MIRASOL RESOURCES LTD.

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended June 30, 2021 and 2020

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Mirasol Resources Ltd.

Opinion

We have audited the accompanying consolidated financial statements of Mirasol Resources Ltd. (the "Company"), which comprise the consolidated statements of financial position as at June 30, 2021 and 2020, and the consolidated statements of loss and comprehensive loss, changes in equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Stephen Hawkshaw.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

October 26, 2021

Mirasol Resources Ltd.

Consolidated Statements of Financial Position

As of June 30, 2021, and June 30, 2020
(Expressed in Canadian Funds, except where indicated)

ASSETS		June 30, 2021		June 30, 2020
Current Assets				
Cash and cash equivalents *(Note 6)*	$	10,023,402	$	8,886,501
Short-term investments		-		6,707,866
Receivables and advances *(Note 7)*		165,755		226,136
Due from JV partner *(Note 11p)*		46,090		-
Marketable securities *(Note 8)*		1,179,087		655,422
		11,414,334		16,475,925
Non-Current Assets				
Equipment *(Note 9)*		148,613		155,148
Right-of-use assets *(Note 10)*		206,142		258,774
Exploration and evaluation assets *(Note 11)*		1,706,579		2,344,040
		2,061,334		2,757,962
Total Assets	**$**	**13,475,668**	**$**	**19,233,887**

LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities *(Note 12)*	$	899,176	$	524,186
Current portion of lease liabilities *(Note 10)*		81,030		75,480
		980,206		599,666
Long-Term Liabilities				
Non-current portion of lease liabilities *(Note 10)*		163,642		205,043
Total Liabilities	$	1,143,848	$	804,709

EQUITY				
Share Capital *(Note 13)*	$	57,477,459	$	57,767,690
Reserves *(Note 13)*		17,828,859		17,690,529
Accumulated Other Comprehensive Loss		(17,633)		(34,760)
Deficit		(62,956,865)		(56,994,281)
		12,331,820		18,429,178
Total Liabilities and Equity	**$**	**13,475,668**	**$**	**19,233,887**

Nature of business *(Note 1)*
Commitment *(Note 16)*
Subsequent events *(Note 18)*

On Behalf of the Board:

" Patrick Evans " , Director

" Nick DeMare " , Director

Mirasol Resources Ltd.

Consolidated Statements of Loss and Comprehensive Loss

For the Years Ended June 30

(Expressed in Canadian Funds, except where indicated)

		2021		2020
Operating Expenses				
Exploration expenditures *(Notes 11 and 12)*	$	4,848,726	$	3,970,869
Option income *(Note 11)*		(750,719)		(64,621)
Management fees income *(Note 11)*		(162,198)		(42,762)
Business development *(Note 12)*		181,611		354,528
Marketing and investor communications		94,423		144,588
Management fees *(Note 12)*		613,329		759,605
Office and miscellaneous		202,148		317,221
Share-based payments *(Note 13)*		(25,968)		426,103
Professional fees *(Note 12)*		137,473		193,868
Director fees *(Note 12)*		83,815		182,220
Travel		172		36,589
Transfer agent and filing fees		31,988		45,185
Depreciation *(Notes 9 and 10)*		106,237		74,331
		(5,361,037)		(6,397,724)
Interest income		614,748		286,877
Interest expense *(Note 10)*		(39,629)		(44,595)
Foreign exchange gain (loss)		(1,075,835)		421,500
Gain on sale of subsidiaries *(Note 17)*		66,031		-
Unrealized loss on marketable securities fair value *(Note 8)*		(149,586)		(168,537)
Other expense		(17,276)		-
		(601,547)		495,245
Loss for the Year	$	(5,962,584)	$	(5,902,479)
Other Comprehensive Loss				
Items that will not be reclassified to profit and loss:				
Exchange differences on translation of foreign operations		17,127		(9,018)
Loss and Comprehensive Loss for the Year	$	(5,945,457)	$	(5,911,497)
Loss per Share (Basic and Diluted)	$	(0.11)	$	(0.11)
Weighted Average Number of Shares Outstanding (Basic and Diluted)		54,107,286		54,114,001

Mirasol Resources Ltd.
Consolidated Statement of Changes in Equity
For the Years Ended June 30
(Expressed in Canadian Funds, except where indicated)

	Share Capital					
	Number of Common Shares	**Common Shares Amount**	**Reserves**	**Accumulated Other Comprehensive Loss**	**Deficit**	**Total Equity**
Balance – June 30, 2020	**54,033,878**	**$57,677,690**	**$17,354,426**	**$(25,742)**	**$(51,091,802)**	**$23,914,572**
Share-based payments *(Note 13)*	115,000	90,000	336,103	-	-	426,103
Foreign currency translation adjustment	-	-	-	(9,018)	-	(9,018)
Loss for the year	-	-	-	-	(5,902,479)	(5,902,479)
Balance – June 30, 2020	**54,148,878**	**57,767,690**	**17,690,529**	**(34,760)**	**(56,994,281)**	**18,429,178**
Treasury shares cancelled *(Note 13)*	(280,500)	(298,910)	174,431	-	-	(124,479)
Share issue costs *(Note 13)*	-	(1,454)	-	-	-	(1,454)
Share-based payments *(Note 13)*	26,665	10,133	(36,101)	-	-	(25,968)
Foreign currency translation adjustment	-	-	-	17,127	-	17,127
Loss for the year	-	-	-	-	(5,962,584)	(5,962,584)
Balance – June 30, 2021	**53,895,043**	**$57,477,459**	**$17,828,859**	**$(17,633)**	**$(62,956,865)**	**$12,331,820**

Mirasol Resources Ltd.

Consolidated Statement of Changes in Cash Flows

For the Years Ended June 30

(Expressed in Canadian Funds, except where indicated)

		2021		2020
Operating Activities				
Loss for the year	$	(5,962,584)	$	(5,902,479)
Adjustments for:				
Interest income		(614,748)		(286,877)
Interest expense		39,629		44,595
Depreciation		106,237		114,792
Gain on sale of subsidiaries		(66,031)		-
Other expense		17,276		-
Share-based payments		(25,968)		426,103
Write off of exploration and evaluation assets		64,398		-
Unrealized loss on marketable securities fair value		149,586		168,537
Unrealized foreign exchange		773,684		(401,103)
		(5,518,521)		(5,836,432)
Changes in non-cash working capital items:				
Receivables and advances		(45,604)		9,776
Accounts payable and accrued liabilities		376,321		93,947
Due from joint venture partner		(46,090)		(846,947)
Cash used in operating activities		(5,233,894)		(6,579,656)
Investing Activities				
Redemption of short-term investments, net		6,707,866		10,128,142
Purchase of exploration and evaluation assets		(100,188)		(120,281)
Proceeds from sale of subsidiaries, net of cash disposed		64,700		-
Purchase of equipment		(47,070)		(16,266)
Interest received		703,457		509,672
Cash provided by investing activities		7,328,765		10,501,267
Financing Activity				
Lease payments		(75,480)		(75,479)
Share repurchase costs		(1,454)		-
Treasury shares repurchased		(124,479)		-
Cash used in financing activities		(201,413)		(75,479)
Effect of Exchange Rate Change on Cash and Cash Equivalents		(756,557)		392,085
Change in Cash and Cash Equivalents		1,136,901		4,238,217
Cash and Cash Equivalents - Beginning of Year		8,886,501		4,648,284
Cash and Cash Equivalents - End of Year	$	10,023,402	$	8,886,501
Cash and Cash Equivalents Consist of:				
Cash	$	2,175,222	$	2,117,717
Cash equivalents	$	7,848,180	$	6,768,784
	$	10,023,402	$	8,886,501
Supplemental Schedule of Non-Cash Investing and Financing Transactions:				
Marketable securities received as recovery of exploration and evaluation assets	$	673,251	$	823,959
Recognition of right of use assets and liabilities	$	-	$	311,407
Cash paid during the year for interest	$	39,629	$	44,595
Cash paid during the year for income taxes	$	-	$	-

The accompanying notes are an integral part of these 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 400 – 725 Granville Street, Vancouver, British Columbia and the head office is located at 1150-355 Burrard 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.

COVID-19

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible at this time for the Company to predict the duration or magnitude of the results of the outbreak and its effects on the Company’s business or results of operations.

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

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2. Basis of Presentation

Statement of compliance

The consolidated 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”). The policies presented in Note 3 were consistently applied to all years presented. The Board of Directors approved the consolidated financial statements on October 26th, 2021.

Basis of measurement

These 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.

3. Significant Accounting Policies

a) Consolidation

These consolidated financial statements include the accounts of the Company (the "Parent") and its subsidiaries. The principal subsidiaries of the Company, their activities, and their geographic locations as of June 30, 2021 were as follows:

Subsidiary	Principal activity	Location	Proportion of interest held by the Company
Minera Mirasol Chile Limitada	Mineral exploration	Chile	100%
Cabo Sur S.A.	Mineral exploration	Argentina	100%
Australis S.A.	Mineral exploration	Argentina	100%
Minera Del Sol S.A.	Mineral exploration	Argentina	100%
Nueva Gran Victoria S.A.	Mineral exploration	Argentina	100%
Recursos Mirasol Holdings Ltd.	Holding company	British Virgin Islands	100%
MDS Property Holdings Ltd.	Holding company	British Virgin Islands	100%

Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition or control and up to the effective date of disposition or loss of control. Control is achieved when the Company has power over the investee, is exposed to or has rights to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee.

The transactions among the entities in the consolidated group pertain to the transfer of funds and payment of third-party costs. All inter-group transactions and balances have been eliminated upon consolidation.

b) 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.

Significant accounting estimates and judgments are related to, but are not limited to, the following:

a) Impairment of exploration and evaluation assets: The capitalized carrying value of each property group is reviewed regularly for conditions that are indicators of impairment. This review requires significant judgment as the Company does not have any proven and probable reserves that enable future cash flows to be compared to the carrying values. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the claims' value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the claims' acquisition, or cost of holding; whether exploration activities produced results that are not promising such that no more

3. Significant Accounting Policies (Cont'd…)

b) Significant Accounting Estimates and Judgments (Cont'd…)

work is being planned in the foreseeable future; and whether the Company has the necessary funds to be able to maintain its interest in the mineral claims.

The Company has concluded that impairment conditions do not exist for its exploration and evaluation assets hold as of June 30, 2021.

Ownership of exploration and evaluation assets involves certain risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristics of many exploration and evaluation assets.

The Company has investigated ownership of its exploration and evaluation assets, and, to the best of its knowledge, ownership of its interests is in good standing.

b) Valuation of share purchase options: The Company provides compensation benefits to its employees, directors and officers through a stock option plan. The fair value of each option award is estimated on the date of the grant using the Black-Scholes option pricing model.

Expected volatility assumption used in the model is based on the historical volatility of the Company's share price. The Company uses historical data to estimate the period of option exercises and their forfeiture rates for use in the valuation model.

The risk-free interest rate for the expected term of the option is based on the yields of government bonds. Changes in these assumptions, especially the volatility and the expected life determination could have a material impact on the Company's profit or loss. All estimates used in the model are based on historical data which may not be representative of future results.

c) Income taxes: The Company is subject to income taxes in numerous jurisdictions. Uncertainties exist with respect to interpretations of tax regulations.

Judgment is required in determining whether deferred tax assets are recognized on the statement of financial position. The recognition of deferred tax assets requires management to assess the likelihood that the Company will generate taxable income in future periods to utilize the deferred tax assets. Due to a history of losses deferred tax assets have not been recognized.

d) Functional currencies: The functional currency of an entity is the currency of the primary economic environment in which an entity operates. The determination of an entity's functional currency requires judgment based on analysis of relevant factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates* ("IAS 21").

Except for the Company's subsidiaries in the British Virgin Islands (Note 3a), the Company has determined that its subsidiaries in Chile and Argentina incur costs in United States Dollars, Canadian Dollars, Australian dollars as well as the Chilean and Argentine Pesos and therefore do not indicate a single primary currency for operating in these jurisdictions. These subsidiaries are financed entirely by its Canadian Parent and therefore act as its extension. The Company has therefore determined that the functional currency of all of its subsidiaries in Chile and Argentina is the Canadian Dollar, similar to the Parent.

3. Significant Accounting Policies (Cont'd…)

c) Foreign Currencies

The functional currency of the Company and its operating subsidiaries, Minera Del Sol S.A., Australis S.A., Nueva Gran Victoria S.A., Cabo Sur S.A., and Minera Mirasol Chile Limitada, is the Canadian Dollar ("$"). The functional currency of its holding subsidiaries, Recursos Mirasol Holdings Ltd., and MDS Property Holdings Ltd. is the United States Dollar.

Any transactions in currencies other than the functional currency have been translated to the Canadian Dollar in accordance with IAS 21. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at rates prevailing at the date when the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Assets and liabilities of entities with a functional currency other than the Canadian Dollar are translated at the period end rates of exchange, and the results of their operations are translated at average rates of exchange for the period. The resulting changes are recognized in accumulated other comprehensive income (loss) ("AOCI") in equity as a foreign currency translation adjustment. The Company's presentation currency is the Canadian Dollar.

d) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit with banks and short-term interest-bearing investments with maturities of three months or less at the purchase date. Deposits with banks and short-term interest-bearing investments with original term to maturity greater than three months but less than one year are presented as short-term investments.

e) Financial Instruments

Classification

Financial assets are classified at initial recognition as either: amortized cost, fair value through profit or loss ("FVTPL"), or fair value through other comprehensive income ("FVTOCI"). The classification depends on the Company's business model for managing the financial assets and the contractual cash flow characteristics. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

Fair value through profit or loss ("FVTPL") – Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in profit or loss in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

Fair value through other comprehensive income ("FVTOCI") - Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost - A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

3. Significant Accounting Policies (Cont'd…)

e) Financial Instruments (Cont'd…)

Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL or the Company has opted to measure at FVTPL.

The Company classifies its financial instruments as follows:

Cash and cash equivalents	FVTPL
Short-term investments	FVTPL
Marketable securities	FVTPL
Receivables	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Advances to/from JV partner	Amortized cost

Measurement

Financial assets and liabilities at FVTPL are initially recognized at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets or liabilities held at FVTPL are included in profit or loss in the period in which they arise. Where the Company has opted to designate a financial liability at FVTPL, any changes associated with the Company's credit risk will be recognized in OCI.

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost less any impairment.

Impairment

The Company assesses on a forward-looking basis the expected credit loss ("ECL") associated with financial assets measured at amortized cost, contract assets and debt instruments carried at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

f) Impairment of Non-Financial Assets

The carrying amounts of non-financial assets are reviewed for impairment whenever facts and circumstances suggest that the carrying amounts may not be recoverable. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash-generating units" or "CGUs").

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGU). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

3. Significant Accounting Policies (Cont'd…)

f) Impairment of Non-Financial Assets (Cont'd…)

Non-financial assets that have been impaired in prior periods are tested for possible reversal of impairment whenever events or changes in circumstances indicate that the impairment has reversed. If the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount but not beyond the carrying amount that would have been determined had no impairment loss been recognized for the asset in the prior periods. A reversal of an impairment loss is recognized in profit or loss in the period of such reversal.

g) Equipment

Equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of a replaced asset is derecognized when replaced.

