MIRASOL RESOURCES LTD.

(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2014

Canadian Funds

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Mirasol Resources Ltd.

We have audited the accompanying consolidated financial statements of Mirasol Resources Ltd., which comprise the consolidated statements of financial position as at June 30, 2014 and 2013 and the consolidated statements of loss (income) and comprehensive loss (income), changes in equity, and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Mirasol Resources Ltd. as at June 30, 2014 and 2013 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada — Chartered Accountants

October 24, 2014

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Mirasol Resources Ltd.
(An Exploration Stage Company)
Consolidated Statements of Financial Position
Canadian Funds
As at

ASSETS		June 30, 2014		June 30, 2013
Current Assets				
Cash and cash equivalents	$	18,120,310	$	27,786,195
Short-term investments		1,300,000		1,415,928
Receivables and advances *(Note 6)*		878,187		1,196,092
Investment *(Note 7)*		10,653,639		18,315,659
		30,952,136		48,713,874
Equipment and Software *(Note 8)*		140,184		166,416
Exploration and Evaluation Assets *(Note 9)*		2,832,215		2,832,215
	$	33,924,535	$	51,712,505
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities *(Note 10 and 11)*	$	465,991	$	6,057,594
EQUITY				
Share Capital *(Note 12)*		37,858,186		37,821,160
Reserves		14,820,837		14,823,477
Accumulated Other Comprehensive (Loss) Income		1,605		(1,267)
Deficit		(19,222,084)		(6,988,459)
		33,458,544		45,654,911
	$	33,924,535	$	51,712,505

Nature of Business *(Note 1)*

On Behalf of the Board:

" Stephen C. Nano ", Director

" Nick DeMare ", Director

Mirasol Resources Ltd.
(An Exploration Stage Company)

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

For the Years Ended June 30
Canadian Funds

		2014		2013
Operating Expenses				
Exploration costs *(Note 9 and 11b)*	$	6,712,452	$	8,342,584
Professional fees		357,001		376,214
Shareholder information		282,340		152,037
Office and miscellaneous		152,635		139,253
Management fees *(Note 11a)*		669,674		1,857,109
Director fees *(Note 11)*		43,022		2,000
Business development		126,366		-
Travel		54,821		53,596
Listing and filing fees		24,605		38,744
Share-based payments *(Note 12c)*		11,886		1,065,617
Depreciation		10,538		9,535
		8,445,340		12,036,689
Interest income		(85,694)		(36,354)
Foreign exchange gain		(863,453)		(2,955,515)
Gain on sale of Joaquin Property *(Note 9)*		-		(58,990,546)
Realized and unrealized loss on investment *(Note 7)*		5,565,812		12,664,608
		4,616,665		(49,317,807)
Net Loss (Income) for the Year before Income Taxes		13,062,005		(37,281,118)
Income tax expense (recovery) *(Note 15)*		(828,380)		4,123,309
Net Loss (Income) for the Year	$	12,233,625	$	(33,157,809)
Other Comprehensive Loss (Income) to be Reclassified to Profit or Loss in Subsequent Periods				
Exchange differences on translation of foreign operations		(2,872)		1,267
Comprehensive Loss (Income) for the Year	$	12,230,753	$	(33,156,542)
Basic Loss (Income) per Share *(Note 13)*	$	0.28	$	(0.76)
Diluted Loss (Income) per Share *(Note 13)*	$	0.28	$	(0.76)
Weighted Average Number of Shares Outstanding – Basic *(Note 13)*		44,166,757		43,460,373
Weighted Average Number of Shares Outstanding – Diluted *(Note 13)*		44,166,757		43,890,565

Mirasol Resources Ltd.

(An Exploration Stage Company)

Consolidated Statements of Changes in Equity

Canadian Funds

	Share Capital Common Shares		Reserves	Accumulated Other Comprehensive (Loss) income	Deficit	Total
	Number	$	$	$	$	$
Balance – June 30, 2012	42,700,661	36,029,893	14,019,377	-	(40,146,268)	9,903,002
Options exercised *(Note 12c)*	955,000	504,750	-	-	-	504,750
Fair value of options exercised *(Note 12c)*	-	261,517	(261,517)	-	-	-
Bonus shares issued *(Note 12e)*	500,000	1,025,000	-	-	-	1,025,000
Share-based payments *(Note 12c)*	-	-	1,065,617	-	-	1,065,617
Foreign currency translation adjustment	-	-	-	(1,267)	-	(1,267)
Income for the year	-	-	-	-	33,157,809	33,157,809
Balance – June 30, 2013	44,155,661	37,821,160	14,823,477	(1,267)	(6,988,459)	45,654,911
Options exercised *(Note 12c)*	90,000	22,500	-	-	-	22,500
Fair value of options exercised *(Note 12c)*	-	14,526	(14,526)	-	-	-
Share-based payments *(Note 12c)*	-	-	11,886	-	-	11,886
Foreign currency translation adjustment	-	-	-	2,872	-	2,872
Loss for the year	-	-	-	-	(12,233,625)	(12,233,625)
Balance – June 30, 2014	44,245,661	37,858,186	14,820,837	1,605	(19,222,084)	33,458,544

Mirasol Resources Ltd.
(An Exploration Stage Company)
Consolidated Statements of Cash Flows
For the Years Ended June 30
Canadian Funds

	2014	2013
Operating Activities		
Income (loss) for the year	$ (12,233,625)	$ 33,157,809
Adjustments for:		
Gain on sale of Joaquin Property *(Note 9)*	-	(58,990,546)
Realized and unrealized loss on investments *(Note* 7)	5,565,812	12,664,608
Bonus share compensation *(Note 12e)*	-	1,025,000
Share-based payments *(Note 12c)*	11,886	1,065,617
Interest income	(85,694)	(36,354)
Depreciation	10,538	9,535
Depreciation included in exploration expenses	52,549	58,381
Unrealized foreign exchange	(895,366)	(2,271,816)
	(7,573,900)	(13,317,766)
Changes in non-cash working capital items:		
Receivables and advances	(655,283)	82,444
Accounts payable and accrued liabilities	(1,494,246)	4,410,933
Income taxes paid, *net*	(4,097,357)	-
Cash used in operating activities	(13,820,786)	(8,824,389)
Investing Activities		
Acquisition of exploration and evaluation assets *(Note 9)*	-	(208,212)
Proceeds from sale of Joaquin Property *(Note 9)*	961,413	28,831,815
Short-term investments redeemed (purchased), *net*	116,472	(415,928)
Proceeds from sale of investment *(Note 7)*	2,460,146	-
Interest received	85,822	34,047
Purchase of equipment and software *(Note 8)*	(36,855)	(25,462)
Cash provided by investing activities	3,586,998	28,216,260
Financing Activities		
Exercise of incentive share purchase options *(Note 12c)*	22,500	504,750
Cash provided by financing activities	22,500	504,750
Effect of Exchange Rate Change on Cash and Cash Equivalents	545,403	1,063,534
Change in Cash and Cash Equivalents	(9,665,885)	20,960,155
Cash and Cash Equivalents - Beginning of Year	27,786,195	6,826,040
Cash and Cash Equivalents - End of Year	$ 18,120,310	$ 27,786,195

