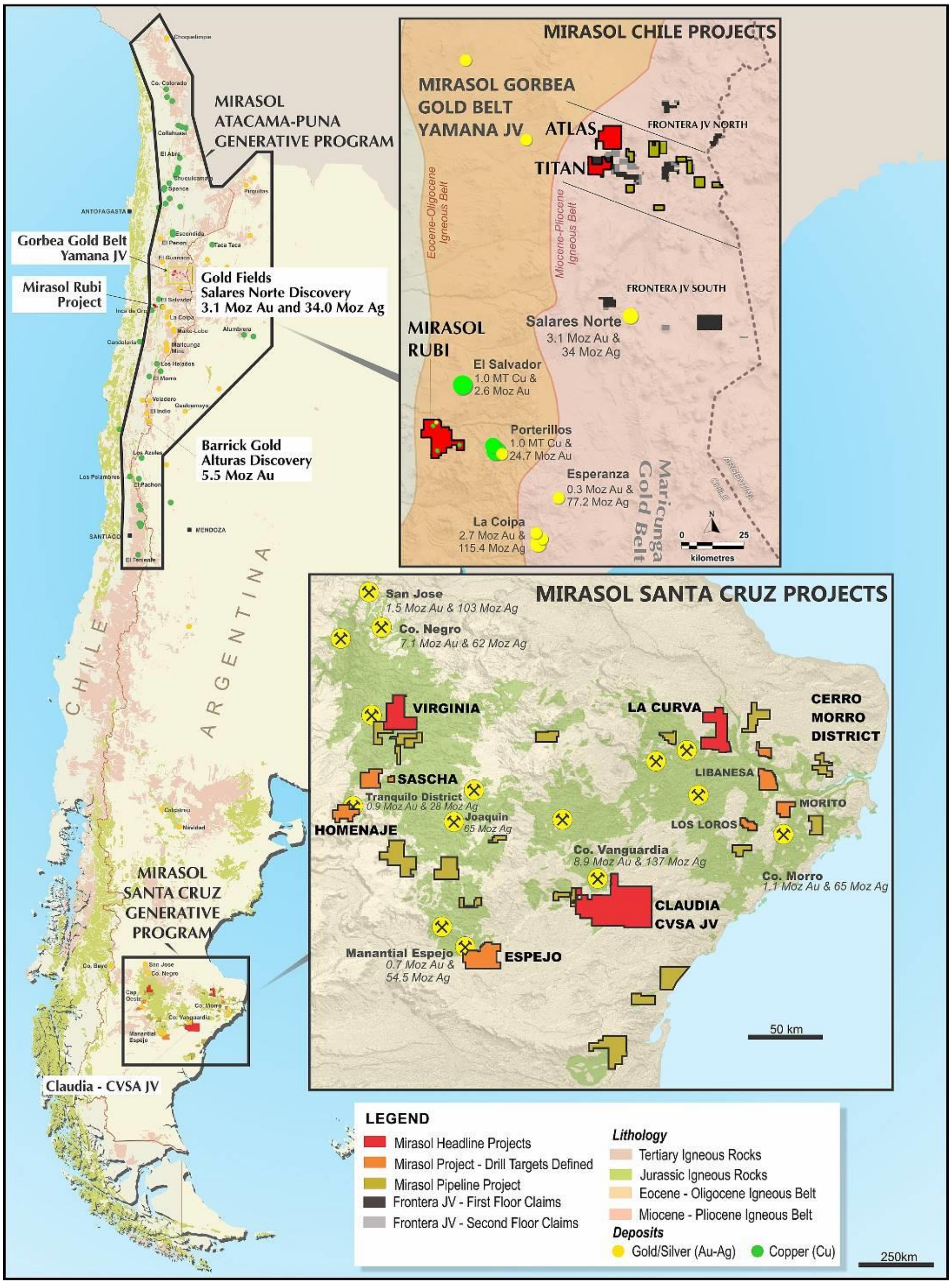

Figure 1: Location of Mirasol Resources Exploration Projects and Generative Programs.

Financial Condition

As at May 26, 2016, Mirasol remains in a strong financial position with C$18.7 million in treasury. All figures are in the following discussion are Canadian dollars unless otherwise stated.

During the three months ended March 31, 2016 ("the reporting quarter") and the nine months ended March 31, 2016 ("the reporting period") the Company incurred total company wide spend of $2,261,778 and $5,787,827 respectively. This includes expenditures for corporate administration, business development, investor relations and regulatory compliance incurred during the reporting quarter of $489,995 (the reporting period - $1,412,820) and non-cash items such as share-based payments, bonus share payment and depreciation amounting to $580,060 during the reporting quarter (the reporting period - $586,413). The total net spend (removing non-cash items) for the reporting quarter was $1,771,783, including $1,263,723 (the reporting period - $3,788,591) incurred for all Chile and Argentine exploration and in country management and operating costs.

Mirasol's Exploration Focus

Mirasol is recognized as a successful project generator which maintains a high-quality property portfolio. Mirasol's track record is evidenced by the successful application of innovative concept-driven project generation techniques integrated with detailed field geologic follow-up work which identifies and transforms targets with technical merit into quality, marketable projects. Mirasol leverages its approach with strong JV earn-in deals with major mining companies, minimizing both exploration risk and the use of the Company's treasury, yet delivering opportunities for shareholder wealth creation through discovery. Mirasol's Joaquin and Virginia silver discoveries in Argentina evidence successful outcomes of this progress, which culminated in the monetization of the Joaquin project in 2012.

The Company's working capital position has allowed it to pursue an aggressive exploration program during this challenging time for the minerals industry. The reduction in exploration activity by both Mirasol's peers and by major companies is seen by Mirasol as an opportunity, which has resulted in increased access to quality exploration ground and exploration resources. The Company has continued to aggressively pursue its counter-cyclic commitment to project generation as a core, competitive advantage during this reporting period. The focus of the project generative efforts is the Company's Atacama-Puna Program in northern Chile and Argentina. However, ahead of the December 2015 election of the pro-investment Macri presidency in Argentina, the Company re-initiated generative activities in Santa Cruz province, staking new claims to consolidate its position in mineral districts where Mirasol already has key holdings.

Atacama – Puna Generative Region

The Company's generative program in the Atacama - Puna region (Figure 2) encompasses a 1,700 km long segment of the prolifically mineralized Tertiary-aged volcanic arcs of Chile and Argentina which host many world-class copper and gold deposits. Mirasol is focusing its activities within three north-south oriented mineral belts. In the two of these belts, the Mio-Pliocene and the Paleocene aged belts, our studies suggest there exists the best combination of precious metal prospectivity and access to open ground, and/or has under-explored prospects held by third-parties.

Of these two belts, the Mio-Pliocene belt in-particular has been the focus of recent discoveries of multi-million ounce gold occurrences in high sulphidation epithermal (HSE) environments. Major mining companies have announced the following discoveries:

- Barrick Gold's Alturas deposit, with an initial Inferred resource of 5.5 M oz Au at 1.25 g/t Au (Barrick Annual Report, 2015).

- Gold Fields' Salares Norte deposit, with an initial Inferred resource 3.1 M oz Au at 4.2 g/t Au and 34 M oz Ag at 44.8 g/t Ag (Gold Fields Mineral Resource and Mineral Reserve Supplement to the Integrated Annual Review, 31 December 2013).