The Company provides for depreciation as follows:

- Exploration equipment: 30% declining balance; and
- Computer hardware: 30% declining balance.

The Company allocates the amount initially recognized to each asset's significant components and depreciates each component separately. Residual values, depreciation methods and useful lives of the assets are reviewed periodically and adjusted on a prospective basis as required.

h) Exploration and Evaluation Assets

The Company capitalizes the direct costs of acquiring mineral property interests as exploration and evaluation assets. Option payments are considered acquisition costs if the Company has the intention of exercising the underlying option.

Exploration and evaluation costs are charged to operations in the period incurred until such time as it has been determined that a property has economically recoverable reserves, and is technically feasible, in which case the balance is tested for impairment and subsequent development costs are capitalized. Exploration costs include value-added taxes because the recoverability of these amounts is uncertain.

The receipt of option payments from the Company's joint venture partners are applied first towards the capitalized cost for the acquisition of pertinent mineral property interests. Option payments in excess of the capitalized acquisition costs are netted against the exploration costs for the period. JV management fees are included in exploration expenditures on the statement of loss and comprehensive loss.

i) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement exists, and if the Company has the right to direct the use of the asset. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

As a lessee, the Company recognizes a right-of-use asset and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

3. Significant Accounting Policies (Cont'd…)

i) Leases (Cont'd…)

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

a) fixed payments, including in-substance fixed payments, less any lease incentives receivable;
b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
c) amounts expected to be payable under a residual value guarantee;
d) exercise prices of purchase options if the Company is reasonably certain to exercise that option; and
e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit or loss.

j. Provisions

(i) Decommissioning and restoration provision: Future obligations to retire an asset, including dismantling, remediation and ongoing treatment and monitoring of the site related to normal operations are initially recognized and recorded as a liability based on estimated future cash flows discounted at a risk free rate. The decommissioning and restoration provision is adjusted at each reporting period for changes to factors including the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the pre-tax rate for risk specific to the liability.

The liability is also accreted to full value over time through periodic charges to profit or loss. This unwinding of the discount is charged to financing expense in profit or loss.

The amount of the decommissioning and restoration provision initially recognized is capitalized as part of the related asset's carrying value and depreciated to profit or loss. The method of depreciation follows that of the underlying asset. The costs related to a decommissioning and restoration provision are only capitalized to the extent that the amount meets the definition of an asset and can bring about future economic benefit.

For the years presented, the Company does not have any decommissioning or restoration provisions.

(ii) Other provisions: Provisions are recognized when a current legal or constructive obligation exists, as a result of past events, and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation. Where the effect is material, the provision is discounted using an appropriate pre-tax rate for risk specific to the liability.

k. Income Taxes

Income tax expense (recovery) is comprised of current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case the income tax is also recognized directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

3. Significant Accounting Policies (Cont'd…)

k. Income Taxes (Cont'd…)

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the date of statement of financial position and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are presented as non-current.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, when they relate to income taxes levied by the same taxation authority and when the Company intends to settle its current tax assets and liabilities on a net basis.

l) Share-based Payments

The Company grants share options to buy common shares of the Company to directors, officers, employees and service providers. The Company recognizes share-based payment expense based on the estimated fair value of the options. A fair value measurement is made for each vesting instalment within each option grant and is determined using the Black-Scholes option-pricing model. The fair value of the options is recognized over the vesting period of the options granted as both share-based payment expense and reserves. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. The reserves account is subsequently reduced if the options are exercised, and the amount initially recorded is then credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the equity instruments issued. Otherwise, such share-based payments are measured at the fair value of goods or services received.

The Company grants to employees, officers, directors and consultants, Restricted Share Units ("RSUs") in such numbers and for such terms as may be determined by the Board. RSUs granted under the RSU Plan are exercisable into common shares for no additional consideration after the vesting conditions, as specified by the Board, are met. The Company intends to settle each RSU with one common share of the Company and therefore RSUs are accounted for as equity-settled instruments.

RSUs are measured at fair value on the date of grant and the corresponding share-based compensation is recognized over the vesting period in profit or loss.

m) Loss per Share

Basic loss per share is computed by dividing loss available to common shareholders by the weighted average number of common shares outstanding during the year.

The computation of diluted loss per share assumes the conversion, exercise, or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the loss per share. The dilutive effect of convertible securities is reflected in the diluted loss per share by application of the "if converted" method. For the year presented, this calculation proved to be anti-dilutive.

3. Significant Accounting Policies (Cont'd…)

n) Comprehensive Income (Loss)

Comprehensive income (loss) consists of net income (loss) and other comprehensive income (loss) and represents the change in equity which results from transactions and events from sources other than the Company's shareholders. The Company's translation of its subsidiaries which have a functional currency other than the Canadian Dollar is the only item affecting comprehensive income (loss) for the years presented.

o) Share Capital

Common shares of the Company are classified as equity. Transactions costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effect.

The Company uses the residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in the private placements was determined to be the more easily measurable component and were valued at their fair value, as determined by the quoted bid price on the issuance date. The balance, if material, was allocated to the attached warrants. Any fair value attributed to the warrants on exercise is recorded as equity. If the warrants are exercised the related reserves are reclassified from reserves to share capital.

4. Recent Accounting Pronouncements and Adoptions

New accounting standards issued but not yet in effect

Classification of liabilities as current or non-current (Amendments to IAS 1)

The IASB has published *Classification of Liabilities as Current or Non-Current* (Amendments to IAS 1) which clarified the guidance on whether a liability should be classified as either current or non-current. The amendments:

(i) Clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period";
(ii) Clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
(iii) Make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet been determined.

(Expressed in Canadian Funds, except where indicated)

5. Financial Instruments

Categories of financial instruments

		June 30, 2021		June 30, 2020
Financial assets				
Fair Value Through Profit or Loss				
Cash and cash equivalents	$	10,023,402	$	8,886,501
Short-term investments		-		6,707,866
Marketable securities		1,179,087		655,422
Amortized Cost				
Receivables and advances		165,755		103,370
Due from JV Partner		46,090		-
	$	11,414,334	$	16,353,159
Financial liabilities				
Amortized Cost				
Accounts payable and accrued liabilities		899,176		524,186
	$	899,176	$	524,186

a) Fair Value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities;
Level 2 – Inputs other than quoted prices that are directly or indirectly observable for the asset or liability; and,
Level 3 – Inputs that are not based on observable market data;

		June 30, 2021		June 30, 2020
Level 1				
Cash and cash equivalents	$	10,023,402	$	8,886,501
Short-term investments	$	-	$	6,707,866
Marketable securities	$	1,179,087	$	655,422

The fair values of the Company's other financial instruments approximate their carrying values because of the short-term nature of these instruments.

b) 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 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 expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

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

(Expressed in Canadian Funds, except where indicated)

5. Financial Instruments (Cont'd…)

b) Management of Capital Risk (Cont'd…)

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 is not subject to externally imposed capital requirements. There were no changes to the Company's approach to capital management during the year.

c) Management of Financial Risk

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.

(i) Currency risk

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.

At June 30, 2021, the Company is exposed to currency risk through the following assets and liabilities denominated in US and Australian dollars, and Argentine and Chilean Pesos:

	US Dollars	Australian Dollars	Argentine Peso	Chilean Peso
Cash and cash equivalents	5,491,744	591,304	13,530,441	262,426,107
Receivables and advances	-	-	1,145,296	23,756,085
Accounts payable and accrued liabilities	(18,683)	-	(39,726,463)	(100,658,051)

Based on the net exposures as at June 30, 2021, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the US and Australian dollar would result in an increase/decrease of $678,331 and $54,962, respectively in the Company's comprehensive loss. Likewise, a 10% depreciation or appreciation of the Canadian dollar against the Argentine and Chilean Peso would result in an increase/decrease of $(32,416) and $31,168, respectively in the Company's comprehensive loss.

(ii) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's cash and cash equivalents are held through large financial institutions. The Company's receivables primarily consist of interest receivable due from major financial institutions on short term investments. Management believes that credit risk concentration with respect to receivables is remote.

(Expressed in Canadian Funds, except where indicated)

5. Financial Instruments (Cont'd…)

b) Management of Capital Risk (Cont'd…)

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above. As at June 30, 2021, the Company's financial liabilities consist of accounts payable and accrued liabilities. All of the Company's current obligations are expected to be paid within one year. Management believes the Company has sufficient funds to meet its liabilities as they become due.

(iv) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the Company's cash and cash equivalents is limited because these investments are generally held to maturity. The applicable rates of interest on such investments range between 0.12% and 1.95%.

(v) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk, foreign currency risk and equity price risk. As at June 30, 2021, with other variables unchanged, a 10% decrease in the market value of the Company's marketable securities would result in an increase of the Company's loss and comprehensive loss of $117,909.

6. Cash and Cash Equivalents

Cash and cash equivalents comprise of cash and short-term redeemable Guaranteed Investment Certificates ("GIC") placed with major Canadian financial institutions. Maturity dates of these GIC's are within one year.

7. Receivables and Advances

		June 30, 2021		June 30, 2020
Goods and services tax receivable	$	5,695	$	5,724
Interest receivable		6,347		97,646
Prepaid expenses and advances		153,713		122,766
	$	165,755	$	226,136

(Expressed in Canadian Funds, except where indicated)

8. Marketable Securities

Common shares:		
Balance June 30, 2019		-
Additions		3,745,269
Balance June 30, 2020		3,745,269
Additions		2,805,212
Balance June 30, 2021		6,550,481

Fair value change:		
Balance June 30, 2019	$	-
Additions		823,959
Fair value change		(168,537)
At June 30, 2020		655,422
Additions		673,251
Fair value change		(149,586)
At June 30, 2021	$	1,179,087

The Company holds 6,550,481 common shares (June 30, 2020 – 3,745,269) of Silver Sands Resources Corp. ("Silver Sands") (Note 11) that were received as partial consideration on an option agreement. During the year ended June 30, 2021, the Company received 2,805,212 common shares (2020- 3,745,269) with a fair value of $0.24 (2020 - $0.22) per common share. The fair value of the common shares received of $673,251 (2020 - $823,959) was recorded as a recovery against the acquisition cost of the property.

As at June 30, 2021, the market price of the shares was $0.18 per share (June 30, 2020 - $0.175). Accordingly, the Company recorded an unrealized fair value loss of $149,586 (2020 - $168,537) in the consolidated statement of loss and comprehensive loss.

(Expressed in Canadian Funds, except where indicated)

9. Equipment

		Exploration Equipment		Computer Hardware		Total
Cost						
Balance as at June 30, 2019	$	627,721	$	92,490	$	720,211
Additions for the year		15,677		589		16,266
Balance as at June 30, 2020	$	643,398	$	93,079	$	736,477
Additions for the year		47,414		(344)		47,070
Balance as at June 30, 2021	$	690,812	$	92,735	$	783,547
Accumulated Depreciation						
Balance as at June 30, 2019	$	455,099	$	64,071	$	519,170
Depreciation for the year (i)		52,984		9,175		62,159
Balance as at June 30, 2020	$	508,083	$	73,246	$	581,329
Depreciation for the year		48,190		5,415		53,605
Balance as at June 30, 2021	$	556,273	$	78,661	$	634,934
Carrying Amounts						
As at June 30, 2020	$	135,315	$	19,833	$	155,148
As at June 30, 2021	$	134,539	$	14,074	$	148,613

(i) Allocated between depreciation expense ($21,698) and exploration costs ($40,461) in the consolidated statement of loss and comprehensive loss.

10. Right-of-Use of Assets and Lease Liabilities

Right of Use Assets

Cost:		
At June 30, 2019	$	-
Adjustment on initial adoption of IFRS 16		311,407
At June 30, 2020 and 2021	$	311,407
Depreciation:		
At June 30, 2019	$	-
Charge for the year		52,633
At June 30, 2020		52,633
Charge for the year		52,632
At June 30, 2021	$	105,265
Net Book Value:		
At June 30, 2020	$	258,774
At June 30, 2021	$	206,142

Depreciation of right-of-use assets is calculated using the straight-line method over the remaining lease term.

(Expressed in Canadian Funds, except where indicated)

10. Right-of-Use of Assets and Lease Liabilities (Cont'd…)

Lease Liabilities

		June 30, 2021		June 30, 2020
Beginning balance	$	280,523	$	-
Adjustment on initial adoption of IFRS 16		-		311,407
Lease payments made		(75,480)		(75,479)
Interest expense		39,629		44,595
	$	244,672	$	280,523
Less: current portion		(81,030)		(75,480)
Non-current portion	$	163,642	$	205,043

The following are the minimum lease payments for the next five years:

Period	Amount
In 1 year	$81,030
Second year	$82,140
Third year	$87,690
Fourth year	$74,000
Fifth year	-

11. Exploration and Evaluation Assets

The Company owns 100% of the mineral exploration rights to a large portfolio of properties focused in two mining regions, namely the Atacama region in northern Chile and the Santa Cruz Province in southern Argentina. As well, the Company holds several other properties in the San Juan and Catamarca provinces of northern Argentina. The Company also focuses on generative exploration to identify and acquire new prospects.

(Expressed in Canadian Funds, except where indicated)

11. Exploration and Evaluation Assets (Cont'd…)

A reconciliation of capitalized acquisition costs is as follows:

Acquisition Costs

	Balance at June 30, 2020	Cost	Write-offs and Recoveries	Balance at June 30, 2021
Chile				
Gorbea belt	$ 171,777	$ -	$ -	$ 171,777
Zeus	64,398	-	(64,398)	-
Argentina				
Santa Rita and Virginia	1,984,860	-	(673,251)	1,311,609
Sascha-Marcelina	102,839	100,188	-	203,027
Pipeline projects	20,166	-	-	20,166
	$ 2,344,040	$ 100,188	$ (737,649)	$ 1,706,579

	Balance at June 30, 2019	Cost	Recoveries	Balance at June 30, 2020
Chile				
Gorbea belt	$ 171,777	$ -	$ -	$ 171,777
Los Amarillos (Enami)	13,260	-	(13,260)	-
Zeus	-	64,398	-	64,398
Argentina				
Santa Rita and Virginia	2,808,819	-	(823,959)	1,984,860
Sascha-Marcelina	33,696	69,143	-	102,839
Pipeline projects	20,166	-	-	20,166
	$ 3,047,718	$ 133,541	$ (837,219)	$ 2,344,040

Chile

a) Altazor option to joint venture

The Company owns a 100% interest in certain mineral claims located in northern Chile and referred to as the Altazor Gold Project ("Altazor").

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

On November 12, 2018, NCM exercised its option to enter the farm-in stage of the agreement. NCM is the operator and will be managing all exploration activities at the project. In November 2019, the Company and NCM agreed to extend the first earn-in period for the initial four years to the earlier of five years and the completion of the US$8.5 million in exploration expenditures required to vest the 51% interest in the Project.

In August 2021, the NCM terminated the option agreement.

11. Exploration and Evaluation Assets (Cont'd…)

b) Gorbea option to joint venture

The Company owns a 100% interest in certain mineral claims located in northern Chile and referred to as the Gorbea Gold Project ("Gorbea").