Supplemental Schedule of Non-Cash Investing and Financing Transactions:		
Coeur shares received *(Note 7)*	$ -	$ 29,825,985
Shares issued under bonus share plan *(Note 12e)*	$ -	$ 1,025,000
Fair value of options exercised *(Note 12c)*	$ 14,526	$ 261,517

Cash and Cash Equivalents Consist of:		
Cash	$ 709,049	$ 2,336,172
Cash equivalents	$ 17,411,261	$ 25,450,023

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 600 – 890 West Pender Street, Vancouver, British Columbia.

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

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

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

2. Basis of Presentation

Statement of compliance

The 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 IFRS Interpretations Committee ("IFRIC"). The policies presented in Note 3 were consistently applied to all periods presented. The Board of Directors approved the consolidated financial statements on October 17, 2014.

Basis of measurement

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

Comparative figures

Certain of the comparative figures have been changed to conform to the presentation used in the current year.

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 at June 30, 2014 were as follows:

Subsidiary	Principal activity	Location	Proportion of interest held by the consolidated 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%

The accounts of Mirasol Argentina S.R.L were included up to the date of disposition, being December 21, 2012.

The transactions among the entities in the consolidated group pertain to the transfer of funds and payment of third party costs. All inter-group 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:

(i) Impairment of exploration and evaluation assets: The net carrying value of each mineral license 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 licenses' value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the licenses' acquisition, development or cost of holding; whether exploration activities produced results that are not promising such that no more 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 licenses. As at June 30, 2014, the Company has concluded that impairment conditions do not exist.

(ii) Valuation of share purchase options and warrants: The Company provides compensation benefits to its employees, directors and officers through a stock option plan. The Company also grants warrants in conjunction with private placements and as compensation for debt financing arrangements. The fair value of each option award is estimated on the date of the grant using the Black-Scholes option pricing model. Expected volatility is based on historical volatility of the Company's share price. The Company uses historical data to estimate option exercises and forfeiture rates with 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 comprehensive loss (income). All estimates used in the model are based on historical data which may not be representative of future results.

(iii) Income taxes: The Company is subject to income taxes in numerous jurisdictions. Uncertainties exist with respect to interpretations of tax regulations. The Company recognizes current tax payable/refundable based on its interpretations of tax regulations which may differ from the interpretations of the tax authorities. Such differing interpretations may impact the Company's current income tax payable/refundable.

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 be recognized.

(iv) 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 judgement based on analysis of relevant criteria. The functional currency of the Company and its subsidiaries was determined by conducting an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates* ("IAS 21").

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 and MDS Property Holdings 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 the statements of loss (income) and comprehensive loss (income). 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

All financial instruments are initially recognized at fair value on the statement of financial position. The Company has classified each financial instrument into one of the following categories: (1) financial assets or liabilities at fair value through profit or loss ("FVTPL"), (2) loans and receivables, (3) financial assets available-for-sale, (4) financial assets held-to maturity, and (5) other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in the statement of loss (income) and comprehensive loss (income). Financial assets available-for-sale are subsequently measured at fair value with changes in fair value recognized in other comprehensive loss/income, net of tax. Financial assets and liabilities held-to-maturity, loans and receivables, and other financial liabilities are subsequently measured at amortized cost using the effective interest method.

f) Impairment of Financial Assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, the Company recognizes an impairment loss as follows:

(i) Financial assets carried at amortized cost: The loss is the difference between the amortized cost of the asset and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account.

(ii) Available-for-sale financial assets: The impairment loss is the difference between the original cost of the asset and its fair value at the measurement date, less any impairment losses previously recognized in the statement of loss (income) and comprehensive loss (income). This amount represents the cumulative loss in accumulated other comprehensive income that is reclassified to the statement of loss (income) and comprehensive loss (income).

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized. Impairment losses on available-for-sale financial assets are not reversed.

g) 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.

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 the statement of loss (income) and comprehensive loss (income).

h) Equipment and Software

Equipment and software 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;
- Computer hardware: 30% declining balance; and
- Computer software: straight-line over the estimated life of three years.

For exploration equipment and computer hardware, the Company applies only one-half of the applicable rate in the year of acquisition.

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

i) 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, in which case subsequent exploration and development costs are capitalized. Exploration costs include value-added taxes because the recoverability of these amounts is uncertain.

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 are in good standing.

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 earnings. This unwinding of the discount is charged to financing expense in the statement of loss (income) and comprehensive loss (income).

The amount of the decommissioning and restoration provision initially recognized is capitalized as part of the related asset's carrying value and depreciated to earnings. 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 the statement of loss (income) and comprehensive loss (income) 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.

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 Capital

Share capital issued as non-monetary consideration is recorded at an amount based on fair market value of the shares issued.

The proceeds from the issue of units is allocated between common shares and common share purchase warrants on a pro-rated basis on relative fair values as follows: the fair value of common shares is based on the price at market close on the date the units are issued and the fair value of the common share purchase warrants is determined using a Black-Scholes pricing model.

m) 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 reserve. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. The reserve 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 share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

n) Earnings/Loss per Share

Basic earnings/loss per share is computed by dividing income/loss available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of diluted earnings 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 earnings per share. The dilutive effect of convertible securities is reflected in the diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in the diluted earnings per share by application of the treasury stock method.

o) Comprehensive Loss (Income)

Comprehensive loss (income) consists of net loss (income) and other comprehensive loss (income) and represents the change in shareholders' 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 loss (income) for the years presented.