Each of these occurrences comprise large tonnage, near-surface oxide gold resources which are potentially bulk-minable. A concealing cap of barren altered rock (the steam heated cap) had long prevented the recognition of these prospects, which was further exacerbated by their remote and high-elevation locations. Mirasol's Atlas and Titan gold silver projects lie directly within this same Mio-Pliocene age belt; however, both these have comparatively favourable access. They are HSE mineral systems characterized by many of the key geological and mineralization features of the recent discoveries, suggesting their potential to host large-scale oxide gold mineralization.

In the Atacama Generative Region, the Company's 100% owned portfolio includes:

- Nine precious metal properties totaling approximately 22,814 ha, including the Atlas and Titan projects that are subject to the Company's Gorbea Gold Belt joint venture with Yamana (the Yamana JV) agreement (news release March 26, 2015). The Yamana JV grants Yamana Gold Inc. the option to acquire up to a 75% interest in the Gorbea Projects by completing a series of exploration spends, making US$2 million in staged cash payments to Mirasol and funding Mirasol's 25% equity position to production.
- The Rubi project, hosted in Paleocene-aged postulated copper-gold porphyry located in the El Salvador copper-gold mining district, Chile. The El Salvador district hosts large-scale porphyry copper mines operated by Codelco, the Chilean national mining company.
- Approximately 78,750 ha (100% Mirasol) of granted exploration claims, securing 15 target areas staked by Mirasol in the Mio-Pliocene and Paleocene belts of Chile and Argentina as part of our active project generation efforts.

Additionally, in the Atacama-Puna region Mirasol operates an earn-in JV agreement with a private Chilean company ("the Frontera JV"). Here, Mirasol is earning into a controlling interest in a portfolio of early-stage precious metal projects. In some areas the Frontera JV claims are contiguous with Mirasol's 100%-owned Gorbea Projects and have hence expanded Mirasol's strategic property position in the Gorbea Belt.

Santa Cruz Province, Argentina, Generative Region

In Santa Cruz Province, Argentina, the Company's portfolio of 100% owned projects in the Jurassic age volcanic epithermal terrain (Figures 1 and 3) includes:

- The large Claudia gold-silver project with a series of drill-ready prospects that abuts the world-class Cerro Vanguardia gold – silver district operated by Cerro Vanguardia S.A. (CVSA), a 92.5 % owned subsidiary of AngloGold Ashanti. In March 2016 Mirasol announced a JV with CVSA (the Claudia - CVSA JV) where it has the option to earn up to 75% of the Claudia project by completing a series of exploration spends, making US$1 million in staged cash payments to Mirasol and funding Mirasol's 25% equity position to production.
- The Virginia epithermal silver project where Mirasol has outlined high-grade silver mineralization in seven separate deposits (as vein shoots) which contain an initial, open pit constrained NI 43-101 compliant mineral resource estimate comprising Indicated category totalling 11.9 million ounces Ag at 310 g/t, and Inferred category totalling 3.1 million ounces Ag 207 g/t.

- The exploration rights to additional portfolio of precious metal properties, many with drill-ready targets defined, including the La Curva, Homenaje, Sascha and Cerro Morro District projects.
- The company has also recently staked approximately 20,600 ha of 100% owned claims consolidating its position adjoining the Virginia and Homenaje projects.

While maintaining an aggressive presence, for the 2016 financial year Mirasol has budgeted $5.1million for exploration compared to costs in-excess of $6 million during the 2015 financial year. This reduction in spending will be achieved by implementing further exploration efficiencies, adjusting staffing levels, and reducing project holding costs. For example, the Gorbea JV costs will now be carried by our partner. Continued emphasis on reductions in project holding costs via pursuing successful new joint ventures is ongoing, with Mirasol actively seeking joint venture partners to advance its drill-ready projects.

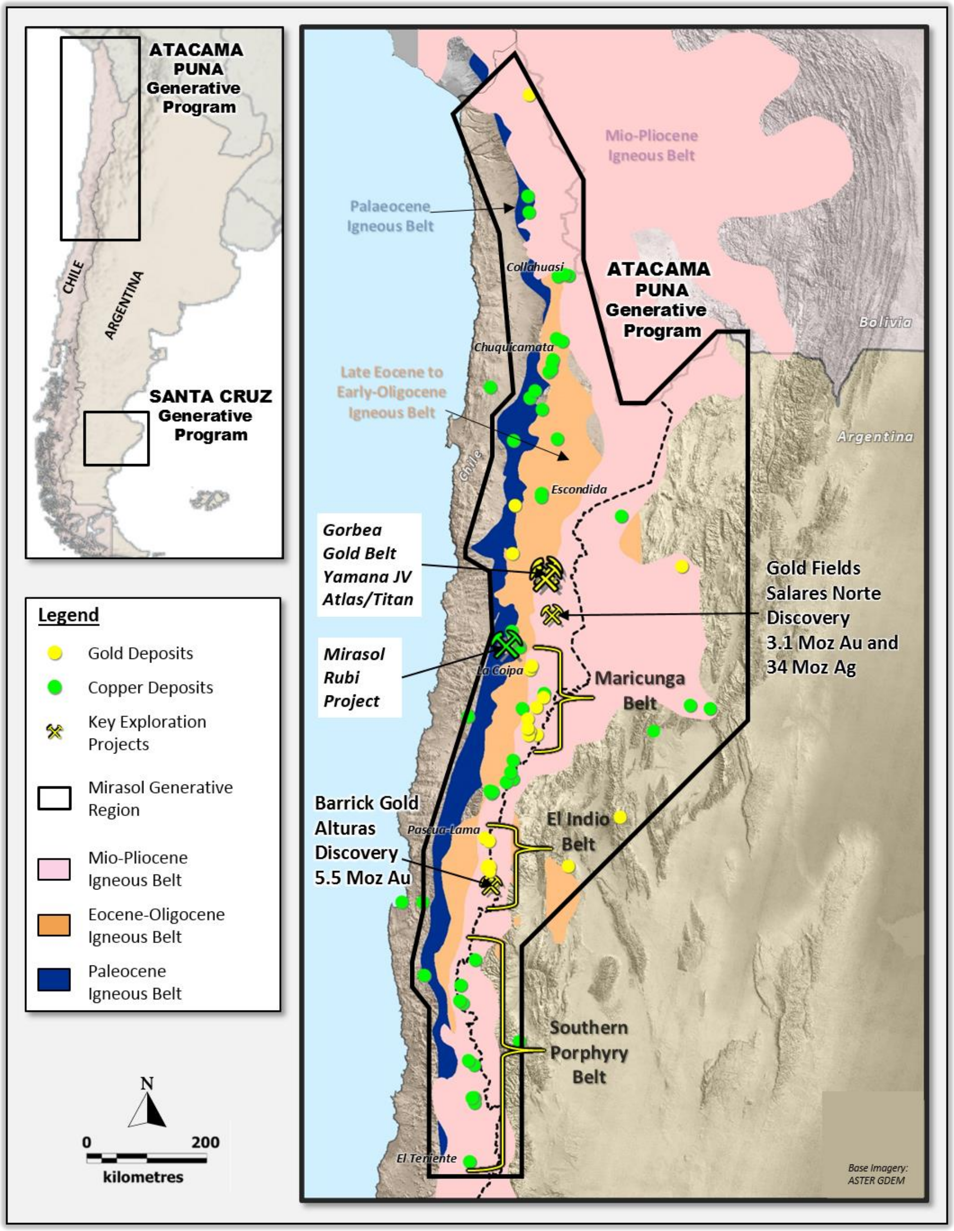

Figure 2: Mirasol's Atacama - Puna Generative Program.