On January 28, 2019, the Company signed an agreement with NCM, whereby NCM has been granted the option to acquire up to a 75% interest in Gorbea, exercisable in stages over a nine-year, or shorter, earn-in period. The agreement requires NCM to fund US$4 million in exploration expenditures and make a US$100,000 option payment (received) in the first 18 months of the option. NCM will be the operator of the exploration program and will receive a 5% management fee.

NCM can earn a 51% interest in Gorbea 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 million in exploration within the next four years of the agreement with a minimum drilling commitment of 6,000 m to be completed within the first two years.

NCM can then earn in stages up to a 65% interest in Gorbea by delivering a preliminary economic assessment ("PEA") and a bankable feasibility study ("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 four years after earning the 51% interest.

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

In December 2020, the Company and NCM agreed to amend the agreement allowing NCM to exercise its option to enter the farm-in phase of the Agreement by making a US$500,000 payment to Mirasol (received and recorded as option income in the Company's consolidated statements of loss and comprehensive loss). In order to complete the first farm-in phase and vest an initial 51% in Gorbea, NCM is now required to complete at least US$15 million in exploration expenditures over 4.5 years and drill a minimum of 8,000 m on the Gorbea project. The first 2,000 m of drilling is to be completed before the end of calendar year 2021 and the additional 6,000 m must be completed before the end of calendar year 2022.

c) Coronación option to joint venture:

On September 24, 2019, the Company entered into a definitive agreement with First Quantum Minerals ("FQM") for the Company's Coronación Copper/Gold Project in northern Chile.

The Company granted to FQM the option to earn-in 80% of the project over 6 years by:

- Making annual cash payments totaling US$875,000:
  - On signing of definitive agreement: US$50,000 (received)
  - 1st anniversary: US$50,000 (received)
  - 2nd anniversary: US$75,000 (received, subsequent to June 30, 2021)
  - 3rd anniversary: US$100,000
  - 4th anniversary: US$150,000
  - 5th anniversary: US$200,000
  - 6th anniversary: US$250,000

11. Exploration and Evaluation Assets (Cont'd…)

- Completing at least 10,000 m of drilling; and
- Delivering a NI 43-101 compliant Prefeasibility Study Report.

During the year ended June 30, 2021, the Company recorded US$50,000 (2020 – US$50,000) as option income in the Company's consolidated statement of loss and comprehensive loss.

As part of the agreement, FQM is committed to completing 3,000 m of drilling and a systematic geophysical program on the project over the first 24 months of the agreement. Following this period, FQM is required to spend a minimum of US$500,000 per year over the term of the agreement. FQM is the operator during the option period. Following the completion of the 80% earn-in, FQM will have a one-time option to acquire the remaining 20% on terms to be negotiated between the parties. If this option is not exercised, the parties will form a participating joint venture to further fund the development of the project.

d) Nord Property option to joint venture:

On September 4, 2020, the Company signed a definitive agreement with Mineria Activa ("Mineria") for the Company's 100% owned Nord project in northern Chile.

The Company granted to Mineria the option to earn-in 100% of the project over four years by:

- Making annual cash payments totaling US$3,000,000:
  - On signing of definitive agreement: US$50,000 (received)
  - 1st anniversary: US$200,000 (received, subsequent to June 30, 2021)
  - 2nd anniversary: US$400,000
  - 3rd anniversary: US$600,000
  - 4th anniversary: US$1,750,000

- Committing to complete at least US$500,000 of exploration expenditures over the first two years of the option period.

During the year ended June 30, 2021, the Company recorded US$50,000 (2020 – nil) as option income in the Company's consolidated statement of loss and comprehensive loss.

Upon completion of the option, Mineria will earn a 100% interest in the project and Mirasol will retain a 2% NSR royalty, of which 0.5% can be bought back by Mineria within eight years of signing of the definitive agreement for US$3 million.

e) Inca Property option to purchase:

On January 7, 2020, the Company signed an option agreement with subsidiaries of Newmont Corporation ("NEM") to acquire the Inca Gold Project in northern Chile.

The Company was granted the option to earn-in 100% of the project, subject to a 1.5% NSR royalty, by drilling 1,000 m on the project over two years and incurring US$3 million in exploration expenditures over five years.

The Company can terminate the agreement at any time after the completion of the initial 1,000 m drilling commitment.

11. Exploration and Evaluation Assets (Cont'd…)

Upon completion of this option, NEM will have the right to earn back 70% of the project, in two stages, by:

- Stage 1:
  - Making a cash payment of US$3 million to the Company; and
  - Funding US$6 million in exploration expenditures over three years.

If NEM completes Stage 1 but not Stage 2, the Company will retain 100% of the project and NEM will be granted an additional 0.5% NSR royalty which may be bought back by the Company at fair market value.

- Stage 2:
  - Delivering a NI 43-101 compliant Prefeasibility Study reflecting a resource of no less than 2 million ounces of gold-equivalent using agreed upon cut-off grades; or
  - Incurring an additional US$15 million in exploration expenditures over three years.

If NEM completes Stage 2, the Company and NEM will hold 30% and 70%, respectively, in a joint venture company holding the project. The Company will then have the option to either fund its 30% interest or reduce it to a 25% interest in exchange for a loan from NEM to fund the project development to commercial production.

f) Rubi Property to joint venture:

On June 19, 2020, the Company signed an agreement with Mine Discovery Fund Pty Ltd. ("MDF"), a private Australian company, for the Company's 100% owned Rubi project in northern Chile.

Mirasol has granted MDF the option to earn-in 80% of the project over 8 years. MDF must complete 2,000m of drilling on the project over the later of:
- 18 months from execution of the agreement; or
- 12 months after receipt of necessary drill permits.

Following the completion of the initial commitment, MDF is required to spend a minimum of US$1 million per year in exploration expenditures over the term of the agreement. In order to exercise the option, MDF must also deliver a positive NI 43-101 compliant Prefeasibility Study on the project.

Mirasol is the operator of the project during the option period.

g) **Zeus** ***Property***

The Company owned a 100% interest in certain mineral claims, which now form part of the Zeus Gold Project located in northern Chile.

During the year ended June 30, 2018, the Company entered into an option agreement to acquire a 100% interest in certain other claims 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 million.

In October 2020, the Company terminated the option agreement, and wrote-off $64,398 in capitalized costs on the project to exploration expenditures in the consolidated statement of loss and comprehensive loss.

(Expressed in Canadian Funds, except where indicated)

11. Exploration and Evaluation Assets (Cont'd…)

h) Indra option to joint venture

On October 17, 2018, the Company signed an exploration and option agreement with Hochschild Mining Plc ("HOC") on its Indra Gold Project in Chile.

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

On December 19, 2019, HOC advised the Company of its decision to terminate the option agreement.

As of June 30, 2020, the Company had received US$1,071,957 in advances from HOC to be used on exploration expenditures. As of June 30, 2020, all the advanced amounts have been spent.

i) Los Amarillos option to purchase

The Company owned a 100% interest in certain mineral claims, which formed part of the Los Amarillos Gold-Silver Project located in Northern Chile.

During the year ended June 30, 2019, the Company entered into an option agreement to acquire a 100% interest in certain other claims of the Los Amarillos Gold-Silver Project. The Company could acquire the claims under option by making staged option payments totalling US$100,000 over three years and incurring US$300,000 in exploration expenditures within three years. The property owner retained a 1.5% NSR royalty. The Company held a right of first refusal on the royalty sale.

In May 2020, the Company made the decision to terminate the option agreement, and wrote-off $13,260 in capitalized costs on the project.

Argentina

j) Sascha-Marcelina option to purchase

The Company owns a 100% interest in certain mineral claims, which now form part of the Sascha-Marcelina Gold Project located in Santa Cruz, Argentina.

During the year ended June 30, 2019, the Company entered into an option agreement to acquire a 100% interest in certain other claims now included in the Sascha-Marcelina Project. The Company can acquire the claims under option by making staged option payments totalling US$3.4 million over four years.

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

Option payments are due as follows:

On signing (paid)	US$25,000
On or before January 23, 2020 (paid)	US$50,000
On or before January 23, 2021 (paid)	US$75,000
On or before January 23, 2022	US$100,000
On or before January 23, 2023	US$3,150,000
Total	US$3,400,000

11. Exploration and Evaluation Assets (Cont'd…)

k) Virginia Property option to joint venture:

On May 21, 2020, the Company entered into an option agreement with Silver Sands for the Company's 100% owned Virginia Silver Project in the Santa Cruz Province of Argentina.

Under the agreement, Mirasol granted Silver Sands the option to acquire 100% of the project over three years by:

- Making share issuances totalling 19.9% of the shares outstanding (the "S/O") of Silver Sands upon completion of the option:
  - On signing of the definitive agreement: 9.9% of the S/O (received) (Note 8)
  - 1st anniversary: 5% of the S/O (received) (Note 8)
  - 2nd anniversary: 5% of the S/O
  - 3rd anniversary: top up to 19.9% of the S/O (inclusive of the previous issuances)

- Completing, or funding US$6 million in exploration expenditures:
  - Year 1: US$1 million (received)
  - Year 2: US$2 million
  - Year 3: US$3 million

- Mirasol is the operator of the project during the option period and will receive a management fee, and recognized $162,198 (2020 - $42,762) in management fees during the year ended June 30, 2021.

Upon completion of the option, Silver Sands will have earned a 100% interest in the project and Mirasol will retain a 3% NSR royalty, of which 1% can be bought back by Silver Sands for US$2 million.

l) Homenaje

On April 15, 2021, the Company signed a definitive agreement with Patagonia Gold Corp ("PGC") for the Company's Homenaje project in northern Argentina.

The Company will grant an option to earn 75% of the project over six years once PGC completes:

- An initial work program over 2.5 years of US$1.15 million in exploration expenditures, of which US$400,000 must be spent within the first 18 months, including 2,500 m of drilling;
- A NI 43-101 compliant Prefeasibility Study by the end of the option period; and
- Spending a minimum of US$400,000 annually, or US$200,000 in any six-month period, thereafter.

Upon completion of the option, the Company and PGC will hold 25% and 75%, respectively, in a participating joint venture company holding the project. If either party's equity interest is diluted below 10%, it will convert to a 2% NSR royalty.

m) Nico

On April 15, 2021, the Company signed a definitive agreement with PGC for the Company's Nico Project in northern Argentina.

Under the agreement, Mirasol will transfer its interest in the Nico property to PGC in return for a 1.5% NSR royalty. Mirasol will have the right to regain full ownership of the property at no cost if production on the property has not commenced by the end of year three.

11. Exploration and Evaluation Assets (Cont'd…)

n) Libanesa

On October 4, 2021, the Company entered into an option agreement with Golden Arrow Resources Corp ("Golden Arrow") for the Company's Libanesa project located in the Santa Cruz Province of Argentina.

Under the terms of the agreement, Mirasol will grant Golden Arrow an option to earn 75% of the Libanesa project over six years by:

- Making annual cash payments totaling US$1,000,000:
  - US$100,000 to be paid on the 2nd, 3rd, and 4th anniversaries
  - US$250,000 on the 5th anniversary; and
  - US$450,000 on the 6th anniversary.

- Incurring, or funding exploration expenditures totalling US$4.0 million
  - USD $500,000 per year during the first 2 years; and
  - USD $750,000 per year for the following 4 years.

In addition, Golden Arrow is required to complete a minimum of 2,000m of drilling by the end of the second year.

Upon completion of the option, Mirasol and Golden Arrow will hold 25% and 75%, respectively, in a participating JV company holding Libanesa. If either party's equity interest is diluted below 10%, it will convert to a 2% net smelter return royalty.

o) Pipeline Properties:

The Company carries out exploration programs on a number of properties which are prospective for precious and base metals in Chile and Argentina.

p) Advances to/from joint venture partners:

As at June 30, 2021, the Company has a receivable balance of $46,090 (2020 - $Nil) of overspent exploration advances.

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12. 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.

(Expressed in Canadian Funds, except where indicated)

12. Related Party Transactions (Cont'd…)

The remuneration of management and independent directors was as follows:

	Year Ended June 30, 2021		2020	
Management compensation (i)	$	317,191	$	510,801
Share-based payments (ii)		(91,051)		289,987
Director's fees (iii)		83,815		182,220
	$	309,955	$	983,008

i. Management compensation is included in management fees (2021 - $62,500; 2020 - $287,500) and in exploration expenditures (2021 – $254,691; 2020 - $223,301) in the Company's consolidated statements of loss and comprehensive loss.

ii. Share-based payments are included in the share-based payments expense in the Company's consolidated statements of loss for the years ended June 30, 2021, and 2020.

iii. The independent directors of the Company are paid $1,785 per month (2020 - $2,100 per month) while the Chairman of the Board of Directors receives an additional $nil per month for serving in this capacity (2020 - $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
Max Pinsky Personal Law Corporation	Legal fees
Chase Management Ltd.	Professional fees
Manning Lee Management Ltd.	CFO services

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

	Years Ended June 30, 2021		2020	
Legal fees (i)	$	96,794	$	108,595
CFO services (ii)		30,000		44,000
	$	126,794	$	152,595

i. Legal fees are included in professional fees (2021 - $54,508; 2020 - $80,495) and in business development (2021 – $42,286; 2020 - $28,100) in the Company's consolidated statements of loss and comprehensive loss.

ii. CFO services are included in management fees in the Company's consolidated statements of loss for the years ended June 30, 2021, and 2020.

Included in accounts payable and accrued liabilities at June 30, 2021, is an amount of $40,935 (2020 - $35,499) owing to directors and officers of the Company and to companies where the directors and officers are principals.

(Expressed in Canadian Funds, except where indicated)

13. 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) Share Issued and outstanding

For the year ended June 30, 2021:

- On October 19, 2020, the Company announced its intention to make a normal course issuer bid ("NCIB") to purchase for cancellation, from time to time, as it considers advisable, up to 3,900,000 of its issued and outstanding common shares. The TSX Venture Exchange has approved the commencement of the NCIB, which commenced on October 22, 2020, and will terminate on October 21, 2021, or such earlier time as the NCIB is completed or at the option of the Company.
- The Company repurchased 280,500 of its common shares under the NCIB for total consideration of $124,479 at a weighted average price of $0.44 per share.
- The Company cancelled and returned to its treasury 280,500 common shares of the Company that were repurchased under the NCIB during the year ended June 30, 2021. Upon the cancellation, $298,910 was recorded as a reduction to share capital for the assigned value of the shares, and $174,431 was allocated to reserves.
- The Company issued 26,665 restricted share units ("RSUs").

For the year ended June 30, 2020:

- The Company issued 115,000 common shares upon the vesting of RSUs.

c) Share Purchase Options

The Company has established a share purchase option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised no later than five years from the date of grant or such lesser period as determined by the Company's board of directors. The exercise price of an option is equal to or greater than the closing market price on the TSX Venture Exchange ("TSXV") on the day preceding the date of grant. The vesting terms for each grant are set by the Board of Directors.