4. Recent Accounting Pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC.

The Company adopted the following new standards effective July 1, 2013:

a) IFRS 7, Financial Instruments: Disclosures, was amended to enhance disclosure requirements related to offsetting of financial assets and financial liabilities. The amendment of this standard did not have a significant impact on the Company.

b) IFRS 10, Consolidated Financial Statements, replaced IAS 27, Consolidated and Separate Financial Statements, and requires all controlled entities to be consolidated based on a single control model, whereby control is defined as the exposure to, or having rights to, returns from its involvement in its investee, and the ability to affect those returns through this power over the investee. The standard also provides additional guidance to assist in the determination of control where this is difficult to assess. The Company conducted a review of all of its subsidiaries and determined that the adoption of IFRS 10 did not result in any change in the consolidation status of any of its subsidiaries.

c) IFRS 11, Joint Arrangements, replaced the existing IAS 31, Joint Ventures and provides for the accounting of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The Standard also eliminates the option to account for jointly controlled entities using the proportionate consolidation method. The Company does not have any joint arrangements and as a result the adoption of IFRS 11 did not have any impact on these consolidated financial statements.

d) IFRS 12, Disclosure of Interests in Other Entities, provides certain disclosure requirements about subsidiaries, joint ventures and associates, as well as unconsolidated structured entities and replaced existing disclosure requirements. The key features are the requirement to disclose judgements and assumptions made when deciding how to classify involvement with another entity, interest that non-controlling entities have in consolidated entities and the nature of the risks associated with interests in other entities. The adoption of IFRS 12 resulted in incremental disclosure in Note 3 of these consolidated financial statements.

e) IFRS 13, Fair Value Measurement, establishes a single source of guidance for fair value measurements, when fair value is permitted by IFRS. The standard does not affect when fair value is used, it just describes how to measure fair value. The standard provides a single framework for measuring fair value, while requiring enhanced disclosures when fair value is applied, establishes the definition of fair value as the “exit price” and clarifies that the concepts of highest and best use and valuation premise are relevant only for non-financial assets and liabilities. The standard did not have any impact on the Company’s statement of financial position. Any specific disclosure requirements are addressed in these consolidated financial statements.

f) IAS 1, Presentation of Items of Other Comprehensive Income (“OCI”) (“IAS 1”), was revised to change the disclosure of items presented in OCI, including a requirement to separate items presented in OCI into two groups based on whether or not they may be recycled to profit or loss in the future. The adoption of IAS 1 affects the presentation of the Company’s statement of comprehensive loss (income).

g) IAS 27, Separate Financial Statements, was amended as a result of IFRS 10, IFRS 11, and IFRS 12. IAS27 deals solely with separate financial statements, and has had no impact on the consolidated statements of the Company.

h) IAS 28, Investments in Associates and Joint Ventures, has been amended and provides accounting and disclosure guidance for investments in associates and joint ventures. The Company does not have any investment in associates and as a result the adoption of the standard did not have any impact on these consolidated financial statements.

The following new standards and amendments to standards have been issued but are not effective during the year ended June 30, 2014:

a) IFRS 7, Financial Instruments: Disclosures, will be amended to require additional disclosures on transition from IAS 39 and IFRS 9, and is effective for annual periods beginning on or after January 1, 2015. The Company is currently evaluating the impact of the amendment.

b) IFRS 9, Financial Instruments: Classification and Measurement, is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39. IFRS 9 has two measurement categories: depreciated cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at depreciated cost only if the entity is holding the instrument to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is recorded at fair value through profit or loss. This standard will be effective for annual periods beginning on or after January 1, 2018. The Company is currently evaluating the impact of this standard.

c) IAS 32, Financial Instruments: Presentation, updates the application guidance to clarify some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. This is effective for annual periods beginning on or after January 1, 2014. The Standard is not expected to have a significant impact on the Company.

d) IFRIC 21, Levies, sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when should a liability be recognized. The standard is effective for annual periods beginning on or after January 1, 2014, with early application permitted. The Company is not currently subjected to significant levies and therefore expects that the impact from the adoption of the Standard will not be material.

5. Financial Instruments

Categories of financial instruments

		June 30, 2014		June 30, 2013
Financial assets				
Fair Value Through Profit and Loss				
Cash and cash equivalents	$	18,120,310	$	27,786,195
Short-term investments		1,300,000		1,415,928
Investments		10,653,639		18,315,659
Loans and receivables				
Receivables and advances *(Note 6)*		-		972,515
	$	30,073,949	$	48,490,297
Financial liabilities				
Other financial liabilities				
Accounts payable and accrued liabilities *(Note 10)*	$	465,991	$	1,934,285

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, 2014		June 30, 2013
Level 1				
Cash and cash equivalents	$	18,120,310	$	27,786,195
Short-term investments	$	1,300,000	$	1,415,928
Investments	$	10,653,639	$	18,315,659

Fair value of investments traded in active markets is based on quoted market prices on the date of the statement of financial position. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for investments held by the Company is the current bid price of the held securities. These securities are therefore included in level 1 of the fair value hierarchy.

The fair values of the Company's other financial instruments approximates 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 in order to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes the components of equity.

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

In order to maximize ongoing development efforts, the Company does not pay out dividends.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments with maturities of twelve months or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations. The Company 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, 2014, 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	15,658,206	131,276	829,161	10,616,497
Receivables and advances	-	-	2,270,900	-
Accounts payable and accrued liabilities	(43,309)	(210,402)	(3,220,742)	(8,011,572)

Based on the above net exposures as at June 30, 2014, 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 $1,667,046 and $7,965, 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 $1,585 and $503, 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 is held through large financial institutions. The Company's receivables consist of Goods and Services tax due from the Federal Government. Management believes that credit risk concentration with respect to receivables is remote.

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, 2014, the Company's financial liabilities consist of accounts payable and accrued liabilities totalling $465,991. All of the Company's obligations are expected to be paid within 90 days. 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 short-term investments included in cash is limited because these investments are generally held to maturity. The applicable rates of interest on such investments range between 1.40% and 1.65%.

v. Price risk

The Company is exposed to equity securities price risk because of investments held by the Company and classified on the statement of financial position as FVTPL and also to the price risk with respect to commodity prices.

The Company does not typically invest in equity securities and the maximum exposure to the price risk is represented by the changing fair value of such investments. Assuming all variables remain constant, a 10% increase/decrease in the quoted market price of the Company's investments would result in an increase/decrease in the Company's income of approximately US$997,905.

The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

6. Receivables and Advances

		June 30, 2014		June 30, 2013
Good and services tax receivable	$	4,928	$	22,746
Other receivable, prepaid expenses and advances		70,831		200,831
Holdback receivable *(Note 9)*		-		972,515
Income tax refund receivable *(Note 15)*		802,428		-
	$	878,187	$	1,196,092

7. Investment

On December 21, 2012, the Company, in conjunction with the sale of its Joaquin Property (Note 9), received as partial consideration, 1,310,043 common shares of Coeur Mining Inc. (formerly Coeur d'Alene Mines Corporation) ("Coeur") valued at $29,825,985 (US$29,999,985).