HIGHLIGHTS FOR THE PERIOD JANUARY 1, 2016 TO MAY 26, 2016

The Company's total exploration costs include generative exploration, property retention costs of the existing exploration project portfolio, costs associated with preparing projects for joint venture, in-country operation and management, and local value added taxes (VAT). For the reporting quarter Mirasol invested $1.26 M (the reporting period $ 3.8 M) (Table 2) on exploration in Chile (the reporting quarter $1.06 M; reporting period $ 2.6 M) and Argentina (the reporting quarter $0.20 M; the reporting period $1.2 M). The Argentine exploration total for the reporting quarter includes the receipt of $135,320 (US$100,000) as the first payment from the Claudia – CVSA JV signed on the 1st of March 2016.

<u>Project Generation</u>

Mirasol's generative efforts in the Atacama – Puna region during the period from January 1 to May 26, 2016 have led to applications for packages of new exploration claims securing 100% of the exploration rights to prospective precious metal prospects in the Chilean section of the Mio-Pliocene and Paleocene belts. Mirasol will make further announcements regarding these new property portfolios once the claims grants has been finalized, and the Company's land positions have been further consolidated.

<u>Business Development</u>

The Company has distributed datasets under confidentiality to selected companies for the La Curva, Homenaje, Sascha and Cerro Moro District properties in Santa Cruz Argentina. Field reviews with interested companies have commenced as a prelude to discussions of potential deal terms. The Company is also in the process of negotiating terms to acquire mineral exploration claims that would consolidate holdings in key districts where Mirasol also has holding in Chile and Argentina.

<u>Gorbea Gold Belt – the Yamana JV, northern Chile</u>

During January to May 2016 Mirasol announced drill results for the Atlas project for the October to December 2015 drilling (news release March 21, 2016) and for the January to April 2016 drilling (news release April 25, 2016). Yamana, operator of the Yamana JV, has now completed activities for the southern hemisphere 2015-16 summer field season, drilling a combined total of 5,436 m of diamond core (DDH) and reverse circulation (RC) drilling in 10 holes at Atlas. Exploration is anticipated to recommence during the next field season in September to October 2016.

Best intersections from the season's drilling includes, by drill hole number:

CLATRD0004

- 14 m at 0.06 g/t Au and 154.3 g/t Ag.

CLATRD0007

- 30 m at 0.67 g/t Au and 5.1 g/t Ag, including 18 m at 0.90 g/t Au and 7.4 Ag
- 40 m at 1.38 g/t Au and 17.9 g/t Ag, including 28 m at 1.82 g/t Au and 22.0 g/t Ag

CLATRD0010

- 54 m at 0.35 g/t Au and 5.5 g/t Ag, including 10 m at 1.02 g/t Au and 6.2 g/t Ag
- 68 m at 0.17 g/t Au and 9.9 g/t Ag.

These intervals are down-hole intersections in angled RC drilling within oxidized material and associated HSE styles of alteration, including vuggy silica and silica - alunite developed in volcanic and brecciated host rocks.

At the Titan project Yamana also completed a 1,000 m trenching and a 600 m drilling program, where previous exploration by Mirasol identified trench intersections of 194 m at 0.41 g/t Au (news release January 21, 2013), and where a scout drill program returned shallow oxide intersections of up to 44 m at 1.21 g/t Au, including 10 m at 3.58 g/t Au (news release November 25, 2013). Results from this season's exploration at Titan have not yet been received by Mirasol.

Claudia Project – Cerro Vanguardia S.A. (CVSA) JV, Santa Cruz Argentina

In February 2016 Mirasol signed an exploration and option agreement with Cerro Vanguardia S.A. (CVSA, 92.5 % owned by AngloGold Ashanti, the controlling shareholder, and 7.5 % by Fomicruz S.E., the Santa Cruz provincial mining company; the CVSA JV; see news release March 1, 2016). CVSA has been granted the option to acquire up to a 75% interest in the Claudia Project, exercisable in 3 stages over a six-year, or shorter, earn-in period. The first earn-in option for CVSA to earn 51% over a maximum 2-year period, requires spending US$5 million on exploration, making US$1 million in payments to Mirasol and executing an exploration program that includes a minimum of 12,000 m drilling. Mirasol will retain a 25% funded-to-production interest in the Claudia project.

On May 9, 2016 Mirasol announced that CVSA had initiated the first phase of drilling at Claudia; a 3,500 m, 22 hole, RC) drill program designed as a shallow (25 to 100 m depth) test of Curahue prospects Io, Europa and Calisto vein trends. The results from this initial RC program will be used to prioritize the higher-grade segments of these vein trends for follow-up DDH and additional RC drilling. Future systematic exploration drilling of the remaining Curahue vein trends and other prospects at Claudia will follow-on from successful results of this phase of exploration.

Virginia Silver Deposit, Santa Cruz Argentina

On March 29, 2016 Mirasol filed an amended NI 43- 101 compliant technical report for the Virginia high grade silver project on SEDAR. The Amended Report was prepared to address specific technical comments received from the BC Securities Commission following their routine review of technical disclosure. The BCSC has now confirmed that the Amended Report adequately addresses the comments raised by their review. The base case Mineral Resource estimate for the Virginia Project described in the Original Report remains unchanged in the Amended Report.

Corporate Matters

On February 10, 2016, the Company held its 2015 Annual and Special General Meeting of shareholders whereby the shareholders of Mirasol re-elected the incumbent board of directors, consisting of Stephen Nano, Timothy Heenan, Nick DeMare, Borden Putnam III, Dana Prince, and John Tognetti, as directors of the Company for the ensuing year.

The shareholders also approved

(i) the re-appointment of Davidson and Company as the Company's independent auditor;
(ii) ratification of the Company's stock option plan, and
(iii) a resolution of disinterested shareholders concerning the amendment of certain stock options granted to insiders of the Company.

In February 2016, the Company signed Consulting Agreements, effective July 2015. The first agreement is with Stephen Nano to perform the duties of President, CEO and QP for the Company. The CEO consulting agreement with Mr. Nano is for a term expiring on June 30, 2018, and provides for payment of a consulting fee of $25,000 per month, and the issuance of 300,000 Retention Bonus Shares (the "Bonus Shares") in consideration for past services. The Bonus Shares were issued, on March 22, 2016 and will be subject to escrow restrictions whereby 100,000 released on March 22, 2016; 100,000 released on July 2, 2016 and 100,000 released on July 2, 2017. The contract with Mr. Nano contains termination provisions which require payment of one-year's fees for termination without cause and two years for termination due to a change of control event, as defined.

The second consulting agreement was signed with Global Ore Discovery ("Global Ore") an Australian based consulting firm where Mr. Nano is a director and shareholder. Through this agreement the Company has retained the services of the Global Ore group of consultants until June 30, 2018, to provide a range of geoscience, advanced image processing and target generation services to the Company on an exclusive basis throughout Chile and Argentina. Industry standard restraint of trade clauses are included in this contract in the event a renewal contract is not negotiated. The Company and Global Ore have worked together since 2005 and in recent years have been working without a formal contractual relationship. This agreement now formalizes the working relationship and ensures the Company retains access to these target generation services on an exclusive basis in its operating areas. The Company has agreed to pay for such services at a preferential discounted rate subject to a minimum monthly retainer of Australian Dollar ("AU") $35,000. Further, as additional consideration, the Company has agreed to an incentive grant (as soon as practicable) of 255,000 stock options, subject to vesting, to key consultants of Global Ore (excluding Mr. Nano). The Global Ore contract can be terminated at any time by the Company by paying a fee of AU $225,000.