The option plan provides that the aggregate number of shares reserved for issuance under the plan shall not exceed 10% of the total number of issued and outstanding shares. At June 30, 2021, a total of 5,389,504 options were reserved under the option plan with 1,575,000 options outstanding.

i. Movements in share purchase options during the year

A summary of the Company's share purchase options and the changes for the year are as follows:

	Number of Options	Weighted Average Exercise Price
Options outstanding as at June 30, 2019	3,711,876	$1.52
Granted	1,460,000	$0.52
Expired / Forfeited	(746,876)	$2.40
Options outstanding as at June 30, 2020	4,425,000	$1.04
Expired / Forfeited	(2,850,000)	$1.19
Options outstanding as at June 30, 2021	1,575,000	$0.87
Options exercisable as at June 30, 2021	1,038,334	$1.05

(Expressed in Canadian Funds, except where indicated)

13. Share Capital (Cont'd…)

ii. Fair value of share purchase options granted

During the year ended June 30, 2021, the Company recognized a net recovery of share-based payments of $36,101 (2020 – expense of $336,103) as a result of options granted, vested and cancelled. The net recovery was a result of options vesting during fiscal 2021 offset against previously recorded share-based payments associated with unvested options cancelled due to the resignation of the former CEO.

No shares purchase options were granted during the fiscal year ended June 30, 2021. The weighted-average fair values of stock options granted, and the assumptions used to calculate the related compensation expense for the fiscal year June 30, 2020, was estimated using the Black-Scholes Option Pricing Model with the following assumptions:

iii. Share purchase options outstanding at the end of the year

	June 30, 2021	June 30, 2020
Expected dividend yield	-	0.0%
Expected share price volatility	-	88.75%
Risk-free interest rate	-	1.60%
Expected life of options	-	3 years
Fair value of options granted (per share option)	-	$0.52

A summary of the Company's options outstanding as at June 30, 2021 is as follows:

Expiry Date	Exercise price $	Options Outstanding	Weighted Average Remaining Life of Options (years)	Options Exercisable
September 12, 2021 (i)	1.80	150,000		150,000
July 18, 2021 (i)	1.76	60,000		60,000
December 14, 2021	1.10	292,500		292,500
March 14, 2023	1.09	200,000		200,000
April 15, 2022	0.68	12,500		12,500
November 8, 2023	0.52	810,000		290,000
April 28, 2023	0.40	50,000		33,334
		1,575,000	1.60	1,038,334

(i) These options expired unexercised after the year ended June 30, 2021.

d) RSU Plan

On July 8, 2020, the shareholders approved an RSU plan (the "RSU Plan"). The RSU plan was also approved by the Board on September 2, 2020 and by the TSXV on September 3, 2020. The RSU Plan provides for the issuance of up to 750,000 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 independent of the number of stock options available under the Company's stock option plan.

(Expressed in Canadian Funds, except where indicated)

13. Share Capital (Cont'd…)

During the year ended June 30, 2021, the Company granted 26,665 RSU's (2020 – 115,000). The RSUs vested immediately, and the Company issued one common share for each RSU granted. During the year ended June 30, 2021, the Company recognized $10,133 (2020 - $90,000) as share-based payments. As of June 30, 2021, no RSU's were outstanding (2020 – Nil).

e) Warrants

On June 8, 2018, the Company issued 2,158,875 of share purchase warrants with an exercise price of $3.00 expirying June 1, 2020. All warranted expired unexecised. There were no other warrants outstanding as of June 30, 2021 and 2020.

14. 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		June 30, 2021		June 30, 2020
Canada	$	225,480	$	286,400
Argentina		1,623,059		2,163,531
Chile		212,795		308,031
	$	2,061,334	$	2,757,962

15. Income Taxes

The Company is subject to Canadian federal and provincial tax rates.

The Company has no taxable income in Canada.

The tax expense at statutory rates for the Company can be reconciled to the reported income taxes per the statement of loss and comprehensive loss as follows:

		Year Ended June 30, 2021		Year Ended June 30, 2020
Net loss before income taxes	$	(5,962,584)	$	(5,902,479)
Canadian federal and provincial income tax rates		27.00%		27.00%
Expected income tax recovery based on the above	$	(1,610,000)	$	(1,594,000)
Non-deductible expenses		503,000		48,000
Change in statutory and foreign tax rates		-		801,000
Impact of sale of subsidiaries		1,516,000		-
Change in unrecognized deductible temporary differences		(1,052,000)		(324,000)
Foreign exchange and other		643,000		1,069,000
Total income tax recovery	$	-	$	-

(Expressed in Canadian Funds, except where indicated)

15. Income Taxes (Cont'd…)

The Company's unrecognized deferred tax assets are as follows:

		June 30, 2021		June 30, 2020
Unrecognized deferred income tax assets:				
Non-capital losses	$	2,848,000	$	2,742,000
Exploration and evaluation assets		3,404,000		4,577,000
Share issue costs		11,000		29,000
Other		86,000		53,000
Total unrecognized deferred income tax assets	$	6,349,000	$	7,401,000

In assessing the recoverability of deferred tax assets other than deferred tax assets resulting from the initial recognition of assets and liabilities that do not affect accounting or taxable profit, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible.

Deductible temporary differences, unused tax losses and unused tax credits:

		June 30, 2021		June 30, 2020	Expiry date Range
Non-capital losses	$	10,623,000	$	10,241,000	See below
Exploration and evaluation assets		13,382,000		18,058,000	Not applicable
Share issue costs		40,000		109,000	2041 to 2045
Other		479,000		282,000	Not applicable

The Company has non-capital loss carry-forwards of approximately $10,434,000 that may be available for tax purposes. The loss carry-forwards are principally in respect of Canadian, Argentine and Chilean operations and expire as follows:

		Canada		Argentina		Chile
2022	$	-	$	173,000	$	-
2023		-		11,000		-
2024		-		32,000		-
2025		-		105,000		-
2026		-		9,000		-
2037 to 2041		9,648,000		-		-
No-expiry		-		-		645,000
	$	9,648,000	$	330,000	$	645,000

(Expressed in Canadian Funds, except where indicated)

15. 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. The Company has made a security deposit of $20,000.

16. Sale of Subsidiaries

On January 7, 2021, the Company sold its wholly-owned subsidiaries, La Curva Exploraciones SA ("La Curva") and Oroaustral Exploraciones SA ("Oroasutral") (the "Subsidiaries"). The sale transaction was effected pursuant to an Agreement for Purchase dated December 29, 2020, by and between the Company and arm's length third parties ("Purchasers"), as buyer (the "Purchase Agreement"). Pursuant to the Purchase Agreement, the Company sold its 100% interest in the Subsidiaries for total consideration of $64,700. The net liabilities of the Subsidiaries was $1,331 at the date of sale. Accordingly, the Company realized a gain on sale of $66,031 which has been reflected in the Company's consolidated statements of loss and comprehensive loss.

Consideration received	$	64,700
Accounts payable		1,331
Net assets		1,331
Gain on disposal	**$**	**66,031**

17. Subsequent events

Subsequent to June 30, 2021, the Company:

a) Granted a total of 3,100,000 incentive stock options to directors, management, consultants, and contractors. The options are for a five-year term at an exercise price of $0.34 per option share and will vest over a period of three years.

b) Purchased 45,000 and cancelled 23,000 of its common shares.

Management Discussion and Analysis
For Mirasol Resources Ltd.

("Mirasol" or the "Company")

INTRODUCTION

The Management Discussion and Analysis ("MD&A") should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended June 30, 2021, which are publicly available on SEDAR at www.sedar.com. 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 audited consolidated financial statements and related notes for the year ended June 30, 2021.

This MD&A is prepared as of October 26, 2021.

COVID-19

In March 2020, the world health organization declared COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally. While it is not possible for the company to predict the duration or magnitude of the effects on the Company's business, the policies implemented by the governments to limit the spread of the disease have impacted and at time delayed some of the Company's exploration activities and business development initiatives.

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 may use the terms “Inferred Resource”, “Indicated Resource”, “Measured Resource” and “Mineral Resource”. The Company advises that these terms are recognized by and defined in Canadian securities regulations (under National Instrument 43-101 “Standards of Disclosure for Mineral Projects”). 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.

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 affecting mining operations and policies linked to pandemics, social and 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.

Tim Heenan (MAIG), President 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. This technical information was prepared by the acting Qualified Person for the Company at the time of disclosure.

CORPORATE AND STRATEGIC OVERVIEW

Mirasol (TSXV: MRZ) (OTCPK: MRZLF) is a mineral exploration company targeting gold, silver and copper ("Au", "Ag" and "Cu", respectively) deposits, in the Atacama-Puna region of northern Chile and Argentina, and in the Santa Cruz Province of southern Argentina. Both regions are highly prospective and host many large-scale precious and base metal mines, operated by some of the world's largest mining companies.

Mirasol's exploration strategy combines the joint venture business model with self-funded exploration and drilling of quality projects. This hybrid strategy was developed to accelerate the drill testing of key projects that host potential discoveries. Mirasol is currently advancing two self-funded projects, with drilling completed at the Inca Gold project in Chile and at the Sascha Marcelina project in Argentina. In addition, Mirasol has seven active option agreements in Chile and Argentina. Under these option agreements, Mirasol's partners are funding all exploration and land holding costs, which allows the Company to focus its available resources on further exploration and business development opportunities, while retaining exposure to potentially significant discoveries.

Mirasol's Exploration Focus

Mirasol's geographic focus is in the Atacama-Puna region of northern Chile and Argentina and in Santa Cruz province, southern Argentina, where the Company maintains a high-quality portfolio of exploration properties with the potential to deliver economic discoveries. This portfolio has been built from Mirasol's project generation effort, which applies innovative, concept-driven geological techniques combined with follow-up ground fieldwork.

Chile/Argentina: Atacama – Puna Region

The Company's portfolio of properties in the Atacama-Puna region is located on a 1,700 km-long segment of three north-south oriented prolific mineral belts that run through Chile and Argentina and host many world-class Cu-Au mines and occurrences of differing ages, spanning millions of years ("Ma"). From youngest to oldest, these belts are:

<u>Miocene to Pliocene</u> (Mio-Pliocene, 23-5 Ma): Targeting high-sulfidation epithermal ("HSE") Au-Ag and porphyry Cu-Au-Molybdenum ("Mo") deposits. In this belt, north of the Maricunga Belt, Mirasol controls approximately 103,000 ha of granted exploration claims. Mirasol also presently holds approximately 27,000 ha of granted exploration claims in the southern part of the Mio-Pliocene aged Cu belt proximal to the border between Chile and Argentina.

<u>Middle Eocene to Early Oligocene</u> (Eocene-Oligocene 40-28 Ma): Targeting porphyry Cu-Au-Mo deposits. Mirasol presently holds approximately 22,000 ha of granted exploration claims in this belt.

<u>Paleocene to Early Eocene</u> (Paleocene, 66-53 Ma): Targeting low-intermediate-sulfidation epithermal Au-Ag and porphyry Cu-Au-Mo deposits. Mirasol presently controls approximately 18,000 ha of granted exploration claims in this belt.

Argentina: Santa Cruz Province

The Company's portfolio of properties in Argentina is focussed in Santa Cruz Province and encompasses the area of the Deseado Massif, a 60,000 km^2 region of upper-middle Jurassic age volcanics that are recognized as having a high potential for hosting low- and intermediate-sulfidation epithermal Au-Ag deposits. Mirasol controls approximately 265,000 ha of exploration and mining claims in the province.

The Company is monitoring the potential legislative and regulatory changes which may be implemented in Chile as part of the drafting of a new constitution and their impact on the exploration and mining industry. It also continues to monitor the impact of the rapid currency devaluation and changing public policies in Argentina. To date, these issues have not impacted Mirasol's capacity to operate and Mirasol continues to receive interest for its projects in both countries.

JOINT VENTURE, EXPLORATION AND BUSINESS DEVELOPMENT ACTIVITIES

On March 19, 2020, Mirasol reported the temporary suspension of field activities at its projects in Chile and Argentina due to the COVID-19 pandemic. In the second half of 2020, the Company restarted its exploration at the Inca Gold project in Chile and at the Virginia project in Argentina and it has been able to operate successfully and safely in both countries since that time. Mirasol continues to monitor the COVID-19 situation in Chile and Argentina, which have both been significantly impacted by the pandemic. Health and safety measures and protocols, which follow local guidelines (provincial in Argentina and national in Chile), have been put in place to protect the Company's employees, contractors, and the communities surrounding the projects.

Activities on Projects Under Option Agreements

Chile

Gorbea Au Project, Northern Chile: (Operated and funded by Newcrest Mining)

The Gorbea project comprises a package of mineral claims totaling 32,000 ha, including the Atlas Au-Ag and the Titan Au (Cu) target zones, located in the Mio-Pliocene age mineral belt of northern Chile. The project is located approximately 70 km north of the Salares Norte, at an altitude of 4,100 to 4,500 m ASL, and is easily accessible by seasonally maintained roads and gravel tracks.

The Gorbea project was subject to a previous joint venture with Yamana Gold Inc. ("Yamana") that was terminated in April 2018, after the partner had incurred exploration expenditures in excess of US$8 million. Yamana's exploration identified a significant body of HSE Au mineralization at the Atlas zone, which returned a best 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 January 28, 2019, the Company announced the signing of an agreement granting NCM the right to acquire, in multiple stages, up to a 75% interest of the Gorbea project by completing at least US$19 million in exploration expenditures and delivering a feasibility study as well as making staged option payments to Mirasol. Upon NCM earning a 75% interest in 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 Net Smelter Returns ("NSR") royalty at a rate of 2.5% equity per 0.5% NSR royalty (maximum 2% NSR royalty).

In December 2020, Mirasol was informed by NCM that due to the COVID-19 pandemic, activity would remain suspended until at least August 2021 when COVID-19 conditions and local regulations would be reviewed by the parties. As a consequence of these developments, NCM was unable to complete the required 2,000 m drilling commitment under the option phase, so the parties agreed to amend the agreement, allowing NCM to enter the farm-in phase of the agreement by making a US$500,000 payment to Mirasol. Notably, NCM reported exploration expenditures of approximately US$9.3 million on the property, thereby exceeding the expenditure requirement over the initial 2-year option period.

To complete the first farm-in phase and vest an initial 51% in the Gorbea project, NCM is required to complete an additional US$15 million in exploration expenditures over 4.5 years and drill a minimum of 8,000 m on the project. The first 2,000 m of drilling, which was previously committed to be completed before the end of the option phase, is now to be completed before the end of 2021 and an additional 6,000 m must be completed before the end of 2022.

Exploration Results

The Atlas target is centred on a sizable +20 km^2 HSE alteration system that hosts multiple Au and Ag prospective targets. The system exhibits many of the key geological and mineralization features characteristic of economic systems in the area, such as Salares Norte mine development project

(Gold Fields - Reserves: 3.5 Moz Au and 39 Moz Ag[1]), Alturas (Barrick Gold - Inferred Resource: 8.9 Moz Au[2]) and La Coipa mine (Kinross Gold – Reserves: 0.9 Moz Au and 40.9 Moz Ag / Resources: 1.2 Moz Au and 28.7 Moz Ag[3]), supporting its potential to host large-scale Au mineralization.