	Quantity		June 30, 2014		June 30, 2013
Opening balance	1,310,043	$	18,315,659	$	29,825,985
Disposed of for cash	(223,000)		(2,460,146)		-
Loss from change in fair market value (i)	-		(5,565,812)		(12,664,608)
Exchange differences	-		363,938		1,154,282
	1,087,043	$	10,653,639	$	18,315,659

(i) The cumulative change in fair market value of the common shares of Coeur, since the date of the acquisition by the Company, includes $2,616,936 which represents the realized loss on the disposal of 223,000 of such common shares.

8. Equipment and Software

		Exploration Equipment		Computer Hardware		Computer Software		Total
Cost								
Balance as at June 30, 2012	$	360,139	$	29,747	$	-	$	389,886
Additions for the year		23,105		2,357		-		25,462
Balance as at June 30, 2013	$	383,244	$	32,104	$	-	$	415,348
Additions for the year		4,947		898		31,010		36,855
Balance as at June 30, 2014	$	388,191	$	33,002	$	31,010	$	452,203
Accumulated Depreciation								
Balance as at June 30, 2012	$	162,511	$	18,505	$	-	$	181,016
Depreciation for the year (i)		64,189		3,727		-		67,916
Balance at June 30, 2013	$	226,700	$	22,232	$	-	$	248,932
Depreciation for the year (i)		58,273		3,091		1,723		63,087
Balance as at June 30, 2014	$	284,973	$	25,323	$	1,723	$	312,019
Carrying Amounts								
As at June 30, 2013	$	156,544	$	9,872	$	-	$	166,416
As at June 30, 2014	$	103,218	$	7,679	$	29,287	$	140,184

(i) Allocated between depreciation expense and exploration costs on the statement of loss (income) and comprehensive loss (income).

9. Exploration and Evaluation Assets

The Company owns 100% of the mineral exploration rights to large portfolio of properties focused in two mining regions, namely Santa Cruz Province in southern Argentina and the Atacama region in Northern Chile. The Company also focuses on generative exploration to identify and acquire new prospects.

Chile

The Company has a portfolio of gold, silver and copper projects in Northern Chile.

100% Owned Properties:

The Company currently has 100% interest in nine precious metals properties that define the Gorbea Belt. The Gorbea Project is a reconnaissance program engaged in prospect generation and exploration of disseminated gold and copper prospects in the region. The Company's focus along the Gorbea Belt has been on the advancement of Atlas and Titan gold-silver projects.

Atlas Property

The Company holds a 100% interest in the Atlas Property in northern Chile, acquired by staking on open ground. During the year ended June 30, 2013, the Company acquired mineral concessions on the property for a claim block titled Dos Hermanos for $174,178 (US$175,000). The amount was capitalized to exploration and evaluation assets.

Titan Property

The Company holds 100% interest in the Titan Property in Northern Chile. The property was acquired through staking on open ground, as part of the Company's Miocene Arc exploration program.

Properties Joint Ventured to Other Companies:

Rubi Property

The Company owns a 100% interest in the Rubi property located 22 km southwest of El Salvador in Northern Chile.

On September 11, 2013, the Company signed a binding letter Agreement with First Quantum Minerals Ltd. ("First Quantum") which permits First Quantum to earn an interest in the Rubi property. The definitive Option and Joint Venture Agreement (the "Definitive Agreement") was signed subsequent to the year ended June 30, 2014, on August 14, 2014.

The Definitive Agreement requires First Quantum to make an exploration expenditure commitment of at least US$1.5 million by the end of the first year, with a minimum exploration commitment which includes a project-wide magnetic geophysical survey and 3,000 m of core drilling on the Rubi Property. The Definitive Agreement provides for First Quantum to earn a 55% interest in the Rubi Property upon completion of a US$6.5 million investment in exploration over four years from the date of signing the Definitive Agreement including at least US$1.0 million in annual staged cash payments following the first year. After the initial earn-in, First Quantum's participating interest may be increased to 65% on completing, within an additional two years, a NI 43-101 compliant technical report, including an indicated resource estimate and Preliminary Economic Assessment ("PEA") of more than 1.0 million tonnes of contained Cu metal, using a 0.20% cut-off grade. First Quantum may further increase its interest to 75% by declaring a decision to mine and provide mine financing to Mirasol at commercial terms if requested by Mirasol, to include interest calculated at LIBOR + 4% and the repayment of Mirasol's proportion of mine finance to be made from 50% of the cash flow to which it is entitled.

Earn-In Joint Venture on Third Party Projects:

Frontera JV

In fiscal 2013, the Company signed a definitive exploration and option agreement (the "Agreement") with an arms-length private Chilean company. This agreement, referred to as the Frontera JV, covers a portfolio of prospective, early-stage mineral properties located within the area of Mirasol's Miocene Arc Generative Program, with some of these properties being adjacent to or contiguous with Mirasol's Gorbea Belt properties including Titan and Atlas projects in Northern Chile.

The Frontera JV Agreement provides for Mirasol to earn a 51% interest in any, or all, of the exploration properties by expending US$3 million within a four year period which commenced on December 26, 2012, of which US$300,000 is committed to be spent in the first year (completed). After vesting, each party will contribute in proportion to its equity position. Should a discovery be put into production, a 1.5% net smelter return royalty (NSR) is payable by Mirasol to its venture partner from Mirasol's percentage of production, capped at 51% of total production. If either party dilutes below 10% interest, ownership will convert to a 1% NSR.

One of these Frontera JV properties, Vaquillas has been the focus of exploration activities to date.

Argentina

In the Santa Cruz province of Argentina, the Company controls the mineral exploration rights to over 20 precious metals properties.

Claudia Property

The Company owns a 100% interest in the Claudia property situated in south-central part of the Santa Cruz Mining District, Argentina.

La Curva Property

The Company owns a 100% interest in mining claims of La Curva gold project in Southern Argentina.

La Libanesa Property

The Company owns a 100% interest in mining claims of La Libanesa property in the Santa Cruz Mining District, Argentina. The property was staked in 2006.

Santa Rita Property and Virginia Zone

The Company owns a 100% interest in the Santa Rita property situated in the Santa Cruz Mining District, Argentina. The Santa Rita property also hosts the Virginia prospect, thus together Santa Rita and Virginia account for total expenditures on the Santa Rita property.

During the year ended June 30, 2013, the Company completed the purchase of the surface rights over the Virginia prospect for $34,034 (Argentine Pesos 157,564). The cost of surface rights was capitalized to exploration and evaluation assets.

Pipeline Projects:

Mirasol carries exploration program on a number of projects which are prospective for gold and/or silver mineralization in southern Argentina. Projects with active exploration programs in recent years are as follows:

a) Espejo Property

The Company owns a 100% interest in mining claims of Espejo property situated in the Santa Cruz Mining District, Argentina, by staking.