On March 2, 2016, Mirasol appointed Mahesh Liyanage as CFO. Mr. Liyanage is a Chartered Professional Accountant with more than 20 years' experience across diverse industries. He has served as the Chief Financial Officer for several exploration companies. The retiring CFO, Mr. Bernie Zacharias was thanked for his many years of dedicated service as CFO and for his many excellent contributions to the Company. The Company wishes Mr. Zacharias the best in all future undertakings.

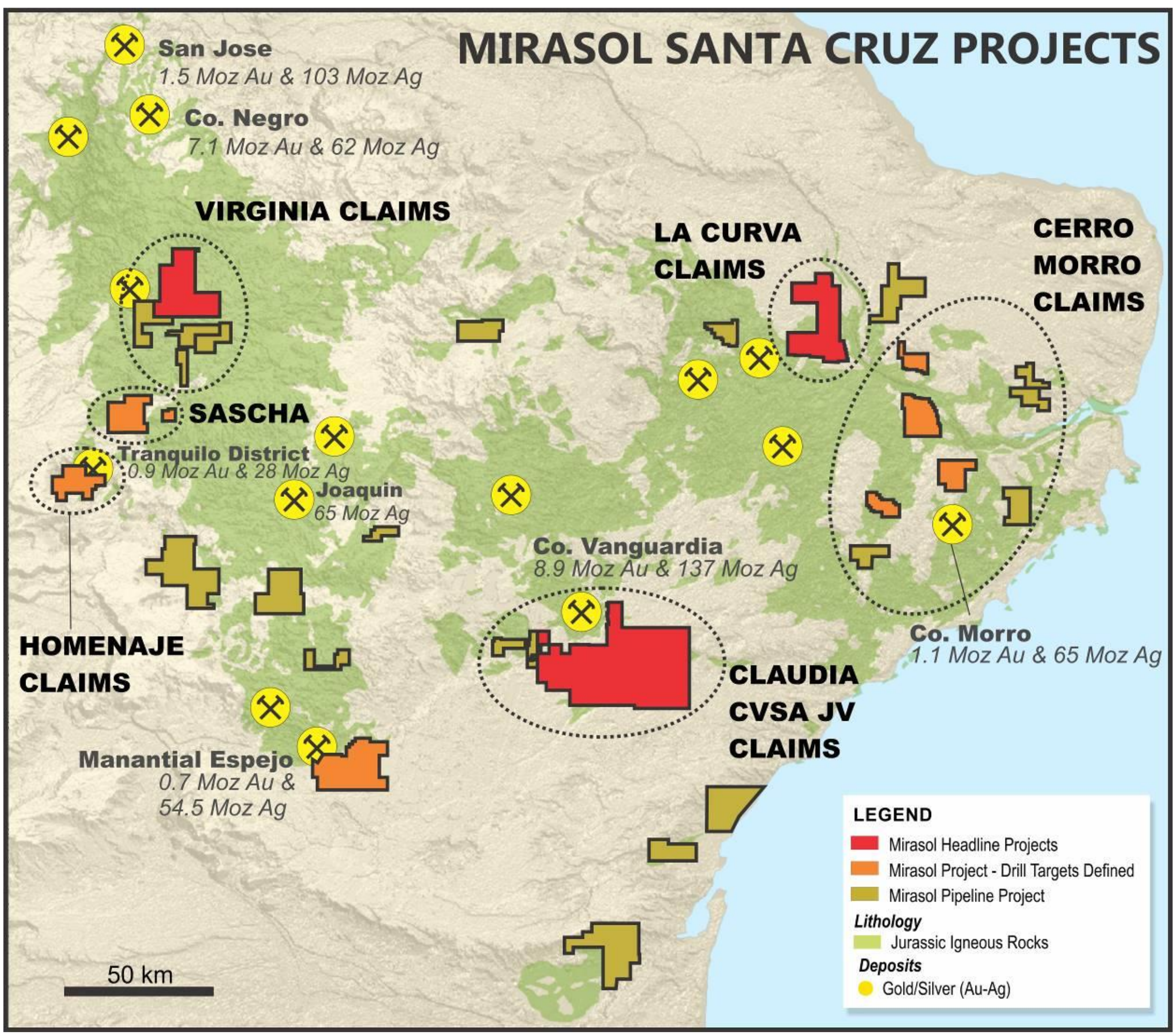

Figure 3: Santa Cruz Project Portfolio.

EXPLORATION ACTIVITIES FOR THE PERIOD JANUARY 1, 2016 TO MAY 26, 2016

Chile and Argentina – Atacama Puna Project Generation

During the reporting quarter (1st January to 31st March), Mirasol invested $0.15 M on project generation activities in Chile and Argentina focused on the Atacama – Puma generative region.

The Atacama – Puna program (Figure 2) is primarily focused on the Mio-Pliocene age volcanic belt and the Paleocene belt of northern Chile and Argentina. The southern segment of this arc hosts many examples of world-class epithermal precious metal and porphyry-copper mines.

The generally distressed status of the exploration industry is opening up access to quality exploration ground in Chile and Argentina which has been previously held by other companies, locked-up for many years. Mirasol has positioned itself to take advantage of this counter-cyclic opportunity and has executed a longer-term commitment to the re-building of Mirasol's generative pipeline of projects. The Company has field teams undertaking reconnaissance mapping and sampling of a range of targets, and has made significant progress assembling new portfolios of 100%-owned claims in two geographic regions of the Mio-Pliocene belt of Chile and Argentina and within the Paleocene age belt of Chile (Figure 2).

In the Mio-Pliocene aged "Southern Porphyry Belt", Mirasol now holds exploration rights to approximately 35,000 ha of granted claims, and in the Mio-Pliocene belt north of the Maricunga Belt Chile. In addition to the Gorbea JV properties, Mirasol has approximately 30,500 ha of granted exploration claims. In the Paleocene belt of Chile, in addition to the Rubi property Mirasol holds approximately 13,000 ha of new granted exploration claims. Mirasol will make further announcements about these claim packages once there has been confirmation of the granting of tenure and district positions have been consolidated.

Acquiring new claims, evaluating the mineral potential, relinquishing areas that prove to be un-prospective and advancing more prospective areas to the JV stage, is the core process that drives Mirasol's project generation process.

Chile – Gorbea Yamana JV: Atlas and Titan Projects

The Gorbea Projects comprises nine 100%-owned claim blocks totalling approximately 22,814 ha and includes the Titan and Atlas high-sulphidation epithermal (HSE) gold and silver projects and seven other early-stage exploration prospects covering portions of prospective alteration systems.

In March 2015, Mirasol signed a joint venture agreement with Yamana Gold where the first earn-in option to 51% requires a spend commitment of US$10 million and cash payments of US$2 million. This includes a first year spend commitment of US$2 million, including geophysical surveys and 3,000 m of drilling at Atlas and Titan (see MD&A for the year ended June 30, 2015 for information on historical exploration and further details of the Letter Agreement with Yamana).

Exploration at Atlas and Titan is targeting HSE Miocene age gold mineralization similar to recent discoveries by Barrack Gold Corporation and Gold Fields Ltd at the Alturas and Salares Norte projects, respectively (refer to Figures 1 and 2).

To date Yamana has drilled a combined total of 5,436 m of DDH and RC in 10 holes; with 6 holes drilled October to December 2015 (news release March 21, 2016) and an additional 4 holes and a diamond tail (hole 6B) drilled during January to March, 2016 (news release April 25, 2016). Results for the recent diamond tail of hole 6B are pending.