Thirty-five diamond holes for 15,925 m have now been completed at the Atlas target by both NCM and Mirasol's previous partner Yamana. This drilling has demonstrated the presence of widespread mineralization within the central breccia complex. In addition, lithochemical studies on drill core samples indicate that the geochemical footprint is larger than the area covered by the drilling to date, which remains open to the north, east and southwest. With additional drilling, the mineralized system could increase in both size and geometry.

During the first half of 2019, NCM as operator of the Gorbea exploration program, completed 903 m of drilling in two holes, 50 km of CSAMT geophysics over the Atlas target, as well as reconnaissance mapping and sampling over several other target areas within the Gorbea property package. The 2019 drilling at Atlas targeted a coincident geophysical, geochemical and alteration anomaly at depth below a barren steam-heated leach cap, following up on previous encouraging drill results. Drilling continued during the 2019/2020 field season, with NCM completing a further nine drill holes at the Atlas target, for a total of 4,523 m of diamond drilling.

Best intercepts from NCM's drilling are:

ATL-DDH-001A: 0.52 g/t Au and 6.81 g/t Ag over 164 m (from 372 m), including:

- 1.07 g/t Au and 7.18 g/t Ag over 14 m (from 372 m); and
- 1.31 g/t Au and 7.82 g/t Ag over 16.5 m (from 402.5 m)

ATL-DDH-010: 0.54 g/t Au and 2.65 g/t Ag over 129 m (from 363 m), including:

- 1.4 g/t Au and 2.08 g/t Ag over 17 m (from 364 m), also including:
  - 2.09 g/t Au and 3.00 g/t Ag over 10 m (from 371 m)
- 1.84 g/t Au and 3.57 g/t Ag over 3 m (from 425 m)

Mineralization encountered to date at the Atlas target is associated with phreatomagmatic and hydrothermal breccias and intensely advanced argillically altered porphyritic andesite. A vuggy silica texture has developed locally, rendering the rock more amenable to forming potential ore bodies due to the increased permeability of the host rock. The area has been deeply oxidized to depths of over 400 m, which is potentially advantageous in terms of favorable metallurgy.

The initial wide-spaced drilling at Atlas was designed to delineate the outer limits of this large mineralized system and define the distribution of the outcropping breccia targets that are favourable hosts for Au mineralization. Further drill testing will be guided by the targeting of resistive units as identified by CSAMT geophysics in conjunction with data from structural mapping, geochemical surveys, alteration and alunite composition vectoring to potential higher grade mineralized pods or feeder zones.

NCM is planning for at least 2,000 m of drilling at the Gorbea project in late 2021, which will include an initial drill test of the El Dorado prospect, a newer target that has not been previously drilled.

<u>Coronación Cu-Au Project, Northern Chile:</u> (Operated and funded by First Quantum Minerals)

On October 7, 2019, Mirasol announced the signing of a definitive agreement with First Quantum Minerals ("FQM") for its 1,200 ha Coronación Cu-Au project, located northern Chile. FQM was granted the option to earn an 80% interest in the project over six years, by making annual cash payments totaling US$875,000, completing at least 10,000 m of drilling and delivering a NI 43-101

[1] Goldfields Limited - Mineral Resources and Mineral Reserves Supplement to the Integrated Annual Report 2020

[2] Barrick Gold Corporation - Annual Information Form for the year ended December 31, 2020

[3] Kinross Gold Corporation - 2020 Annual Mineral Reserve and Resource Statement

compliant Prefeasibility Study Report. Following the completion of the 80% earn-in, FQM will have a one-time option to acquire the remaining 20% interest on terms to be negotiated between the parties at that time. If this option is not exercised, the parties will form a participating joint venture to further fund the development of the project.

In July 2021, Mirasol and FQM agreed to extend the time frame for FQM to complete the committed 3,000 m of drilling and the option period by 9 months to June 30, 2022 and June 30, 2026 respectively. This extension was agreed to allow FQM to continue its engagement with the community before initiation of the planned drill program. In September 2021, FQM made a US$75,000 payment to Mirasol under the option agreement.

Exploration Results

The project is located on a major NW structural trend associated with several Andean porphyry Cu deposits. Exploration completed by Mirasol indicates the potential presence of a porphyry/breccia system intruding a layered Miocene aged volcanic sequence of pyroclastic units intruded by dacite domes. Two distinct alteration areas have been interpreted using Analytical Spectral Device (“ASD”) analysis, which display affinities to a HSE system to the east with the western area displaying a more typical porphyry deposit style of alteration. Geochemical sampling has also defined a large 600 by 800 m Cu-Mo geochemical anomaly in the western area within the overall 3 by 2.5 km alteration halo.

During the last quarter of 2019, FQM completed an initial exploration program that included surface mapping, geochemical sampling, geophysical surveys and the collection of samples for age dating. Three drill targets were defined for testing with the committed 3,000 m drill program. FQM has received the environmental permit to support drilling.

<u>Nord Polymetalic Project, Northern Chile:</u> (Operated and funded by Encantada)

On October 31, 2019, Mirasol entered into a memorandum of understanding with Mineria Activa SpA (“Mineria”) for its Nord project in northern Chile. On September 8, 2020, the Company announced the signing of a definitive option agreement with Encantada SpA (“Encantada”), an affiliate of Mineria. Mineria is a mining focused Chilean private equity fund with over US$150 million in assets under management. The project was originally staked by Mirasol as part of its Atacama-Puna generative program and lies adjacent to the Ciclon-Exploradora polymetallic-epithermal project, which is currently being advanced toward production by Mineria.

Mirasol has granted to Encantada the option to earn 100% of the project over four years by making annual cash payments totaling US$3 million and incurring at least US$500,000 in exploration expenditures over the first two years of the option period. Upon completion of the option, Mineria will earn a 100% interest in the project and Mirasol will retain a 2% NSR royalty, of which 0.5% can be bought back by Mineria within eight years for US$3 million.

In October 2021, Encantada made a US$200,000 cash payment to Mirasol under the option agreement showing continued commitment to advancing the Nord project.

Exploration Results

The 1,967 ha Nord project is located in Region III of Chile within the Exploradora District, which lies on the western side of the north-south trending regional scale Domeyko fault zone, and within the world class Eocene-Oligocene porphyry Cu belt. Based on Mirasol’s initial surface exploration, the project has the potential to host two main styles of mineralization.

The first is characterized by large vein-type mineralization injected into fault structures hosting polymetallic (Cu, Zn, Pb, Ag, Au) mineralization, as seen in the active small-scale mines located near the northeast corner of the claim boundary and at Mineria’s Ciclon-Exploradora polymetallic development project, which is located adjacent to the eastern blocks of the project. While surface geochemistry has returned only low to anomalous results, Mineria's understanding will be valuable to define drill targets for potential extensions or parallel structures to the known mineralization (news release October 31, 2019).

The potential for porphyry Cu-Au style mineralization is also present on the project. In the central part of the property a large alteration zone displays patterns of quartz-sericite and advanced argillic alteration with thin tourmaline veinlets, which are characteristic of some porphyry-style alteration assemblages.

Encantada has completed an initial fieldwork program, which included geological mapping, geochemistry and geophysical surveys to define targets. A scout drilling program was completed largely on a property controlled by Encantada and adjacent to Nord, with one initial drill hole completed within the Nord tenure, to test a Au-Cu mineralized corridor. Encantada is planning a follow up program at the project.

<u>Rubi Project, Northern Chile:</u> (Operated by Mirasol, funded by Mine Discovery Fund)

On October 15, 2020, Mirasol announced a definitive option agreement for its Rubi project in Chile with Mine Discovery Fund Pty Ltd ("MDF"), a private Australian company.

Mirasol has granted MDF the option to earn-in to 80% of the Project over eight years by funding and delivering a positive NI 43-101 compliant Prefeasibility Study Report on the project. Following the completion of an initial committed 2,000 m drill program, MDF is required to spend a minimum of US$1 million per year in exploration expenditures over the term of the agreement. MDF Mirasol will be the operator during the option period.

Following the completion of the 80% earn-in, MDF will have a one-time option to acquire the remaining 20% interest on terms to be negotiated between the parties. If this option is not exercised, the parties will form a participating joint venture to further fund the development of the project. If either party's interest in the joint venture is diluted to 10% or below, it will convert to a 1.5 % NSR royalty. The non-diluting partner may buy back 0.5% of the NSR royalty for the fair market value as determined by a qualified independent valuator.

Exploration Results

The 7,543 ha Rubi project is located within the Paleocene age porphyry belt of northern Chile that hosts a number of significant, currently producing, porphyry Cu deposits. The project lies at relatively low elevation (1,900-2,100 m), within 20 km of the El Salvador and Potrerillos porphyry Cu-Mo-Au mines and with good access to port facilities at Chanaral approximately 80 km to the west.

An initial 2,000m drill program was completed in calendar Q3 at the project to test the Lithocap and Zafiro targets, with assay results pending.

Lithocap covers a covers a 3.5 by 2.0 km area centred on a an extensive outcropping, deeply weathered, advanced argillic alteration zone that is surrounded by gravel cover with thicknesses of less than 50 m (as modelled from a gravity survey). Large and productive porphyry Cu deposits can be found below or adjacent to the type of lithocap alteration zones present at Rubi, as is evidenced at the El Salvador deposit. Previous explorers have drilled peripheral to, but not beneath the lithocap or through the post-mineral gravel covered western edge of the Cu, and locally strong Mo, anomaly at Lithocap. Mirasol's mapping and re-logging of drill holes completed by its previous partner have identified veining and brecciation with anomalous Cu-Mo mineralization and alteration patterns, which indicate the potential for concealed porphyry mineralization to the north and northwest of previous drill holes (news release October 15, 2020). This combined information suggests the presence of a deep weathering profile that could potentially overlie supergene enriched and sulfide mineralization, as indicated by an Induced Polarization ("IP") geophysical chargeability anomaly that remains open to the north. This type of deep weathering in porphyry environments in northern Chile is often conducive for the development of supergene enriched Cu mineralization akin to the nearby El Salvador mining district.

Zafiro features a 2.8 by 2.2 km gravel covered area characterized by a subtle circular magnetic high surrounded by an incomplete, doughnut-shaped magnetic low. This magnetic signature may be indicative of a large gravel-covered intrusive with a pyritic alteration halo. The gravel cover in this area ranges from approximately 25 m to more than 200 m in thickness, concealing the central target area. However, a large canyon 1 km to the north of the target cuts through the gravel profile exposing the basement rock. Mirasol's stream sediment sampling of gullies, located immediately north to northwest of the Zafiro target, have returned widespread and strongly anomalous Cu over 2,400 m with multiple results in the 500 ppm to 1,530 ppm range, suggesting either an "exotic" source of Cu in the gravels and/or a primary porphyry source for the Cu in the gravel-covered basement. High-grade "exotic" Cu or a supergene enriched porphyry are both attractive exploration targets at Zafiro. Significant ore bodies of these types of mineralization occur at the nearby El Salvador mining district.

Argentina

Virginia Ag Project, Santa Cruz: (Operated by Mirasol, funded by Silver Sands Resources)

On February 27, 2020, Mirasol announced the signing of a Letter of Intent with Golden Opportunity Resources Corp. (later renamed Silver Sands Resources Corp., "Silver Sands") for its Virginia Silver project in the Santa Cruz Province of Argentina. The Company signed a definitive agreement on May 20, 2020, following the completion of a $2.2 million financing by Silver Sands.

Mirasol has granted Silver Sands the option to acquire 100% of the Virginia project over three years by making annual share issuances totalling 19.9% of the shares outstanding at the time of vesting, and completing US$6 million in exploration expenditures, of which US$1 million was committed. Mirasol is the operator of the project during the option period and receive a management fee.

Upon completion of the option, Silver Sands will have earned a 100% interest in the project and Mirasol will retain a 3% NSR royalty, of which 1% can be bought back by Silver Sands for US$2 million.

Exploration Results

Mirasol discovered the Virginia Ag deposit in 2009, following-up a high-priority reconnaissance target. Mirasol's exploration defined high-grade, intermediate sulfidation epithermal style mineralization in a series of prominent outcrops of vein-breccia that are associated with a rhyolitic volcanic flow dome field. Rock chip and saw cut channel geochemical sampling over these outcrops defined significant strike lengths of continuously mineralized vein-breccia. From 2010 to 2012, Mirasol completed a series of drill programs for 23,318 m of diamond core in 223 holes, designed to test the potential of the mineralized structures to a maximum depth of 266 m. This work was followed by the filing of an amended NI 43-101 Resource Estimate report in 2016 defining seven outcropping bodies of high-grade Ag mineralization, constrained[4] within conceptual pits, with an indicated mineral resource of 11.9 million ounces of Ag at 310 g/t Ag and a further inferred 3.1 million ounces of Ag at 207 g/t Ag (see amended NI 43 -101 technical report titled "Amended Technical Report, Virginia Project, Santa Cruz Province, Argentina - Initial Silver Mineral Resource Estimate" prepared by D. Earnest and M. Lechner and filed on SEDAR on February 29, 2016).

[4] The Qualified Persons responsible for this amended Technical Report were commissioned by Mirasol Resources Ltd. to review all geologic, geochemical, geophysical, surface trenching, diamond drill core sampling and metallurgical recovery data pertaining to the Virginia Project for the purpose of completing a Mineral Resource estimate in accordance with the guidelines of the Canadian Institute of Mining and Metallurgy (CIMM). For calculating conceptual pits, a Ag price of US$20 per ounce was used. Sensitivity analyses by the Qualified Persons indicate that the Mineral Resources are not particularly sensitive to operating costs or Ag price fluctuations. Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability.

Later that year, Mirasol reported that preliminary prospecting of new claims had identified quartz vein and vein-breccia rock float, scattered along a 2 km trend. With a strong belief in the exploration potential of the Virginia district, Mirasol further expanded its property holdings in 2017 with an extra 27,017 ha of claims to the south of the limit of previous drilling. In May 2018, Ag assay results were reported from the additional prospecting of three new target areas, suggesting the potential for an unrecognized, shallow soil covered, high grade mineralization that would expand the potential of the Virginia Ag project.

In October 2020, the Company announced the start of first phase 2,500 m partner-funded drill program. This initial diamond drill program with Silver Sands was designed to expand the resource by testing both gaps in and extensions to the principal veins as previously defined at Naty Extension, Ely Central, Martina and Magi veins, as well as newly identified vein structures at the Margarita, Patricia and Daniela veins. The drill targets were located to the north, south and east of the current Virginia resource area and represent high potential drill-ready zones within the overall extensive vein field (news release October 29, 2020).