The Company entered into an option agreement on October 4, 2012 with Pan American Silver Corp. (“Pan American”) allowing Pan American to earn a 51% interest in the Espejo property by expending US$4 million over four years, and to reach a 61% interest by completing a NI 43-101 compliant feasibility study, and then to further increase the interest to 70% by providing mine financing at commercial terms. Pan American terminated the option agreement in July 2013 due to their budget constraints.

b) Sascha and Joaquin Properties

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

The Company had a signed option agreement with Coeur for the exploration of Sascha and Joaquin gold-silver projects. The agreement provided Coeur the option to earn an initial 51% in both projects by expending a total of US$8 million in exploration over four years. In October 2008, Coeur returned the Sascha property to Mirasol. The total earn-in on both properties reached US$6 million and Coeur vested at 51% interest in the Joaquin property in December 2010.

On December 21, 2012, the Company completed the sale of its remaining 49% interest in the Joaquin Property to Coeur for total consideration of $59,652,000 (US$60,000,000). The transaction was carried out through the sale of the Company's Argentine subsidiary, Mirasol Argentina S.R.L, holding the 49% interest in the Joaquin Property. One-half of the consideration was paid in cash (with a holdback of $994,200 (US$1,000,000) to cover any relevant taxes on the transfer of ownership in Argentina) and the balance was paid with 1,310,043 shares of common stock in the capital of Coeur (Note 7). The holdback receivable of US$925,147, net of transfer taxes paid was collected on July 12, 2013.

The transaction resulted in a pre-tax accounting gain of $58,990,546 during the year ended June 30, 2013, calculated as follows:

Cash consideration (US $30,000,015)	$	29,826,015
Common shares of Coeur (US $29,999,985)		29,825,985
Transaction costs		(686,076)
Working capital of Argentine subsidiary		24,622
Gain on Sale of Joaquin Property	$	58,990,546

c) Nico Property

The Company owns a 100% interest in the Nico property mining interests situated in the Santa Cruz Mining District, Argentina, by staking.

d) Pajaro, Veloz and Los Loros Properties

The Company owns 100% of the rights to three exploration properties, Pajaro, Los Loros and Veloz, in Santa Cruz Province, Argentina. These exploration properties were acquired by the Company issuing 100,000 common shares. The shares had a fair value acquisition cost at issuance of $69,801.

A reconciliation of capitalized acquisition costs is as follows:

Acquisition Costs

		Balance at June 30, 2013		Additions during the period		Balance at June 30, 2014
Chile						
Atlas - Dos Hermanos	$	174,178	$	-	$	174,178
Argentina						
Santa Rita and Virginia		2,579,704		-		2,579,704
Nico		8,532		-		8,532
Pajaro, Veloz and Los Loros		69,801		-		69,801
	$	2,832,215	$	-	$	2,832,215

		Balance at June 30, 2012		Additions during the year		Balance at June 30, 2013
Chile						
Atlas - Dos Hermanos	$	-	$	174,178	$	174,178
Argentina						
Santa Rita and Virginia		2,545,670		34,034		2,579,704
Nico		8,532		-		8,532
Pajaro, Veloz and Los Loros		69,801		-		69,801
	$	2,624,003	$	208,212	$	2,832,215

Cumulative exploration expenditures per project under active exploration are as follows:

Exploration Costs

	Balance at June 30, 2013	Additions during the period	Balance at June 30, 2014
Gorbea Belt – Atlas Project	$ 855,780	$ 1,336,257	$ 2,192,037
Gorbea Belt – Titan Project	1,889,924	863,269	2,753,193
Gorbea Belt – Other Projects	1,593,109	142,240	1,735,349
Rubi – Joint Venture	918,225	149,098	1,067,323
Frontera – Joint Venture	153,938	609,793	763,731
Project Generation	338,702	571,507	910,209
Operation and Management	391,728	393,130	784,858
Value Added and Other Taxes	149,731	428	150,159
Total Chile Properties	$ 6,291,137	$ 4,065,722	$ 10,356,859
Claudia	$ 5,029,332	$ 523,847	$ 5,553,179
La Curva	1,274,054	281,678	1,555,732
La Libanesa	887,316	10,775	898,091
Santa Rita and Virginia	9,667,652	395,173	10,062,825
Argentina Pipeline Projects	4,161,439	99,817	4,261,256
Project Generation	1,610,949	30,478	1,641,427
Operation and Management	1,747,492	1,080,276	2,827,768
Value Added and Other Taxes	2,406,012	224,686	2,630,698
Total Argentina Properties	$ 26,784,246	$ 2,646,730	$ 29,430,976
Total Exploration Costs	$ 33,075,383	$ 6,712,452	$ 39,787,835

During the years ended June 30, the Company incurred exploration and evaluation costs on its properties as follows:

	2014	2013
Chile		
Gorbea Belt – Atlas Project		
Assays and sampling	$ 2,823	$ -
Camp and general	331,633	243,905
Consultants and salaries	606,115	242,069
Drilling	-	42,741
Environmental	-	49,587
Geophysics	243,594	141,875
Mining rights and fees	49,248	25,661
Travel	102,844	96,253
	1,336,257	842,091
Gorbea Belt – Titan Project		
Assays and sampling	3,115	-
Camp and general	250,027	215,796
Consultants and salaries	418,612	483,964
Drilling	-	651,772
Environmental	-	11,861
Geophysics	98,828	119,469
Mining rights and fees	16,886	42,262
Travel	75,801	84,996
	863,269	1,610,120
Gorbea Belt – Other Projects		
Assays and sampling	-	9,446
Camp and general	25,179	29,954
Consultants and salaries	42,043	87,562
Geophysics	20,767	14,634
Mining rights and fees	48,909	26,907
Travel	5,342	15,479
	142,240	174,536
Total Spend – 100% owned properties	2,341,766	2,626,747
Rubi – Joint Venture		
Camp and general	598	9,255
Consultants and salary	15,701	54,940
Environmental	-	14,749
Geophysics	702	364
Mining rights and fees	131,036	149,660
Travel	1,061	19,050
Total Spend – Properties joint ventured to other companies	149,098	248,018