Best results from this season's drilling are summarized in Table 1 (news release April 25, 2016)

Table 1 Atlas Down Hole Intersections – Holes 1-10

Drill Hole ID	From (m)	To (m)	Down Hole Intersections (m)	Gold * (g/t)	Silver * (g/t)	AuEq60** (g/t)	AuEq60 gm** (gram x metre)	Reported:
CLATRD0001	108	112	4	1.12	0.7	1.1	4.5	March 21, 2016
CLATRD0001	148	186	38	0.11	0.5	0.1	4.5	March 21, 2016
CLATRD0002	22	46	24	0.18	13.1	0.4	9.5	March 21, 2016
CLATRD0002	190	210	20	0.20	0.7	0.2	4.2	March 21, 2016
CLATRD0003	36	42	6	0.14	0.3	0.1	0.8	March 21, 2016
CLATRD0003	377.5	382.2	4.7	0.17	0.3	0.2	0.8	March 21, 2016
CLATRD0004	230	244	14	0.06	150.1	2.6	35.9	March 21, 2016
CLATRD0007	440	446	6	0.87	1.2	0.9	5.3	April 25, 2016
CLATRD0007	458	488	30	0.67	5.1	0.8	22.7	April 25, 2016
inc.	470	488	18	0.90	7.4	1.0	18.4	April 25, 2016
CLATRD0007	556	596	40	1.38	17.9	1.7	67.3	April 25, 2016
inc.	556	584	28	1.82	22.0	2.2	61.2	April 25, 2016
CLATRD0009	276	302	26	0.04	13.7	0.3	6.9	April 25, 2016
CLATRD0010	468	522	54	0.35	5.5	0.4	23.9	April 25, 2016
inc.	472	482	10	1.02	6.2	1.1	11.2	April 25, 2016
CLATRD0010	560	628	68	0.17	9.9	0.3	22.7	April 25, 2016

Manually selected intervals typically > 0.1 g/t gold and/or > 10 g/t silver

* Grades reported are length weighted average intersections calculated as
Sum product of grade and length / sum of length

** Gold equivalent (AuEq60) is calculated as Gold g/t + $\frac{\text{Silver g/t}}{60}$
Gold equivalent grammetre (AuEq gm) is calculated as AuEq x Down Hole Intersectionmetre

Reverse circulation sampling intervals were every 2 m and diamond samples were collected on a geological basis (approximately 0.5-3 m intervals)

Drilling results to date confirm the presence of a significantly mineralized HSE precious metal system at Atlas, with deep oxidation at the project. Geological logging shows significant intervals of vuggy silica and hydrothermal silicification in holes 4, 6, 8, 9 and 10 which correspond to IP geophysical resistivity anomalies. Preliminary spectral (PIMA) alteration analysis of the mineralized drill intersections show the Au+Ag mineralization is associated with vuggy and hydrothermal silica, zones of strong advanced argillic (kaolinite-dickie-alunite) alteration, possibly representing feeder zones.

To-date there has been no drilling up-dip of the intersections in hole 7 and 10 to test for shallower mineralization that maybe accessible via open pit mining methods. Further surface mapping and sampling, followed by drilling, will be required to test this concept and determine the geometry of any mineralization present. A number of similar conductive features, in some cases with associated surface rock chip gold anomalies, are evident at Atlas and following the receipt of these drill results are now considered priority targets for future drill testing.

In early 2016 Yamana also completed a 1,000 m trenching and 600 m drilling program at Titan where previous exploration by Mirasol identified trench intersections of 194 m at 0.41 g/t Au (news release January 21, 2013), and where a scouting drill program returned shallow oxide intersections of up to 44 m at 1.21 g/t Au including 10 m at 3.58 g/t Au (news release November 25, 2013). Results will be reported once they have been received.

Argentina – Claudia Cerro Vanguardia S.A. (CVSA) JV – Claudia Project

The large Claudia Property (approximately 127,000 ha) comprises exploration claims located in the south-central part of Santa Cruz Province adjoining the southern boundary of AngloGold Ashanti's Cerro Vanguardia mining property.

Mirasol's exploration of the Claudia property has outlined five large-scale epithermal gold - silver vein prospects at Rio Seco, Laguna Blanca, Ailen, Cilene and Curahue, with a series of drill-ready targets at Rio Seco, Ailen and the large Curahue zone. At Curahue, 6 separate vein trends have been identified; Io, Europa, Ganymede, Callisto, Sinope and Themisto, over a 15 km long corridor (news release July 27, 2015).

In February 2016 Mirasol signed an exploration and option agreement with Cerro Vanguardia where the option has been granted to acquire up to a 75% interest in the Claudia Project, exercisable in 3 stages over a six year or shorter earn-in period (the Claudia - CVSA JV; see news release March 1, 2016).

The Claudia - CVSA JV has 3 phases of earn-in:

- First phase: A 51% interest in the project can be earned over a maximum 2-year period by spending US$5 million on exploration, making US$1 million in payments to Mirasol and executing an exploration program that includes a minimum of 12,000 m of drilling. The first year commitment includes a cash payment of US$100,000, to Mirasol and a minimum exploration expenditure of US$2 million, with an exploration commitment including 6,000 m of drilling focused on the Curahue prospect and US$200,000 in geophysical surveys. Cerro Vanguardia can elect to proceed to a second stage of the 51% earn-in by making a second payment to Mirasol of US$300,000 and spending another US$3 million on exploration including an additional 6,000 m of drilling. Following this investment, the 51% earn-in can be exercised by making a final cash payment of US$600,000 to Mirasol.
- Second phase: Cerro Vanguardia may elect to earn-in to 65% of the Claudia project within an additional two years from the earn-in date of the 51% vesting by delivering a preliminary economic assessment with a NI 43-101 compliant resource of not less than 350,000 oz gold in the Inferred, or higher, resource classification, with grades that support profitable economic extraction based upon the Cerro Vanguardia Mine cost structure.
- Third phase: Cerro Vanguardia may elect to proceed with a third earn-in, increasing its interest to 75% within a total of four years of the 51% earn-in date by delivering a technical and financial evaluation report to NI 43-101 pre-feasibility study standards, demonstrating a compliant Measured and Indicated resource of not less than 350,000 oz of gold including a minimum of 175,000 ounces of Measured mineral resources; and delivering to the Company a decision to proceed with mining operations on the resources defined.

The first phase of drilling initiated in May 2016, is designed to provide an initial test of a portion of the Curahue prospect (news release May 9, 2016). CVSA has planned a 3,500 m, 22 hole, reverse-circulation (RC) drill program as a shallow (25 to 100 m depth) test of the Io, Europa and Calisto vein trends. The results from this initial RC program will be used to prioritize the higher-grade segments of these vein trends for follow-up diamond core (DD) and additional RC drilling. Two splits of samples will be assayed for Au+Ag from the initial RC drilling: One sample split will be submitted to an independent accredited laboratory as per standard industry practice for purposes of database integrity; the other split will be assayed at the CVSA mine site laboratory which is able to deliver quick turnaround of Au+Ag results which can be fed back into the active drilling campaign to guide follow-up drilling. Future systematic exploration drilling of the remaining Curahue vein trends and other prospects at Claudia will follow-on from successful results of this phase of exploration.

Argentina - Virginia Project, Santa Rita Property

The Virginia high-grade, silver vein zone was discovered by Mirasol in late 2009 on the Santa Rita property package, following-up on priority exploration targets generated by Mirasol's consultants (Global Ore Discovery) from satellite imagery.