In Q1 2021, Mirasol reported the results from the 2,831 m Phase I exploration program completed in calendar Q4 2020 at the Virginia project. The drill holes completed at Martina, Julia South and Ely Central show the potential for significant new mineralization outside the current resource area. Mirasol and Silver Sands intend to drill extensively with the objective of expanding the mineralized footprint and potentially upgrading the resource estimate (news release January 21, 2021 and February 23, 2021). Notable intersects from the Phase I program include:

- Martina: 33.5 m at 198.51 g/t Ag, including 17.7 m at 316 g/t Ag
- Ely Central: 9.25 m at 233.54 g/t Ag, including 4.5 m at 441.71 g/t Ag
- Julia South: 8.50 m at 123.43 g/t Ag, including 3.90 m at 168.34 g/t Ag
- Martina SE: 16.05 m at 63.97 g/t Ag including 0.90 m at 352.32 g/t Ag

In May 2021, Mirasol reported results from the Phase II diamond drilling program, which comprised 20 core holes (3,104 m) bringing the total holes drilled to 38 (5,935 m) during the current field season at Virginia. A new high-grade zone was discovered at Ely Central, where drilling has intersected strong and continuous Ag grades in four drill holes over a 200 m strike length. Mineralization at Ely Central remains open to expansion both laterally to the north, south and to depth. In addition, significant intercepts were encountered at the Ely North, Martina NW and Julia South targets, confirming the potential for new mineralized zone to be delineated at the project (news release May 17, 2021).

Highlighted intercepts from the Phase II program at Ely Central include:

- 9.98 m at 560 g/t Ag, Including 2.87 m at 1,578 g/t Ag
- 9.60 m at 639 g/t Ag
- 10.80 m at 625 g/t Ag, Including 5.70 m at 1,110 g/t Ag

The results from Phase I and II exploration programs, which included drilling, mechanical trenching and sampling, geophysical surveys, have been reviewed for planning the 2,700m Phase III program which started in October 2021. The current program is focused on various targets within the Virginia vein field to continue expending the known mineralized zones by drilling within gaps, along strike and depth at Ely Central, Ely North, Julia South and Martina NW. Additional drill holes are planned at Margarita along strike and below anomalous surface rock samples. In addition, Mirasol will complete an initial test at the Maos target and at the Santa Rita prospect, which is located further to the north within the property package.

<u>Homenaje Au/Ag Project, Santa Cruz:</u> (Operated and Funded by Patagonia Gold)

On April 19, 2021 Mirasol announced the signing of a binding agreement with Patagonia Gold Corp. ("Patagonia") for the Homenaje project. Mirasol has granted Patagonia the option to earn an undivided 75% interest in the project over six years by delivering, by the end of the option period, a positive Prefeasibility Study (as defined by NI 43-101) for a resource of no less than 300,000 oz of Au equivalent. In addition, Patagonia shall complete a minimum of US$2.55 million in staged exploration expenditures.

Upon completion of the option, Mirasol and Patagonia will hold a 25% and 75% interest, respectively, in a participating joint venture company that will hold the project. If either party's equity interest is diluted below 10%, it will convert to a 2% NSR royalty.

Exploration Results

Exploration to date has been limited as more than 90% of the project area is covered by thin post-mineral rocks, including Tertiary plateau basalt and gravels. However, small erosional windows show Middle to Upper Jurassic tuffs assigned to La Matilde Formation, which hosts localized hydrothermal breccias, veinlets and stockworks of chalcedonic quartz.

Analysis and interpretation of outcropping alteration, mineralization, structural setting, magnetics and chargeability/resistivity gradient array responses have defined four northwest trending prospective structural trends, with similar geologic characteristics to those of the adjacent COSE and Cap Oeste mineralized areas.

Initial rock chip sampling of mineralized structures, discontinuously outcropping on a northwest trending corridor, identified in an area of 1,500 m x 800 m that returned anomalous Au, Ag, As, Sb, Mo, Cu and Pb. Anomalous samples are characterized by altered tuff with thin chalcedony veinlets.

Patagonia is working on obtaining the required environmental permits to advance exploration. Once granted, Patagonia will complete a surface program including detailed geological mapping, geophysical surveys and channel sampling.

Nico Au/Ag Project, Santa Cruz:

On April 19, 2021, Mirasol announced that it has transferred its interest in the Nico property to Patagonia in return for a 1.5% NSR royalty. Mirasol has the right to regain full ownership of the property if production from the property has not commenced by the end of third year.

Libanesa Au/Ag Project, Santa Cruz: (Operated and Funded by Golden Arrow)

On October 12, 2021, Mirasol announced the execution of a definitive agreement granting to Golden Arrow Resources Corporation (TSX-V: GRG) ("Golden Arrow") an option to acquire a 75% undivided interest in Mirasol's Libanesa project in Santa Cruz province, Argentina. Golden Arrow may exercise the option over six years by incurring exploration expenditures totaling US$4,000,000 and making cash payments to Mirasol totaling US$1,000,000. The initial US$500,000 in exploration expenditures is a firm commitment and Golden Arrow is required to complete a minimum of 2,000m of drilling by the end of the second year.

Upon completion of the option, Mirasol and Golden Arrow will hold 25% and 75%, respectively, in a participating JV company holding Libanesa. If either party's equity interest is diluted below 10%, it will convert to a 2% net smelter return royalty.

Exploration Results

Libanesa is a 14,500 ha Ag-Au (Pb) project discovered by Mirasol. It is located at the northeastern margin of the Deseado Massif Au-Ag metallogenic province, approximately 70 km west of the port of Puerto Deseado, 40 km northwest of the Cerro Moro Au/Ag Mine operated by Yamana Gold and 100 km northeast of the Don Nicolas Au/Ag mine operated by Cerrado Gold.

Libanesa hosts several diversified geological, geochemical and geophysical-supported drill targets. Cerro Plomo is the principal prospect and is characterized by a well-mineralized Au/Ag hydrothermal breccia that is exposed at surface and supported by both chargeability and resistivity geophysical anomalies at depth. Peripheral polymetallic veins at the Libanesa Main prospect represent secondary targets and are supported by strong base metal and Au mineralization. The Lagunita prospect is a third prospective zone, which has reported encouraging rock chip Au values from more typical low sulfidation-type epithermal veins and breccias. This prospect warrants additional surface exploration to vector into the potentially better mineralized parts of this extensive vein system, where intermittent vein occurrences, outcropping/sub-cropping through post mineral cover, have been mapped over a strike length of more than 2.3 km. (see News Release June 1st, 2021 for a summary on previous work completed at Libanesa).

Golden Arrow is mobilizing an exploration team to Santa Cruz this month to conduct additional surface exploration, which may include geophysical surveys, to refine targets for a drill program expected to start in the first quarter of 2022.

Exploration Activities on 100% Owned or Controlled Claims

Chile

Inca Gold Au-Ag Project, Northern Chile

In early 2020, Mirasol announced the signing of an option agreement with subsidiaries of Newmont Mining Corporation ("NEM") to acquire the Inca Gold project in northern Chile (news release January 13, 2020). Mirasol was granted the option to earn 100% of the project over five years, subject to a 1.5% NSR royalty, by drilling 1,000 m over two years and incurring US$3 million in exploration expenditures over five years. Mirasol may terminate the agreement at any time after the completion of the initial 1,000m drilling commitment.

Upon completion of this option, NEM will have the right to earn back 70% of the project in two stages. In stage 1, NEM will have to make a cash payment of US$3 million to Mirasol and fund $6 million in exploration over three years. In stage 2, NEM will have to deliver a NI 43-101 compliant Prefeasibility Study on a resource of no less than 2 million ounces of Au equivalent using agreed upon cut-off grades or incur an additional US$21 million in exploration expenditures over six years. If NEM completes stage 1 but not stage 2, Mirasol will retain 100% of the project and NEM will be granted an additional 0.5% NSR royalty, which may be bought back by Mirasol at fair market value.

Exploration Results

The 16,300 ha Inca Gold project is located in Region III of Chile, approximately 100 km north of Copiapo, and within the Inca Del Oro mining district that hosts both Santiago Metals Delirio Cu-Au mine and PanAust/Codelco's Inca de Oro porphyry Cu-Au deposit. Inca Gold lies between 2,000 to 3,000 m ASL and has good access allowing for year-round exploration. Mirasol's initial exploration at the Sandra prospect has defined five Ag-Au prospects, none of which have been drill tested. Mirasol has also staked 2,400 ha of exploration claims directly to the south of the Sandra target and plans to complete a first pass evaluation of these new claims during the current field campaign. Local geology on the southern portion of the project is characterized by a thick volcanic-sedimentary sequence consisting of ignimbrites, lava flows, and volcanic breccias. The northern portion consists of an older sequence of intensely folded and faulted ignimbrites and volcanic breccias. These two geologic domains are separated by a regional NE lineament mostly covered by Atacama gravels.

The Sandra prospect is located at the southwestern border of the property and is currently the better-known target, where a large hydrothermal vein system with development of intermediate sulfidation epithermal ("ISE") mineralization has been recognized.

In November 2020, Mirasol reported on the initial surface program which focused on the Sandra prospect. Mirasol's initial surveys included 1:2,000 scale geological mapping of the quartz vein swarms, systematic rock sawn geochemical channel sampling across the key veins and reconnaissance geochemical rock chip sampling over outlying areas of the prospect. In total, 498 samples were collected from 138 individual sawn channel cuts. Seven zones of veining and anomalous geochemistry have been outlined within the Sandra prospect, with three of these targets have been prioritized for testing by an initial 1,500 m drill program. These target zones, which represent the deepest eroded parts of the outcropping system (<2,450 m ASL), showed an overall increase in Au and Ag grades when compared with the higher elevation surrounding areas and are considered geologically, structurally and geochemically strong targets for this initial drill program (news release November 25, 2020).

Following the approval of the Company's environmental report in early 2021, a 1,714 m Phase I drill program was completed at the project.

A total of eight diamond drill holes were drilled on three separate targets to test for mineralization below outcropping quartz veins. The assay results for Au and Ag are generally low grade and over narrow widths, ranging from 0.5 to 1 m. The highest values were in hole IG-DD-004 that returned 0.27 g/t Au and 47.8 g/t Ag over 0.5 m (see news release June 30, 2021). No further work is expected at the Sandra prospect. Following the completion of the maiden drill program at Sandra, the Company has met the minimum drilling commitment and exploration expenditures required for the first two years under the option agreement with Newmont, and it now has until January 2023 to evaluate the other prospects at Inca Gold.

Two additional prospects, Vania and Rincon, located to the north of Sandra are under evaluation and have potential for porphyry and breccia related Cu and Au mineralization. This is notable as the district hosts several large mineralized systems such as Inca Del Oro porphyry Cu project and the El Salvador porphyry Cu mine, located 12 km west and 50 km north from Inca Gold, respectively. In addition, the Delirio Cu mine, owned and operated by Santiago Metals, is located 4 km to the west of Sandra and hosts Cu in tourmaline hydrothermal breccias, with abundant historical alluvial Au workings.

The Vania porphyry Cu-Au prospect is delineated by multi-layered exploration data collected by NEM prior to the option agreement with Mirasol. Vania hosts a strong, central Au DSG (Deep Sensing Geochemistry) anomaly with a peripheral anomalous multi-element geochemical halo, highlighted by NEM's proprietary in-house geochemical processing technique. This geochemical signature is coincident with a prospective structural intersection of northwest and northeast trending lineaments, and overlies a magnetic low feature interpreted as potentially representing magnetic destruction resulting from alteration and mineralization events. Mirasol's assessment of Vania will include an expanded soil geochemical survey and a systematic IP geophysical survey over the existing Au DSG anomaly.

The Rincon prospect is located approximately 7 km northeast of the Delirio Cu Mine and represents a window through the Atacama gravel cover where mineralized quartz-tourmaline crackle breccias have been mapped. The current known extent of the breccia is approximately 700x200 m and prospecting level geochemical samples from Newmont returned anomalous Au assays from narrow quartz veins and Cu-Mo assays from hydrothermal crackle breccias. This breccia target is considered attractive due to its similarities with the other mineralized tourmaline breccias in the district which hosts economic Cu-Au grades. Detailed, systematic geological mapping and geochemical sampling surveys are planned, with an IP geophysical survey to be completed if warranted.

Altazor Au Project, Northern Chile:

On November 21, 2017 Mirasol announced the signing of an option and farm-in agreement with Newcrest International Pty Limited ("NCM"). The agreement grants NCM the right to acquire, in multiple stages, up to a 75% interest in the Altazor project by making at least US$10 million in exploration expenditures and delivering a feasibility study. NCM may earn an additional 5% interest, if Mirasol requests that NCM fund the project to commercial production, which would reduce the Company's retained project equity to 20%. The first-year spending commitment of US$1.5 million was directed to a 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 twelve-month option stage of the Altazor agreement had been completed with NCM incurring exploration expenditures in excess of US$1.5 million. NCM also made a US$500,000 payment to Mirasol to exercise its option to enter the farm-in stage.

In late 2019, Mirasol and NCM agreed to extend the first earn-in period from its initial four years to the earlier of five years and the completion of the US$8.5 million in exploration expenditures required to vest the initial 51% interest in the project.

On August 18, 2021, the Company announced that it received notice from NCM that it was terminating the option and farm-in agreement.

Exploration Results

Altazor is a HSE Au project covering 33,230 ha located in an underexplored section of the Mio-Pliocene age mineral belt. Mirasol completed a first-pass of reconnaissance sampling over approximately 50% of the project area in 2017. These results showed 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' Au-Ag HSE Salares Norte development stage project. Salares Norte has a geological setting analogous to Altazor and is also located in the Mio-Pliocene mineral belt of Chile (news release October 11, 2017).

Altazor has favourable infrastructure, being situated just 20 km south of 345 kV powerlines that follow International Highway Route 23, a paved road connecting northern Chile and Argentina. In common with other Mio-Pliocene mines and projects, Altazor is located at high altitudes of between 4,000 and 5,200 m; however, Altazor has good "drive-up access" via an open valley and a network of easily passable gravel tracks.

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

In late 2018, Mirasol reported the results from the 2017/18 exploration program completed under the exploration agreement with NCM to define targets for drill testing (news release November 12, 2018). The program included alteration analysis of soils, radiometric age dating,1,035 line-km ground magnetic geophysical survey, geological mapping, geochemical rock chip sampling over an area of 128 km^2, a 2,030 sample, low detection limit soil grid covering 85.6 km^2 and a 66.9 line-km Controlled Source Audio-Magnetotellurics ("CSAMT") resistivity geophysical survey. Integrated analysis of the combined data sets indicated Altazor to be a district-scale, zoned alteration system preserved at a level that could conceal HSE Au deposits beneath "barren" steam heated cap rocks and post mineral cover. This program successfully 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 the Salares Norte and Alturas Au HSE discoveries.

During the first half of 2019, NCM reinitiated surface exploration of the large Altazor alteration system, aimed at exploring extensions of the prospects identified in the previous 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. Fieldwork consisted of rock chip and alteration sampling as well as detailed geologic mapping.

Mirasol is considering the best path to complete an initial 2,000 m drill program and is concurrently engaging with the local community.

Argentina

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 while under an exploration agreement with Coeur Mining ("Coeur") from 2006 to 2009. Coeur terminated the agreement 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 exploration claims, consolidating for the first time the full district under one company.

Mirasol can acquire 100% of the Marcelina claims by making staged option payments totalling US$3.4 million over four years and granting 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 expenditure during the first three years of the option period.