	2014	2013
***Chile** (Continued)*		
Frontera – Joint Venture		
Camp and general	$ 178,516	$ 26,282
Consultants and salary	256,936	36,232
Geophysics	48,776	-
Mining rights and fees	87,972	91,424
Travel	37,593	-
Total Spend – Earn-in joint venture on third party projects	609,793	153,938
Project Generation	571,507	76,426
Operation & Management	393,130	205,536
Value Added & Other Taxes	428	25,093
Total Chile	**4,065,722**	**3,335,758**
Argentina		
Claudia		
Assays and sampling	8,490	52,275
Camp and general	111,290	579,324
Consultants and salary	305,732	705,749
Mining rights and access fees	51,925	943
Travel	46,410	97,466
	523,847	1,435,757
La Curva		
Assays and sampling	3,480	14,927
Camp and general	60,053	116,882
Consultants and salary	180,255	271,309
Mining rights and access fees	12,073	333
Travel	25,817	48,100
	281,678	451,551
La Libanesa		
Camp and general	3,189	12,288
Consultants and salary	718	2,898
Mining rights and access fees	6,868	1,108
	10,775	16,294
Santa Rita and Virginia		
Assays and sampling	1,844	36,671
Camp and general	95,180	349,344
Consultants and salary	269,497	653,572
Mining rights and access fees	9,737	1,201
Travel	18,915	98,399
	395,173	1,139,187

	2014	2013
***Argentina** (Continued)*		
Argentina Pipeline Projects		
Assays and sampling	$ 5,150	$ 14,219
Camp and general	17,184	68,416
Consultants and salary	62,315	102,070
Mining rights and fees	4,330	11,479
Travel	10,838	16,040
	99,817	212,224
Total Spend – 100% owned properties	1,311,290	3,255,013
Project Generation	30,478	15,851
Operation & Management	1,080,276	1,129,277
Value Added & Other Taxes	224,686	606,685
Total Argentina	**2,646,730**	**5,006,826**
Total Exploration and Evaluation Costs	$ 6,712,452	$ 8,342,584

10. Accounts Payable and Accrued Liabilities

	June 30, 2014	June 30, 2013
Trade payables	$ 395,991	$ 1,257,565
Accrued liabilities	70,000	676,720
Income tax provision *(Note 15)*	-	4,123,309
	$ 465,991	$ 6,057,594

11. Related Party Transactions

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

a) Compensation of key management personnel

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

The remuneration of the chief executive officer, vice president of exploration, exploration manager and directors were as follows:

	Year Ended June 30, 2014		Year Ended June 30, 2013
Management compensation (i) (ii)	$	1,063,335	$	414,403
Management bonus (i)		-		630,720
Share bonus (iii)		-		768,750
Share-based payments (iv)		-		522,586
Director's fees		25,022		2,000
	$	1,088,357	$	2,338,459

(i) Management compensation and bonus are included in Management fees (2014 - $200,133; 2013 - $819,685) and in Exploration costs (2014 - $393,661; 2013 - $225,438) in the Company's consolidated statements of loss (income) and comprehensive loss (income).
(ii) During the year ended June 30, 2014, the Company paid $469,541 (US$432,000) for the full settlement payment for the Transition and Settlement Agreement with the former CEO.
(iii) During the year ended June 30, 2013, the Company issued 375,000 common shares of the Company to related parties under its share bonus plan (Note 12e). The common shares were valued at $2.05 per share each. The bonus of $768,750 is included within management fees in the Company's statement of loss (income) and comprehensive loss (income).
(iv) Share-based payments represent the expense for years ended June 30, 2014 and 2013.

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
Avisar Chartered Accountants	Accounting fees
Chase Management Ltd.	Professional fees
Global Ore Discovery	Exploration costs and project management fees

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

	Year Ended June 30, 2014	2013
Legal fees	$ 162,950	$ 188,240
Accounting fees	96,000	96,000
Professional fees	18,000	-
Other operating expenses	2,135	-
Exploration costs and project management fees	809,877	961,672
	$ 1,088,962	$ 1,245,912

Included in accounts payable and accrued liabilities at June 30, 2014 is an amount of $258,492 (June 30, 2013 - $655,046) owing to directors and officers of the Company and to companies where the directors and officers are principals.

12. Share Capital

a) Authorized Share Capital

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

b) Reconciliation of Changes in Share Capital

No equity financings were conducted by the Company during the years ended June 30, 2014 and 2013.

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 ("TSX-V") 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, 2014, a total of 4,424,566 options were reserved under the option plan with 3,227,800 options outstanding.

(i) Movements in share options during the period

A summary of the Company's options, which includes options issued under the Company's share option plan and agent's options at June 30, 2014 and the changes for the year are as follows:

	Number of Options	Weighted Average Exercise Price
Options outstanding at June 30, 2012	3,672,800	$3.47
Granted	1,125,000	$1.42
Exercised	(955,000)	$0.53
Forfeited	(85,000)	$4.30
Options outstanding as at June 30, 2013	3,757,800	$2.99
Granted	30,000	$1.18
Exercised	(90,000)	$0.25
Forfeited	(470,000)	$3.17
Options outstanding as at June 30, 2014	3,227,800	$3.02
Options exercisable at June 30, 2014	3,227,800	$3.02

During the year ended June 30, 2014, the Company issued 90,000 common shares on exercise of share purchase options for gross proceeds of $22,500. These options had a fair value of $14,526.

During the year ended June 30, 2013, the Company issued 955,000 common shares on the exercise of share options for gross proceeds of $504,750. These options had a fair value of $261,517.

On January 19, 2012, the Company announced the amendment of the exercise price of 775,000 incentive share options originally granted on March 23, 2011 from $6.25 per share to $3.32 per share. On October 15, 2012, the Company received approval from the TSX-V for the amendment. In accordance with TSX-V policies, the repricing of options held by officers and directors was approved at the Company's 2012 Annual General Meeting of shareholders held on December 18, 2012. The incremental estimated fair value of these share options was determined to be $238,433, which was recorded in the Company's statement of loss and comprehensive loss during the year ended June 30, 2013.

The fair value of the amended incentive share options, using the Black-Scholes option pricing model, was based on the following weighted average assumptions:

	2013
Expected dividend yield	0.0%
Expected share price volatility	69.3%
Risk-free interest rate	1.16%
Expected life of options	1.8 years

(ii) Fair value of share options granted

On October 7, 2013, the Company granted options to a consultant of the Company to purchase up to 30,000 common shares of the Company at an exercise price of $1.18. The estimated fair value of these share options was determined to be $11,886 using the Black-Scholes option pricing model, which was recognized as share-based payments expense in the Company's statement of loss (income) during the year ended June 30, 2014.

On May 14, 2013, the Company granted options to directors, officers, employees and consultants of the Company to purchase up to 980,000 common shares of the Company at an exercise price of $1.28. The estimated fair value of these share options was determined to be $690,440 using the Black-Scholes option pricing model and the amount was recognized as share-based payments expense in the Company's statement of loss during the year ended June 30, 2013.