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 (Figure 4) as previously reported (news release February 7, 2013). The mineral resource estimate contains Indicated resources totalling 11.9 million oz Ag at 310 g/t, and Inferred material totalling 3.1 million oz Ag at 207 g/t, all contained within seven outcropping veins of high-grade silver mineralization (see MD&A for the year ended June 30, 2015 for historical exploration and further details on the pit constrained mineral resource estimate for the Virginia project).

On March 29, 2016 Mirasol filed an amended technical report on SEDAR dated 29th February, 2016. The Amended Report addressed specific technical comments received from the BC Securities Commission following their routine review of technical disclosure. This review identified aspects of the original Virginia Mineral Resource Report which were non-compliant with NI 43-101 guidelines. The BCSC has now confirmed that the Amended Report adequately addresses the comments raised by their review. The base case Mineral Resource estimate for the Virginia Project described in the Original Report remains unchanged in the Amended Report.

Mirasol is not presently undertaking further exploration in the Virginia claims but has recently acquired 17,245 ha in new 100%-owned claims that further consolidate the Virginia district. Mirasol is continuing its claims consolidation activities and is actively seeking a JV partner to further explore and develop the project.

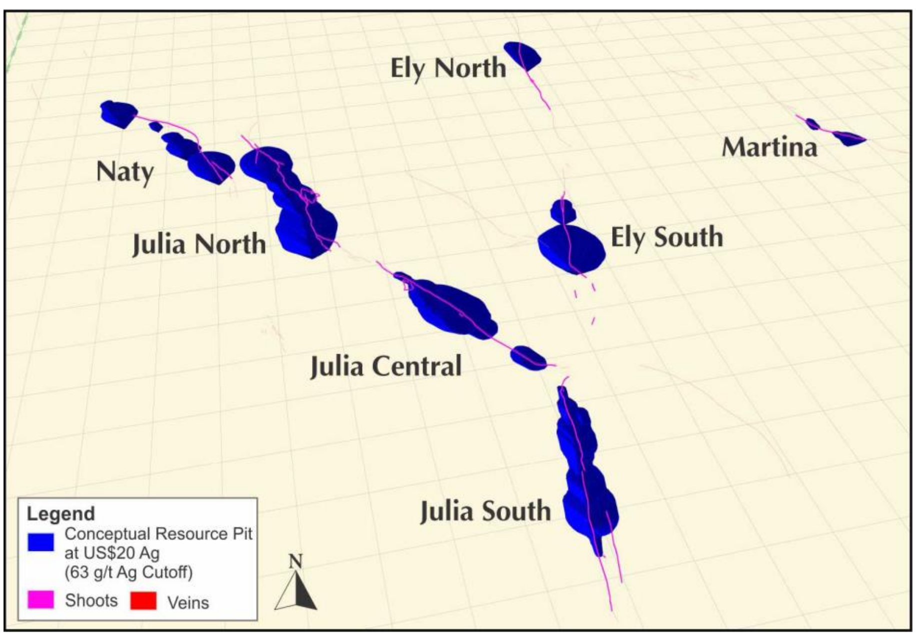

Figure 4: Virginia Conceptual Pit Configuration for Initial Mineral Resource Estimate.

Argentina - La Curva Project

The La Curva property comprises four exploration claims totalling 36,721 ha, located in the eastern Deseado Massif, and has year round access from the paved national highway. Four separate gold and silver prospects have been outlined; Loma Arthur, Cerro Chato, Southwest and Curva West, and are defined by coincident large geophysical anomalies, gold and silver in rock chip and soil, and outcropping alteration. Drill targets are defined at Loma Arthur, Cerro Chato and Southwest.

Readers are directed to the Company's previously filed annual MD&A for the year ended June 30, 2015 for historical exploration discussion on the La Curva property. The Company is actively seeking a JV partner to advance the La Curva project.

Other Properties

Mirasol holds a number of early-stage exploration properties which are prospective for gold and/or silver mineralization in southern Argentina and northern Chile (Figure 3).

RESULTS OF OPERATIONS

Table 2: *Exploration expenditures per projects under active exploration*

	For the Three Months Ended March 31,		For the Nine Months Ended March 31,	
	2016	2015	2016	2015
	$	$	$	$
Chile				
Gorbea Belt – Atlas Project				
Assays and sampling	-	-	-	1,752
Camp and general	28	11,427	197	58,480
Consultants and salaries	18,169	23,317	35,782	257,766
Geophysics	885	940	1,306	34,176
Mining rights and fees	87,979	108,309	91,306	131,573
Travel	9	1,166	309	13,208
	107,070	145,159	128,900	496,955
Gorbea Belt – Titan Project				
Camp and general	-	1,679	148	43,959
Consultants and salaries	4,625	5,524	8,895	166,417
Geophysics	884	940	3,635	6,442
Mining rights and fees	39,141	48,610	42,316	61,405
Travel	-	1,512	-	12,780
	44,650	58,274	54,988	291,003
Gorbea Belt – Other Projects				
Camp and general	52	4,760	52	16,437
Consultants and salaries	309	-	1,181	7,235
Geophysics	1,162	1,232	2,192	7,625
Mining rights and fees	89,283	120,933	98,926	157,639
Travel	66	-	66	108
	90,872	126,925	102,417	189,044
Gorbea Joint Venture Management				
Administration	-	-	6,069	-
Consultants and salaries	39,099	10,242	86,529	10,242
Travel	493	-	4,776	-
Recovery of costs	(44,818)	-	(44,818)	
	(5,226)	10,242	52,556	10,242
Total – Properties joint ventured to other companies	237,366	340,600	338,861	987,244

	For the Three Months Ended March 31,		For the Nine Months Ended March 31,	
	2016	2015	2016	2015
	$	$	$	$
Chile (Continued)				
Rubi				
Assays and sampling	-	-	381	-
Camp and general	-	986	5,180	22,647
Consultants and salary	5,579	33,232	24,443	55,023
Geophysics	976	-	2,197	-
Mining rights and fees	1,962	4,480	8,268	10,477
Travel	-	8,241	397	10,389
Option payment	-	-	-	(54,956)
Recovery of costs	-	(111,347)	-	(111,347)
	8,517	(64,408)	32,349	(67,767)
Chile Pipeline Projects				
Assays and sampling	56,880	-	77,782	-
Camp and general	35,320	-	50,510	-
Consultants and salary	228,043	-	337,134	-
Geophysics	21,070	-	32,448	-
Mining rights and fees	25,988	-	71,077	-
Travel	39,570	-	54,304	-
	406,871	-	623,255	-
Total – 100% owned properties	415,388	(64,408)	664,121	(67,767)
Frontera – Joint Venture				
Camp and general	-	50,119	216	143,937
Consultants and salary	7,359	100,510	49,889	395,841
Geophysics	885	47,227	4,647	119,085
Mining rights and fees	2,297	6,424	103,508	137,086
Travel	148	9,943	2,284	49,521
Total – Earn-in joint venture on third party projects	10,689	214,223	160,544	845,470
Project Generation	290,465	347,078	1,121,728	862,342
Operation & Management	104,209	184,045	316,339	603,191
Total Chile	**1,058,117**	**1,021,538**	**2,601,593**	**3,230,480**