Following this consolidation, Mirasol completed an integrated interpretation of Mirasol's district-scale exploration data sets collected prior to 2009. Anomalous rock chip Au-Ag assays and Aster satellite alteration anomalies define a 16.5 x 4.0 km (65 km^2) hydrothermal "footprint" to the district, showing a large-scale, zoned alteration system characteristic of a sizable Au-Ag LSE system. Five, multi-kilometre long, mineralized vein and silicified breccia trends have been recognized to date across the consolidated district. The trends traverse the Pellegrini Silica Cap, or outcrop through post mineral gravel and basalt cover that surrounds the Silica Cap (news release January 25, 2019).

The geologic and geomorphic setting of the Pellegrini Silica Cap and related silica structures and veins is analogous to the setting of the Cerro Negro mine operated by Newmont, which is a high-grade Au-Ag, low-cost underground mine, located approximately 100 km to the north of the Sascha-Marcelina project (Reserves: 2.57 Moz Au and 20.42 Moz Ag / Resources: 1.87 Moz Au and 8.51 Moz Ag[5]).

In the first half of 2019, Mirasol completed additional surface exploration activities on the Sascha-Marcelina project (news release July 18, 2019), which included geological mapping, detailed rock chip geochemical sampling, extensive soil grid geochemical sampling (with PXRF sourced geochemistry) and the acquisition of alteration data using in-house handheld ASD technology on all the rock chips and soil samples collected. This work has defined a large alteration footprint located in the immediate vicinity of the Marcelina claims, hosting an epithermal silica vein system with multiple mineralized trends. Within this area, new prospects have been recognized with the "Estancia Trend" and the "Igloo Trend", both located in close proximity to an extensive Pellegrini Silica Cap, which is interpreted as representing the preserved fossil paleosurface of a low sulfidation system.

Mirasol followed up on this work with a total of 40 line-km of IP geophysics survey completed over the three principal areas - the Estancia Trend (20.5 line-km), the Pellegrini silica cap (14.2 line-km) and the Igloo trend (5.35 line-km). Significant chargeability and resistivity anomalies have been defined, indicating the possible presence of sulphides and silica bodies, which could represent zones of hydrothermal alteration and mineralization at shallow depths. Mirasol has incorporated this geophysical data with the results from the surface exploration to define a series of new highly prospective, large-scale targets that are supported by a prospective geological setting, widespread indications of Au and Ag mineralization, and near surface, coincident geophysical anomalies. The combination of these features strengthens the potential for better mineralized Au-Ag veins at depth (news release April 15, 2021).

A 2,814 m drilling program completed in 2021 focused on three prioritized target areas, returned encouraging results. The Pellegrini Trend returned a broad zone of Au and Ag mineralization overprinting a younger Pb and Zn rich base metal pulse, that is interpretated to represent the high-

[5] Newmont Corporation - 2/10/2021 Press Release

level expression in this epithermal system. This mineralized zone may correspond to the top or the margins of a hydrothermal breccia body, or possibly the upper zones of a larger mineralized and dilated structure at depth, spatially associated with a rhyolitic dome complex. Drilling on the Igloo and Estancia Trends also returned a number of anomalous Au and Ag intercepts, and improved the understanding of the local geological settings which will help in vectoring follow-up drill programs towards higher grade zones at depth and within a more permissive stratigraphic horizon (see news release August 9, 2021).

At the Pellegrini Trend, four diamond drill holes were completed at the main target area with two scout holes outboard on two other major northwest trending faults structures to the west and north, for a combined total of 1,431 m.

Holes PEL-DDH-001, PEL-DDH-002 and PEL-DDH-005 all encountered within their upper levels, restricted zones of anomalous mineralization associated with hydrothermal brecciation. Hole PEL-DDH-005, which was drilled deeper below PEL-DDH-002, exhibits the best mineralized intersection to date. A wide zone of peripheral crackle brecciation starts at 170 m vertically below surface and continues into an inner core of hydrothermal polymictic brecciation for a total intercepted width of brecciation >25 m. This inner zone returned an intersection of 20.4 m at 0.24 g/t Au and 39 g/t Ag (58 g/t AgEq[6]) from 242.5 m, including 10.5 m at 0.28 g/t Au and 66 g/t Ag (87 g/t AgEq) from 249 m. High Zn and Pb base metal results are also associated with this brecciated body with 0.82% Pb and 0.7% Zn over the broader 20.4 m interval, including 1.3 m with 3.19% Pb and 2.56% Zn.

These results from PEL-DDH-005 are considered very encouraging as they represent a clear downward vector for the mineralization underneath the narrower, mineralized zones intersected in each of holes PEL-DDH-001 and PEL-DDH-002. Based on several geological observations, including the “peripheral” crackle brecciation, mineralization style and silica species, this intersection is interpreted to represent the peripheral or the upper part of an untested larger body of mineralization. Further drilling is required to confirm the geometry of this mineralized hydrothermal breccia body and how it relates to the local topography.

As a follow-up, Mirasol is in the planning stages for a second complementary and deeper penetrating IP geophysics program to more accurately map the location and orientation of this apparent northwest trending, northeast dipping sulfide-rich breccia.

At the Estancia Trend, six holes (1,011 m) were completed. Three of these holes located in the southern part of the prospect (Estancia Sur) returned anomalous Au results. This drilling demonstrated that Estancia Sur is located in the lower part of the Matilda formation or upper part of the Chon Aike, neither of which are good, competent host rocks for productive fissure veins. Instead of concentrating mineralization, their physical characteristics allow for wider intersections of lower grade and dispersed mineralization, as illustrated by the results from drill hole EST-DDH-003 (8.7 m at 0.32 g/t Au). However, with focused, deeper drilling, it is considered likely that a stronger mineralization could be encountered in the more permissive rock type (mid to lower Chon Aike formation).

At the Igloo Trend, limited initial drilling intercepted mineralization very similar to that of Estancia Sur, related to narrow veinlets, zones of pseudo-stockwork and fluidized channels hosting brecciation, with Au grades up to 0.57 g/t. This mineralization is associated with a pronounced and widespread “cloud” of pathfinder elements characterised by arsenic, antimony and mercury + barium. Such zones of anomalous pathfinder elements typically reside above productive systems in several low sulfidation Au-Ag epithermal mines and deposits in Santa Cruz and provide a strong vector to depth for stronger mineralization.

[6] Silver equivalent (“AgEq”) is calculated using metal prices of US$ 1800/oz for Au and US$ 24/oz for Ag. Recoveries are assumed to be 100% as no metallurgical test data is available. The equation used is: AgEq g/t = Ag g/t + (Au g/t x 75)

Other Properties

Mirasol holds several additional drill-ready and early-stage exploration properties prospective for Au, Ag and Cu mineralization in southern Argentina and northern Chile. The Company has signed confidentiality agreements, distributed data sets and conducted field reviews with selected companies with the objective of securing potential new partnerships for these properties.

In November 2020, Mirasol introduced and reported initial exploration results from its 100% owned Nandi Cu project, located in the Paleocene porphyry Cu belt in northern Chile. Nandi was staked by Mirasol through its project generation program and comprises approximately 5,000 ha of exploration claims, located 30 km northwest of BHP’s Escondida Cu mine and 63 km southeast of Glencore’s Lomas Bayas Cu mine. Nandi is favorably situated in the area of intersection between the continental-scale north-south trending Domeyko Fault System and the northwest trending Archibarca Lineament, a regional structural framework that, for example, controlled the emplacement of the giant Escondida porphyry Cu deposit cluster. The project also benefits from easy access along the asphalt highway from the port city of Antofagasta to the Escondida mine, lying at a relatively low altitude of 1,800 m above sea level. Initial exploration results have been encouraging with multiple targets for potential porphyry Cu mineralization defined, which merit follow up field work before drill testing (news release November 5, 2020).

In September 2021, Mirasol introduced and reported initial exploration results from its 100% owned Osiris Cu project located within the fertile Miocene belt of Chile which is host to several high-profile advanced projects such as Altar, Los Azules, El Pachon and Pelambres, among others. Osiris was staked by Mirasol through its project generation program and comprises approximately 10,000 ha of exploration claims. Mirasol’s detailed surface exploration, which included geological mapping, geochemical sampling and alteration analysis, has defined two drill-ready concealed porphyry Cu-Mo-(Au) targets (Filo Gordito and Northern Osiris). Mirasol has initiated a search for an exploration partner to advance and drill test this additional attractive project (news release September 29, 2021).

HIGHLIGHTS FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

FINANCIAL CONDITION

Mirasol remains in a strong financial position with cash and cash equivalents of $10,023,402 and working capital of $10,434,128 as of June 30, 2021.

During the year ended June 30, 2021, the Company incurred total company-wide net cash expenditures of $5,280,768. The financial statements show a total expenditure of $5,361,037 of which non-cash items such as share-based payments and depreciation totalled $80,269.

For the year ended June 30, 2021 the total net cash expenditure was distributed between head office corporate spending of $1,344,959, inclusive of officer's salaries, board fees, business development, corporate administration, investor relations and regulatory compliance; and a total net exploration expenditure of $3,935,809 (table 1).

The annual level of spending by the Company is determined by its ability to secure financing through the sale of its securities, sales of assets and exploration agreements with its industry partners.

EXPLORATION FINANCIAL SUMMARY

The Company's total exploration costs include 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 year ended June 30, 2021, Mirasol invested $1,801,955 on exploration in Chile and $2,133,854 in Argentina (table 1).

The Company received $3,768,307 in cost recoveries during the year ended June 30, 2021; including claims fees, salaries of Mirasol employees seconded to the partner-funded programs and other operational costs that are covered by the partners under the terms of agreements. Mirasol earned $162,198 of management fee income during the year. The Company also received $750,719 in option payments from its Gorbea, Coronación and Nord projects (table 1).

CORPORATE MATTERS

On August 25, 2020, Mr. Dana Prince advised the Board that he was retiring as Chairperson effective August 31, 2020. Mr. Prince also resigned as a director on October 2, 2020. Patrick Evans was elected Chairperson.

On September 28, 2020, Mr. Norm Pitcher, advised the Board that he was leaving to pursue other opportunities. On October 5, 2020, the Company's Chairperson, Patrick Evans, was appointed interim CEO pending the appointment of a new CEO.

On October 19, 2020, the Company announced its intention to make a normal course issuer bid (the "NCIB") to purchase for cancellation, from time to time, as it considers advisable, up to 3,900,000 of its issued and outstanding common shares, being approximately 7.2% of the Company's outstanding common shares and approximately 9.93% of the Company's Public Float (as that term is defined in the policies of the TSX Venture Exchange). The NICB commenced on October 22, 2020 and will terminate on October 21, 2021, or such earlier time as the NCIB is completed or at the option of the Company. As part of the NCIB and as of June 30, 2021, the Company has repurchased and cancelled 280,500 of its common shares. Subsequent to the year ended June 30, 2021, the Company has repurchased 45,000 and cancelled an additional 23,000 of its common shares.

On December 23, 2020, Mirasol announced that the Company has received multiple unsolicited expressions of interest from third parties seeking to acquire the Company on an at-market zero-premium basis. The Board of Mirasol gave careful consideration to these expressions of interest and determined that it was in the best interest of shareholders that the Company remain independent and focused on its current business plan.

On December 31, 2021, Max Pinsky was appointed as Corporate Secretary for the Company on the retirement of Gregory Smith.

On January 5, 2021, Tim Heenan was promoted to the position of VP Exploration. Mr. Heenan is one of the original founders of Mirasol, was a director for more than thirteen years and has worked exclusively for Mirasol since its inception in 2003. He was directly involved in several discoveries, including the famous Cerro Negro Mining District in the Province of Santa Cruz, Argentina, and several other high-profile projects throughout the region.

On January 7, 2021, the Company sold its wholly-owned subsidiaries, La Curva Exploraciones SA ("La Curva") and Oroaustral Exploraciones SA ("Oroaustral") (the "Subsidiaries"). The sale transaction was effected pursuant to an Agreement for Purchase dated December 29, 2020, by and between the Company and arm's length third parties, as buyer (the "Purchase Agreement"). Pursuant to the Purchase Agreement, the Company sold its 100% interest in the Subsidiaries for total consideration of $68,300. The net liabilities of the Subsidiaries were $1,331 at the date of sale. Accordingly, the Company realized a gain on sale of $66,031 which has been reflected in the consolidated statements of loss and comprehensive loss.

On April 14, 2021, Tim Heenan was appointed to the position of President with Patrick Evans serving as Executive Chair.

The shareholders of the Company represented at the 2021 Annual General Meeting, which was held on May 12, 2021, elected Nick DeMare, John Tognetti, Patrick Evans and Diane Nicolson as directors of the Company for the ensuing year. Further, the shareholders also approved: (i) the reappointment of Davidson & Company as the Company's independent auditor; (ii) the Stock Option Plan; and (iii) the Restricted Share Unit Plan, all as described in the Information Circular prepared for the meeting. Following the meeting, the board of directors reappointed the following officers of the Company: Timothy Heenan, President; Patrick Evans, Executive Chairman; Mathew Lee, CFO; Jonathan Rosset, VP Corporate Development and Max Pinsky, Corporate Secretary.

On September 15, 2021, the Company announced that Mr. Timothy C. Moody, B.Sc. (Hon), has agreed to join the board of directors of the Company. Mr. Moody has over 30 years of experience in the mining industry, with expertise in mineral exploration, resource assessment, business development and corporate strategy. The Company also announced the grant of a total of 3,100,000 incentive stock options to directors, management, consultants and contractors. The options are for a five-year term at an exercise price of $0.34 per option share and will vest over a period of three years.

RESULTS OF OPERATIONS

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

The Company's net loss for the year ended June 30, 2021 ("2021") was $5,962,584 or $0.11 per share compared to a net loss of $5,902,479 or $0.11 per share for the year ended June 30, 2020 ("2020"), an increase of $60,105.

The increase in net loss during 2021 is due to a combination of an increase in exploration expenditures, administration costs, overhead costs related to the exploration activities, investment income, and an increase on foreign exchange loss.

The Company's total operating expenses were $5,361,037 and $6,397,724 for the year ended June 30, 2021 and 2020, respectively.

The Company recorded interest income of $614,748 from its investments during the year ended June 30, 2021, as compared to $286,877 during the last fiscal year. The Company also recorded an unrealized loss on its marketable securities of $149,586 as compared to $168,537 during the last fiscal year.

The Company recorded a loss of $1,075,835 on foreign exchange from conversion of funds during the year ended June 30, 2021 as compared to a gain of $421,500 during the last fiscal year.

Share-based payments decreased to a recovered amount of $25,968 in 2021 from an expense of $426,103 in 2020. The recovery is due to the reversal of previously recognized share-based payments from options that were cancelled during the current year. Depreciation expense increased to $106,237 in 2021 from $74,331 in 2020. Both are non-cash items.

Other notable variances include an increase in exploration expenditures to $3,935,809 in 2021 as compared to $3,863,486 in 2020 (table 1); a decrease in business development, marketing and investor communications expenses to $276,034 in 2021 from $499,116 in 2020; a decrease of management and directors fees to $697,144 in 2021 as compared to $941,825 in 2020; a decrease in office administration, filing fees, and travel expenses to $234,308 in 2021 compared to $398,995 in 2020; and a decrease in professional fees to $137,473 in 2021 compared to $193,868 in 2020 from various consultants.

Please refer to the Company's audited consolidated financial statements for a breakdown of the Company's general and administration expenses for the years ended June 30, 2021 and 2020.