On September 26, 2012, the Company granted options to employees and consultants to purchase up to 145,000 common shares of the Company at an exercise price of $2.34. The estimated fair value of these share options was determined to be $147,467 using the Black-Scholes option pricing model. Of the total fair value, $136,744 was recognized as share-based payments expense in the Company's statement of loss, using the graded vesting method, during the year ended June 30, 2013, due to the forfeiture of 10,000 unvested options valued at $10,723.

The fair value of options granted was estimated on the date of the grant using the Black-Scholes option pricing model, with the following weighted average assumptions:

	Year Ended June 30, 2014	2013
Expected dividend yield	0.0%	0.0%
Expected share price volatility	62.3%	78.3%
Risk-free interest rate	1.19%	1.17%
Expected life of options	1.85 years	3.41 years
Fair value of options granted (per share option)	$0.40	$0.75

(iii) Share options outstanding at the end of the year

A summary of the Company's options outstanding as at June 30, 2014 is as follows:

Expiry Date	Exercise price	Options Outstanding	Weighted Average Remaining Life of Options	Options Exercisable
July 29, 2014 (i) (ii)	$1.18	30,000	0.08 years	30,000
August 31, 2014 (i) (ii)	$2.90	5,000	0.17 years	5,000
August 31, 2014 (i) (ii)	$3.32	5,000	0.17 years	5,000
August 31, 2014 (i) (ii)	$5.23	5,000	0.17 years	5,000
May 31, 2015	$1.28	100,000	0.92 years	100,000
May 31, 2015	$2.90	150,000	0.92 years	150,000
May 31, 2015	$3.32	100,000	0.92 years	100,000
May 31, 2015	$5.23	65,000	0.92 years	65,000
October 5, 2015	$2.90	717,800	1.27 years	717,800
December 16, 2015	$5.55	50,000	1.46 years	50,000
March 23, 2016	$3.32	555,000	1.73 years	555,000
August 4, 2016	$5.23	570,000	1.96 years	570,000
September 26, 2017	$2.34	107,500	3.24 years	107,500
May 14, 2018	$1.28	767,500	3.87 years	767,500
		3,227,800	2.12 years	3,227,800

(i) These options expired unexercised subsequent to year end.
(ii) The expiry dates were changed due to the resignation of certain employees and consultants.

d) Warrants

On December 20, 2013, 2,000,000 private placement warrants, exercisable at $4.30 per share and 200,000 broker warrants exercisable at $3.30 per share, expired without being exercised. The warrants were issued in conjunction with the private placement during the year ended June 30, 2012.

e) Share Bonus Plan

The Company established a TSX-V approved share bonus plan in 2007. The plan allows for the issuance of common shares to the directors, officers, employees and consultants with significant contributions to the discovery of an ore body containing at least 500,000 gold equivalent ounces. The Company can issue 500,000 shares for an initial 500,000 ounces of gold and gold equivalent of "Indicated Mineral Resource", as defined in the NI 43-101, for an individual project, and up to 1,000,000 shares in total on any of the Company's properties in which the Company retains an interest of at least 20%. During the year ended June 30, 2013, the Company issued 500,000 common shares, valued at $1,025,000 to directors, senior management and consultants under the share bonus plan. 375,000 of these common shares valued at $768,750 were issued to related parties.

13. Loss (Earnings) Per Share

Loss (Earnings) per share, calculated on a basic and diluted basis, is as follows:

		Year Ended June 30, 2014		2013
Loss (Earnings) per share				
Basic	$	0.28	$	(0.76)
Diluted	$	0.28	$	(0.76)
Net loss (income) available to common shareholders – basic	$	12,233,625	$	(33,157,809)
Net loss (income) available to common shareholders – diluted	$	12,233,625	$	(33,157,809)
Weighted average number of shares outstanding				
Weighted average number of shares outstanding – basic		44,166,757		43,460,373
Dilutive securities:				
Share options		-		430,192
Weighted average number of shares outstanding – diluted		44,166,757		43,890,565

For the year ended June 30, 2014, exercisable common equivalent shares totalling 3,227,800 (year ended June 30, 2013 – 5,012,033) consisting of shares issuable on the exercise of outstanding stock options and share purchase warrants have been excluded from the calculation of diluted earnings per share because the effect is anti-dilutive.

14. Segmented Information

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

Total Non-Current Assets		June 30, 2014		June 30, 2013
Canada	$	49,858	$	29,385
Argentina		2,727,426		2,769,722
Chile		195,115		199,524
	$	2,972,399	$	2,998,631

15. Income Taxes

The Company is subject to Canadian federal and provincial tax for the estimated assessable profit for the years ended June 30, 2014 and June 30, 2013 at a rate of 26.00% and 25.25% respectively. The Company has no assessable profit in Canada for the year ended June 30, 2014 but did so for the year ended June 30, 2013.

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, 2014		Year Ended June 30, 2013
Net income (loss) before income taxes	$	(13,062,005)	$	37,281,118
Canadian federal and provincial income tax rates		26.00%		25.25%
Expected income tax expense (recovery) based on the above rates	$	(3,396,121)	$	9,413,482
Non-deductible expenses		336,203		(8,392,747)
Difference between Canadian and foreign tax rates		1,141,477		1,791,570
Tax effect of deferred tax assets for which no tax benefit has been recorded		1,036,034		329,914
Deferred taxes transferred on sale of subsidiary		-		1,755,421
Foreign exchange and other		54,027		(774,331)
Total income tax expense (recovery)	$	(828,380)	$	4,123,309

Represented by:				
Current income taxes	$	(828,380)	$	4,123,309
Deferred income taxes		-		-
	$	(828,380)	$	4,123,309

The Canadian Federal and provincial statutory income tax rate increased to 26.00% due to legislated changes.

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

	June 30, 2014	June 30, 2013
Unrecognized deferred income tax assets:		
Non-capital losses	$ 429,980	$ 505,764
Investments	1,832,384	1,646,399
Exploration and evaluation assets	6,272,786	5,360,872
Share issue costs	136,573	233,711
Other	803,636	692,579
Total unrecognized deferred income tax assets	$ 9,475,359	$ 8,439,325

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, 2014	June 30, 2013	Expiry date Range
Non-capital losses	$ 1,390,117	$ 1,583,734	See below
Exploration and evaluation assets	20,615,791	16,859,992	Not applicable
Investments	14,095,265	12,664,608	Not applicable
Share issue costs	525,282	898,888	2035 - 2036
Other	2,739,954	2,157,315	Not applicable

For the year ended June 30, 2014, the Company has requested to carry back its non-capital and capital losses to reduce the previous year's taxable income. As a result, as at June 30, 2014, estimated income tax refund of $802,428 is reflected as receivable in the Company's statement of financial position (2013 – payable of $4,123,309). During the year ended June 30, 2014, the Company paid CRA assessed net income taxes for the year ended June 30, 2013 of $4,097,357, resulting in additional income tax recovery of $25,952.