	For the Three Months Ended March 31,		For the Nine Months Ended March 31,	
	2016	2015	2016	2015
	$	$	$	$
Argentina				
Claudia				
Camp and general	10,444	5,178	24,014	19,745
Consultants and salary	23,025	9,457	42,780	51,479
Mining rights and access fees	50,985	12,965	115,207	39,904
Travel	2,027	-	4,736	2,825
Option payment	(135,230)	-	(135,230)	-
	(48,749)	27,600	51,507	113,953
La Curva				
Assays and sampling	-	245	3,549	245
Camp and general	1,288	1,714	7,005	7,235
Consultants and salary	-	4,159	16,682	25,627
Mining rights and access fees	3,130	2,820	9,567	11,828
Travel	1,299	-	3,034	2,271
	5,717	8,938	39,837	47,206
Santa Rita and Virginia				
Assays and Sampling	-	-	-	612
Camp and general	13,876	13,384	42,917	43,557
Consultants and salary	22,875	64,790	41,837	107,304
Mining rights and access fees	17,855	1,165	35,789	9,591
Travel	373	1,735	711	6,321
	54,979	81,074	121,254	167,385
Argentina Pipeline Projects				
Camp and general	1,449	7,733	1,977	16,935
Consultants and salary	9,815	9,122	37,315	28,060
Mining rights and fees	49,932	8,726	198,346	17,717
Travel	-	5,116	63	8,100
	61,196	30,697	237,701	70,812
Total – 100% owned properties	73,143	148,309	450,299	399,356
Project Generation	63,850	229,456	408,537	303,997
Operation & Management	68,611	252,679	328,162	761,990
Total Argentina	**205,604**	**630,444**	**1,186,998**	**1,465,343**
Total Exploration Costs	**1,263,721**	**1,651,982**	**3,788,591**	**4,695,823**

***Table 3**: Cumulative exploration costs per projects under active exploration*

	Balance at June 30, 2015 $	Additions $	Balance at March 31, 2016 $
Gorbea Belt – Atlas Project	2,606,219	128,900	2,735,119
Gorbea Belt – Titan Project	3,025,181	54,988	3,080,169
Gorbea Belt – Other Projects	1,844,489	102,417	1,946,906
Gorbea – Joint Venture Management	36,381	52,556	88,937
Rubi	1,197,571	40,866	1,238,437
Chile Pipeline Projects	-	623,255	623,255
Frontera – Joint Venture	1,806,442	160,544	1,966,986
Project Generation	2,550,950	1,121,728	3,672,678
Operation and Management	1,216,170	316,339	1,532,509
Total Chile Properties	**14,283,403**	**2,601,593**	**16,884,996**
Claudia	5,729,251	51,507	5,780,758
La Curva	1,637,801	39,837	1,677,638
Santa Rita and Virginia	10,287,816	121,254	10,409,070
Argentina Pipeline Projects	5,256,796	237,701	5,494,497
Project Generation	2,533,081	408,537	2,941,618
Operation and Management	6,132,607	328,162	6,460,769
Total Argentina Properties	**31,577,352**	**1,186,998**	**32,764,350**
Total Exploration Costs	**45,860,755**	**3,788,591**	**49,649,346**

Operations for the Nine Months Ended March 31, 2016 ("2016", "Current Period") as compared to the Nine Months Ended March 31, 2015 ("2015", "Comparative Period")

Net loss for 2016 was $4,626,940 or $0.10 per share compared to $5,916,310 during 2015, or $0.12 per share, a decrease in net loss of $1,289,370.

During 2015, the Company experienced a significant loss due to the decline in the market value of the Company's investment in the common shares of Coeur Mining Inc. ("Coeur"), acquired by the Company as partial consideration for the sale of its interest in the Joaquin property to Coeur during the 2013 financial year. The market value of 1,087,043 shares of Coeur held by the Company declined from US$9.18 per share to US$3.77 per share (59% decline), resulting in a loss of 6,381,125. The Company sold all such shares during the Comparative Period for cash proceeds of $4,625,381.

The Company spent more funds, during 2015, on exploration as described above in Table 2 and also on business development activities as a result of Mirasol's evaluation of corporate opportunities. As a result, combined exploration and business development costs were lower in the Current Period by $1,103,593.

These lower costs in the Current Period described above were offset by higher compensation costs. The fees paid to Mirasol's independent directors, or to companies controlled by them, were higher during the Current Period as a result of the revised director compensation arrangement introduced by the Company during the fourth quarter of the 2015 financial year. Additional fees were paid to the directors serving on the special committees of the board, and as a result the Company's independent directors were paid $2,100 per month during the Current Period compared to $1,000 per month during the Comparative Period. Mirasol also paid $3,000 per month to the chairman of its board of directors during the Current Period (2015 - $Nil). In recognition of the current market conditions, Mirasol hired a dedicated manager of investor relations during the fourth quarter of the 2015 financial year to maintain stakeholder's involvement and awareness of the Company's activities. The compensation for Mirasol's manager of investor relations was $112,500 during the Current Period. The Company also incurred $201,282 in share-based payments during the Current Period as a result of the vesting of stock options granted to the Company's manager of investor relations during the 2015 financial year and due to the recognition of the incremental fair value resulting from the amendment of the terms of the stock options granted in previous years, as described above. During the Current Period, the Company granted 300,000 bonus shares ($372,000) for the CEO in appreciation of his past services.

The office administration expenses increased during the Current Period as a result of the efforts to restructure the head office in Canada.

The Company's gain from foreign exchange was $1,013,187 during the Current Period compared to $3,702,618 during the Comparative Period. As noted above, the Company maintains most of its working capital in US dollars and as a result the Company's results from operations are highly susceptible to the changes in the value of the US dollar compared to the Canadian dollar.

During the Comparative Period, the Company recorded an income tax recovery of $3,154,940, updating its estimate of income tax refund receivable from the Canada Revenue Agency ("CRA") and also due to its expectation to carry-back the 2015 financial year capital and non-capital losses against the capital gain during the 2013 financial year. During the Current Period, the Company's income tax recovery amounted to $88,000 as a result of further increasing its estimate based on the finalized tax filing for the 2015 financial year. On February 9, 2015, the Company received, inclusive of interest, $3,097,701 from the Canada Revenue Agency.

Operations for the Three Months Ended March 31, 2016 as compared to the Three Months Ended March 31, 2015

Net loss for the three months ended March 31, 2016 ("Current Quarter") was $3,257,207 compared to an income of $11,881 during the three months ended March 31, 2015 ("Comparative Quarter"), an increase in loss of $3,269,088.

The income during the Comparative Quarter was attributable to the recognition of the income tax recovery of $255,368 and foreign exchange gain of 1,808,458. During the Current Quarter the Company experienced a foreign exchange loss of $1,021,105. The Company's total loss from operations during the Current Quarter was $2,261,778 (Comparative Quarter - $2,090,910) and an additional loss was incurred due to recognition of bonus share cost of $372,000 and stock-based compensation of $131,683 (Comparative Quarter - $Nil) netted off against reduction of exploration cost resulted in receipt of option payment of US$ 100,000 ($135,230) from CVSA and exploration reimbursements from Yamana on the Gorbea Projects.

Selected Quarterly Information

The following table sets out selected unaudited quarterly financial information of Mirasol 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 $
3rd Quarter 2016	Nil	(3,257,207)	(0.07)	(0.07)
2nd Quarter 2016	Nil	(1,358,661)	(0.03)	(0.03)
1st Quarter 2016	Nil	(11,072)	(0.00)	(0.00)
4th Quarter 2015	Nil	(2,523,995)	(0.06)	(0.06)
3rd Quarter 2015	Nil	(11,881)	(0.00)	(0.00)
2nd Quarter 2015	Nil	99,987	0.00	0.00
1st Quarter 2015	Nil	(5,483,262)	(0.12)	(0.12)
4th Quarter 2014	Nil	(3,013,516)	(0.07)	(0.07)

The Company's quarterly results will vary primarily in accordance with the Company's exploration 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.