The following tables provides changes in exploration expenditures and cost recoveries in the current year compared to the prior fiscal year:

Table 1: *Summary of exploration expenditures for the years ended June 30, 2021 and 2020.*

Table 1 - Exploration summary	**Total Chile**		**Total Argentina**		**Total Mirasol**	
Twelve months Jun 30,	**2021**	2020	**2021**	2020	**2021**	2020
Exploration costs	2,632,369	2,431,350	4,062,099	507,173	6,694,468	2,938,523
Exploration costs recovery	(936,080)	(1,006,091)	(2,832,227) (1)	-	(3,768,307)	(1,006,091)
Option income	(750,719)	(64,321)	-	-	(750,719)	(64,321)
Management fees	-	(42,762)	(162,198)	-	(162,198)	(42,762)
Corporate operation	856,385	911,373	1,066,180	1,126,764	1,922,565	2,038,137
Net Exploration expenses	**1,801,955**	**2,229,549**	**2,133,854**	**1,633,937**	**3,935,809**	**3,863,486**

(1) During the period ended June 30, 2021, the Company received USD$1,742,879 from Silver Sands as part of the option agreement. Funds were received in Canada and transferred to the Company's subsidiary in Argentina. Once the funds were received in Argentina, the Company used a mechanism whereby the US funds are used to buy and then sell government bonds denominated in pesos. The buy and sell of the bond create an implied exchange rate, which diverges significantly above Argentina's official fixed exchange rate. Accordingly, a recovery of $2,832,227 has been recorded under Virginia project in Argentina, (note #1 in the breakdown by projects for Argentina's exploration and evaluation expenses table).

A breakdown by country and group of projects of the Company's exploration and evaluation expenses for the years ended June 30, 2021 and 2020:

	For the Twelve Months Ended Jun 30,	
	2021	**2020**
CHILE		
Altazor		
Camp and general	14,395	1,062
Contractors and consultants	32,579	11,723
Exploration costs recovered	(98,168)	(58,857)
Mining rights and fees	159,705	96,337
Travel & accommodation	13,762	-
	122,273	50,265
Gorbea Package		
Assays and sampling	-	2,303
Camp and general	159	62
Contractors and consultants	11,090	105,957
Exploration costs recovered	(229,986)	(262,372)
Mining rights and fees	263,428	262,170
Option Income	(618,527)	-
Resource Studies	-	6,797
Professional fees	-	1,205
	(573,836)	116,122
Coronation		
Camp and general	-	279
Contractors and consultants	6,869	19,579
Option income	(66,422)	(64,321)
Mining rights and fees	12,870	2,333
Professional fees	-	8,167
Travel & accommodation	-	1,058
	(46,683)	(32,905)
Indra_Agni		
Assays and sampling	-	96,878
Camp and general	-	27,164
Contractors and consultants	-	128,623
Drilling	-	251,290
Environmental	-	16,220
Exploration costs recovered	-	(684,862)
Mining rights and fees	-	5,831
Resource Studies	-	5,166
Travel & accommodation	-	30,726
	-	(122,964)

CHILE (Cont'd…)	For the Twelve Months Ended Jun 30, 2021	2020
Rubi		
Assays and sampling	1,792	-
Camp and general	45,657	-
Contractors and consultants	152,591	-
Exploration costs recovered	(607,926)	-
Drilling	275,644	-
Environmental	43,864	-
Mining rights and fees	68,784	-
Resource Studies	19,581	-
Travel & accommodation	60,736	-
	60,723	-
Nord		
Contractors and consultants	25,438	-
Mining rights and fees	45,815	-
Option income	(65,770)	-
	5,483	-
Total - Properties joint ventured to other	**(432,040)**	**10,518**
Chile Pipeline Projects		
Assays and sampling	-	26,726
Camp and general	-	26,056
Contractors and consultants	12,927	122,987
Geophysics	117,043	-
Mining rights and fees	13,817	69,642
Travel & accommodation	-	24,770
	143,787	270,181
Rubi		
Contractors and consultants	-	25,351
Geophysics	-	1,633
Mining rights and fees	-	81,257
Professional fees	-	1,840
Travel & accommodation	-	250
	-	110,331
Nord		
Contractors and consultants	-	10,638
Mining rights and fees	-	4,827
	-	15,465

CHILE (Cont'd…)	For the Twelve Months Ended Jun 30, 2021	2020
Los Amarillos (Brahma)		
Assays and sampling	-	67,730
Camp and general	-	40,248
Contractors and consultants	5,073	235,772
Drilling	-	2,012
Environmental	-	53,168
Geophysics	-	1,994
Mining rights and fees	13,627	60,729
Travel & accommodation	-	37,348
	18,700	499,001
Zeus		
Camp and general	-	775
Contractors and consultants	2,681	18,982
Mining rights and fees	20,925	36,998
Professional fees	1,612	-
Travel & accommodation	-	473
	25,218	57,228
Total - 100% owned properties	**187,705**	**952,206**
Inca		
Assays and sampling	50,868	-
Camp and general	104,587	2,836
Contractors and consultants	359,640	51,640
Drilling	343,999	-
Environmental	10,904	40,241
Geophysics	-	14,900
Mining rights and fees	50,739	56,110
Resource studies	8,580	540
Travel & accommodation	84,448	7,186
	1,013,765	173,453
Los Amarillos (Enami)		
Assays and sampling	-	23,781
Camp and general	-	26,599
Contractors and consultants	-	95,108
Drilling	-	301
Environmental	-	10,890
Join Venture payments	-	13,260
Mining rights and fees	-	3,065
Professional fees	-	168
Travel & accommodation	-	24,482
	-	197,654

CHILE (Cont'd...)	For the Twelve Months Ended Jun 30, 2021	2020
Ladera - Joint Venture		
Contractors and consultants	7,134	5,943
Join Venture Payments	64,398	-
Mining rights and fees	5,211	20,718
Travel & accommodation	-	446
	76,743	27,107
Total - Earn-in joint venture on third party	**1,090,508**	**398,214**
Project Generation	99,397	-
Management Fee Income	-	(42,762)
Corporate Operation & Management - Chile	856,385	911,373
Total Chile	**1,801,955**	**2,229,549**
ARGENTINA		
Virginia - Joint Venture		
Assays and sampling	301,829	-
Camp and general	712,270	29,886
Contractors and consultants	449,432	46,110
Drilling	1,199,579	-
Drilling support	35,658	509
Exploration costs recovered [(1)]	(2,832,227)	-
Geophysics	15,893	-
Mining rights and fees	32,039	8,308
Professional fees	-	950
Travel & accommodation	43,586	-
	(41,941)	85,763
Total - Properties joint ventured to other	**(41,941)**	**85,763**
Argentina Pipeline Projects		
Assays and sampling	3,685	-
Camp and general	4,463	235
Contractors and consultants	24,654	38,927
Environmental	372	1,206
Mining rights and fees	13,372	25,933
	46,546	66,301
Claudia		
Camp and general	3,375	2,803
Contractors and consultants	1,316	7,778
Environmental	-	3,014
Geophysics	-	1,933
Mining rights and fees	116,966	112,554
	121,657	128,082

ARGENTINA (Cont'd…)	For the Twelve Months Ended Jun 30, 2021	2020
La Curva		
Assays and sampling	-	124
Camp and general	5,142	265
Contractors and consultants	792	4,681
Environmental	134	-
Mining rights and fees	19,234	21,738
Travel & accommodation	1,072	-
	26,374	26,808
Sasha		
Contractors and consultants	1,128	17,039
Geophysics	-	18,271
Mining rights and fees	3,615	3,841
	4,743	39,151
Total - 100% owned properties	**199,320**	**260,342**
Marcelina - Joint Venture		
Assays and sampling	141,967	3,717
Camp and general	183,021	38,894
Contractors and consultants	111,611	97,753
Drilling	588,869	-
Drilling preparation	5,818	-
Environmental	2,606	1,442
Geophysics	-	10,453
Mining rights and fees	26,479	3,032
Travel & accommodation	12,122	5,777
	1,072,493	161,068
Total - Earn-in joint venture on third party	**1,072,493**	**161,068**
Project Generation	-	-
Management Fee Income	(162,198)	-
Corporate Operation & Management -	1,066,180	1,126,764
Total Argentina	**2,133,854**	**1,633,937**
Total Exploration and Evaluation Costs	**3,935,809**	**3,863,486**

FOURTH QUARTER ANALYSIS

The Company's net loss for the three months ended June 30, 2021 ("Q4 2021") was $1,824,030 or $0.03 per share compared to a net loss of $2,360,152 or $0.04 per share for the three months ended June 30, 2020 ("Q4 2020"), a decrease of $536,122.

The decrease in net loss during 2021 is due to a combination of a decrease in administration costs, overhead costs related to the exploration activities, an unrealized loss on marketable securities, foreign exchange loss, and an increase in investment income.

The Company's total operating expenses were $2,158,364 and $1,769,237 for Q4 2021 and Q4 2020, respectively.

The Company recorded interest income of $522,855 from its investments during Q4 2021, as compared to $55,047 during the same period of last fiscal year. The Company also recorded an unrealized loss on its marketable securities of $130,860 as compared to $168,537 during the same period of last fiscal year. The Company recorded a loss of $45,166 on foreign exchange loss from conversion of funds during Q4 2021 as compared to $468,919 during the same period of last fiscal year.

Share-based payments decreased to $16,513 in Q4 2021 from $118,271 in Q4 2020. Depreciation expense increased to $27,358 in Q4 2021 from $13,750 in Q4 2020. Both are non-cash items.

The operating costs for Q4 2021 was higher than the comparative Q4 2020 due to the increase in exploration expenditures to $1,822,750 in Q4 2021 as compared to $1,172,662 in Q4 2020 (table 2); a decrease in business development, marketing and investor communications expenses to $64,533 in Q4 2021 from $103,038 in Q4 2020; a decrease of management and directors fees to $143,896 in Q4 2021 as compared to $212,730 in Q4 2020; a decrease in office administration, filing fees, and travel expenses to $52,493 in Q4 2021 compared to $99,805 in Q4 2020; and a decrease in professional fees to $30,821 in Q4 2021 compared to $48,981 in Q4 2020 from various consultants.

The following tables provides changes in exploration expenditures and cost recoveries in the current period presented compared to the same period in the prior fiscal year:

Table 2: *Summary of exploration expenditures for the three months ended June 30, 2021 and 2020.*

Table 2 - Exploration summary	**Total Chile**		**Total Argentina**		**Total Mirasol**	
Three months June 30,	**2021**	2020	**2021**	2020	**2021**	2020
Exploration costs	809,249	727,936	1,287,406	114,556	2,096,655	842,492
Exploration costs recovery	(894,659)	(274,143)	(180,012) [1]	-	(1,074,671)	(274,143)
Option income	-	-	-	-	-	-
Management fees	-	-	(7,878)	-	(7,878)	-
Corporate operation	269,303	203,027	539,341	401,286	808,644	604,313
Net Exploration expenses	**183,893**	**656,820**	**1,638,857**	**515,842**	**1,822,750**	**1,172,662**

SELECTED ANNUAL INFORMATION

	2021 $	2020 $	2019 $
Sales	-	-	-
Loss for the year	(5,962,584)	(5,902,479)	(6,646,786)
Loss per share – basic and diluted	(0.11)	(0.11)	(0.12)
Total assets	13,475,668	19,233,887	25,191,758
Total long-term liabilities	(163,642)	(205,043)	-
Dividends declared	-	-	-

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 $
4th Quarter 2021	Nil	(1,824,030)	(0.03)	(0.03)
3rd Quarter 2021	Nil	(1,733,447)	(0.03)	(0.03)
2nd Quarter 2021	Nil	(1,062,288)	(0.02)	(0.02)
1st Quarter 2021	Nil	(1,342,819)	(0.02)	(0.02)
4th Quarter 2020	Nil	(2,360,152)	(0.04)	(0.04)
3rd Quarter 2020	Nil	(438,534)	(0.01)	(0.01)
2nd Quarter 2020	Nil	(1,747,754)	(0.04)	(0.04)
1st Quarter 2020	Nil	(1,356,039)	(0.03)	(0.03)

The Company's quarterly results will vary depending on the Company's exploration and business development activities. The Company also grants incentive stock options to its directors, management, employees, and consultants, which cause a variation in the Company's results from period to period.

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

INVESTING ACTIVITIES

The Company continued to invest Canadian, and US dollars in interest-bearing financial instruments maturing up to one year. The total amount invested in 2021 was $7,825,180 compared to $13,476,650 in the prior year. The Company received interest income of $614,748 during the year ended June 30, 2021, compared to $286,877 from the year ended June 30, 2020.

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 commonly 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 $10.4 million on June 30, 2021, the Company has 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.

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:

		Year Ended June 30, 2021		2020
Management compensation (i)	$	317,191	$	510,801
Share-based payments (ii)		(91,051)		289,987
Director's fees (iii)		83,815		182,220
	$	309,955	$	983,008

i. Management compensation is included in management fees (June 30, 2021 ("2021") - $62,500; June 30, 2020 ("2020") - $287,500) and in exploration expenditures (2021 – $254,691; 2020 - $223,301) in the Company's consolidated statements of loss and comprehensive loss.

ii. Share-based payments are included in the share-based payments expense in the Company's consolidated statements of loss for the years ended June 30, 2021, and 2020.

iii. The independent directors of the Company are paid $1,785 per month (2020 - $2,100 per month) while the Chairman of the Board of Directors receives an additional $nil per month for serving in this capacity (2020 - $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, where Gregory Smith is a Partner	Legal fees
Max Pinsky Personal Law Corporation	Legal fees
Chase Management Ltd., a Company owned by Nick DeMare	Professional fees
Manning Lee Management Ltd., a Company owned by Mathew Lee	CFO services

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

		Years Ended June 30, 2021		2020
Legal fees	$	96,794	$	108,595
CFO services		30,000		44,000
	$	126,794	$	152,595

Included in accounts payable and accrued liabilities at June 30, 2021, is an amount of $40,935 (2020 - $35,499) 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 audited consolidated financial statements for the year ended June 30, 2021. 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.

RECENT ACCOUNTING ADOPTION

New accounting standards issued but not yet in effect

Classification of liabilities as current or non-current (Amendments to IAS 1)

The IASB has published *Classification of Liabilities as Current or Non-Current* (Amendments to IAS 1) which clarified the guidance on whether a liability should be classified as either current or non-current. The amendments:

(i) Clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period";
(ii) Clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
(iii) Make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet been determined.

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.

FINANCIAL INSTRUMENTS

The Company's financial instruments as at June 30, 2021, consist of cash and cash equivalents, receivables and advances, marketable securities, 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 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 and management maintain a ratio of 80:15:05 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, and in the Company's consolidated statements of loss and comprehensive loss of the audited annual consolidated financial statements for the year ended June 30, 2021 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 53,872,043 issued and outstanding common shares. In addition, the Company has 1,575,000 options outstanding that expire through April 28th, 2023. At the date of this MD&A, no RSU's were outstanding.

Details of issued share capital are included in Note 13 of the audited consolidated financial statements for the year ended June 30, 2021.

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.