The income recognized during the 2nd quarter of the 2015 financial year relates primarily to the recognition of income tax recovery, as described above, pertaining to the carry-back of the capital losses resulting from the sale of Coeur shares. The Company sold all of its holding in the shares of Coeur during that quarter. As a result, the loss incurred in the 3rd quarter of 2015 financial year was considerably lower than the other quarters. During the 3rd quarter of the 2015 financial year, the Company recognized a gain from foreign exchange of $1,808,458 and a further income tax recovery of $255,368 due to the factors described above, which significantly reduced the impact of its loss from operations.

The variation in the losses incurred by the Company during the periods prior to the 2nd quarter of the 2015 financial year are primarily due to the change in the fair value of the common shares of Coeur.

Please see above for a discussion comparing the Company's results during the three and nine months ended March 31, 2016 with the three and nine months ended March 31, 2015, respectively.

LIQUIDITY

The Company's net working capital as at March 31, 2016 was $18,901,425 compared to a net working capital of $22,915,977 at June 30, 2015. The cash and short-term investment and current receivable and advances balance at March 31, 2016 were $19,420,151 compared to $23,839,238 at June 30, 2015. As at March 31, 2016 current liabilities were $518,726 compared to $923,261 at June 30, 2015. The main use of cash during the Current Period was for the Company's exploration and administrative activities. On February 9, 2016, the Company received $3,097,701 from the Canada Revenue Agency. During the Current Period, the Company received $385,422 from Yamana and $135,230 from CVSA in connection with the respective option agreements.

On May 26, 2016, the Company has 44,593,161 shares issued and outstanding. The Company also has 2,305,000 incentive stock options outstanding (1,805,000 fully vested) with a current weighted average exercise price of $1.09, which if exercised, would allow the Company to raise approximately $2 million.

Investing Activities

The Company received interest on its guaranteed investment certificates of $54,523 during the nine months ended March 31, 2016 (2015 - $30,477). During the Comparative Period, the Company disposed of its investment in the common shares of Coeur for cash proceeds of $4,625,381.

Financing Activities

The Company did not engage in financing activities either during the Current or the Comparative Period. Subsequent to the quarter end 37,500 options with exercise price of $0.88 were exercised for gross proceeds of $33,000 by employees and consultants of the Company.

Capital Resources

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. Mirasol applies the Prospect Generator model where it seeks and presents partners with an option to joint venture Mirasol'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 $19 million on March 31, 2016, 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 a number of 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 the CEO, Exploration Manager, and the independent directors was as follows:

		For the Three Months Ended March 31				For the Nine Months Ended March 31		
		2016		2015		2016		2015
Management compensation (i)	$	129,232	$	127,012	$	395,134	$	375,262
Share-based payments		113,835		-		113,835		-
Bonus share payment (iii)		372,000		-		372,000		-
Director's fees (ii)		33,600		25,380		112,800		39,025
	$	648,666	$	152,392	$	993,769	$	414,287

(i) Management compensation is included in Management fees (2016 - $134,153; 2015 - $128,434) and in Exploration costs (2016 - $260,981; 2015 - $246,828) in the Company's consolidated statements of loss and comprehensive loss.

(ii) The independent directors of the Company were paid $2,100 per month (2015 - $1,000 per month) while the Chairman of the Board of Directors received an additional $3,000 per month for serving in this capacity (2015 - $nil). The independent directors were also paid for serving on other special committees of the Board of Directors.

(iii) In February 2016, the Company signed Consulting Agreements, effective July 2015, with each of Global Ore consultants and Stephen Nano, to perform the duties of President, CEO and QP for the Company. Under the terms of the Global Ore agreement, the Company has retained the services of Global Ore consultants until June 30, 2018, to provide target generation related consulting services to the Company on an exclusive basis throughout Chile and Argentina. The Company has agreed to pay for such services at an agreed upon preferential discounted rate but has agreed to a minimum monthly retainer of Australian Dollar ("AUD") $35,000. Further, as additional consideration, the Company has agreed to an incentive grant (as soon as practicable) of 255,000 stock options, subject to vesting, to key representatives of Global Ore other than Mr. Nano. The Global Ore contract can be terminated at any time by the Company by paying a fee of AUD $225,000.

The CEO consulting agreement with Mr. Nano is also for a term expiring on June 30, 2018, and provides for payment of a consulting fee of $25,000 per month, and the issuance of 300,000 Retention Bonus Shares (the “Bonus Shares”) in consideration for past services. The Bonus Shares were issued, on March 22, 2016 and will be subject to escrow restrictions whereby 100,000 released on March 22, 2016; 100,000 released on July 2, 2016 and 100,000 released on July 2, 2017. The contract with Mr. Nano contains termination provisions which require payment of one-year’s fees for termination without cause and two years for termination due to a change of control event, as defined.

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:

Related Party	**Relation**	**Nature of transactions**
Miller Thomson	Corporate Secretary is a Partner	Legal services
Avisar Chartered Professional Accountants (i)Accountants	CFO is a Partner	Financial reporting and tax compliance
Chase Management Ltd.	Director is the President	Consulting services
Global Ore	CEO is a Director	Project generation, exploration management and GIS services
Evrim Resources Corp.	Common CFO	CFO services, office administration support services and office sharing

(i) No longer a related party (as of March 11, 2016).

The Company has agreements with all related parties and is charged service fee based on the related parties’ regular charge-out rates for similar services provided to arm’s length parties.

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

	For the Three Months Ended March 31		For the Nine Months Ended March 31	
	2016	2015	2016	2015
Legal fees	$ 49,329	$ 65,753	$ 140,178	$ 220,545
Accounting fees	39,048	84,500	126,398	145,750
Consulting fees	-	-	-	23,150
Professional fees	10,300	6,493	34,900	20,493
Exploration costs and project management fees	217,284	226,577	621,098	780,203
Office sharing and administration	7,012	-	7,012	-
	$ 322,973	$ 383,323	$ 929,586	$ 1,190,141

Included in accounts payable and accrued liabilities at March 31, 2016 is an amount of $161,585 (June 30, 2015 - $317,081) 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, 2015. The Company did not adopt any significant new accounting policies during the reporting period.

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.

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 interim consolidated financial statements for the nine months ended March 31, 2016, 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, 2015.

FINANCIAL INSTRUMENTS

The Company's financial instruments as at March 31, 2016, consist of cash and cash equivalents, interest receivable, and accounts payable and accrued liabilities. The fair value of all these instruments approximates their carrying value. There are no off-balance sheet financial instruments.

The Company's exposure to risk is primarily related to the fluctuation of foreign exchange rates on its financial instruments. The Company operates in Canada, Argentina and Chile and a portion of its transactions are incurred in 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.

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order 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 makes adjustments to it in light of 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. In order 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.

In order 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 Mirasol's operating expenses and exploration costs is provided above, in the Company's consolidated statements of (income) loss and in Note 4 of the interim condensed consolidated financial statements for the nine months ended March 31, 2016 that is available on Mirasol's website at www.mirasolresources.com or on its SEDAR company page accessed through www.sedar.com.

APPROVAL

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

ADDITIONAL INFORMATION

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