The Company has non-capital loss carry-forwards of approximately $1,390,117 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:

	Argentina	Chile
2019	$ 156,707	$ -
2020	786,842	-
2034	-	-
No-expiry	-	446,568
	$ 943,549	$ 446,568

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

Introduction

The Management Discussion and Analysis ("MD&A") is prepared as of October 17, 2014 and is intended to supplement Mirasol Resources Ltd.'s ("Mirasol" or the "Company") audited consolidated financial statements for the period ended June 30, 2014. All financial information, unless otherwise indicated, has been prepared in accordance with the principles of International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts referenced, unless otherwise indicated, are expressed in Canadian funds.

The following discussion of the Company's financial condition and results of operations should be read in conjunction with its audited consolidated financial statements and related notes for the period ended June 30, 2014.

For this financial year Mirasol has delivered the Schedule of Resource Property Costs with a new break-up of cost centres that is aimed at providing a clearer understanding of which projects have received the majority of spend for the year. This format also separates the project generation, an activity that Mirasol regards as its research and development, from its exploration corporate and management costs in Chile and Argentina.

Forward-Looking Information

This MD&A contains certain forward-looking statements and information relating to Mirasol that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to Mirasol or its management, are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, the Company's goals and plans going forward, regulatory compliance, the sufficiency of current working capital, and the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of Mirasol with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievement of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Overview

Mirasol (TSXV-MRZ) is an exploration and development company focused on the discovery and acquisition of new, high-potential gold, silver and copper deposits in Chile and Argentina. The Company operates exploration activities in South America via its subsidiaries; Minera Del Sol S.A., Cabo Sur S.A., Australis S.A., and Nueva Gran Victoria S.A. in Argentina, and Minera Mirasol Chile Limitada, in Chile. Mirasol offers its shareholders access to growth via a portfolio of 100%-owned high-quality exploration-stage projects in regions with high potential for mineral discovery. Mirasol negotiates strong joint venture agreements with quality mining companies, attracting investment to advance its projects, manage shareholder dilution and reduce exploration risk.

Mirasol Resources remains in a strong position with 44.2 million shares on issue, $17.5 million in cash (October 17, 2014) and just over 1 million shares in Coeur Mining Inc. ("Coeur") as a result of the Joaquin project sale in December 2012. These funds allow Mirasol to continue quality exploration without diluting its share structure during a challenging time for the minerals industry. Mirasol's directors and management see this continuity of exploration activity as a competitive advantage and management is striving to take advantage of this opportunity while reviewing other corporate activities to build opportunities for shareholder wealth creation.

Mirasol is managed by a group of experienced, discovery focused and successful industry professionals who recognize that strategic management of an exploration budget is key to delivering exploration success. However, Mirasol also recognizes the importance of maintaining a sustainable level of exploration expenditures, and accordingly, has implemented a number of budget directives during the financial year 2014 that will extend into 2015, to reduce overall exploration expenditure spending to levels of $5.5 to $6.0 million per year. The impact of these directives is evidenced in the reduced total exploration and evaluation costs from $8.3 million in fiscal 2013 to $6.7 million in fiscal 2014 (see Note 9 to the accompanying consolidated financial statements).

Mirasol continues to direct a larger proportion of its exploration budget into Chile, reducing spending in Argentina with total exploration costs for the financial year 2014 of $4.06 and $2.65 million respectively (See Note 9 to the accompanying consolidated financial statements). This trend reflects a strategic decision made in 2010 to reactivate Mirasol's Chilean program together with successfully securing a joint venture partner at the Company's Rubi property and the discovery of the Atlas and Titan gold projects in the Gorbea Belt. Chile will remain the focus of the Company's exploration program for the financial year 2015. However, Mirasol retains a long term commitment to Argentina and views the current downturn in exploration investment as an opportunity for strategic counter-cyclic activity in quality projects with low holding costs. The company is also actively seeking joint venture partners to advance its quality gold and silver projects in Argentina and will initiate field reviews with potential partners during the South American summer season.

Mirasol holds 100% of the mineral exploration rights to a large portfolio (Figure1) of highly prospective properties focused in two mining regions with rich metal endowment; Santa Cruz Province in southern Argentina and the Atacama region of Northern Chile. Both regions have historically delivered world-class gold, silver and copper ore bodies. Mirasol's management believe that well directed exploration can deliver further discoveries of this calibre in these focus regions.

The Company's activities in the Santa Cruz Region, Argentina:

- Mirasol owns 100% of the large Claudia gold-silver project which hosts the strike extension of the adjoining world class Cerro Vanguardia vein field, where since 1998 AngloGold Ashanti have operated a large open pit and underground mine. Mirasol's Claudia project hosts five exploration prospects including the recently recognized 14-kilometre-long Curahue vein trend.

- Mirasol owns 100% of the La Curva gold project where Mirasol has recognized a new gold-silver district, outlining four separate large area drill-ready gold prospects which host high grade surface gold assays, strong geophysical anomalies, and in a prospective geological setting.

- Mirasol owns 100% of the high grade Virginia epithermal silver project where Mirasol's drilling has outlined high grade silver mineralization in seven deposits (shoots). Recent surface exploration has defined 10 drill-ready targets to test for additional mineralization.

- Mirasol owns 100% of the mineral rights to over 17 additional precious metal properties, many with drill-ready targets defined.

The Company's activities in the Atacama Region, Chile:

- Mirasol owns the Rubi porphyry project located in the El Salvador copper-gold mining district and has signed a definitive Option and Joint Venture Agreement with First Quantum Minerals Ltd. ("First Quantum") for the exploration and development of the project.

- Mirasol owns 100% of the exploration mineral rights to nine precious metal properties that define the new *Gorbea Belt*, including the *Atlas* and *Titan* epithermal gold silver projects, within a portion of the Company's "Miocene Volcanic Arc" generative program.

- Mirasol operates an earn-in JV agreement with a private Chilean company, the *Frontera JV*, where Mirasol can earn a controlling interest in a portfolio of early-stage exploration properties that fall within the "Miocene Volcanic Arc" generative program and are in some cases contiguous with Mirasol's 100%-owned Gorbea Belt projects. The JV includes claims that are located in the same belt as Gold Fields' new Salares Norte discovery which hosts a mineral resource of 23.3 Mt at 4.2 g/t gold and 44.8 g/t silver.

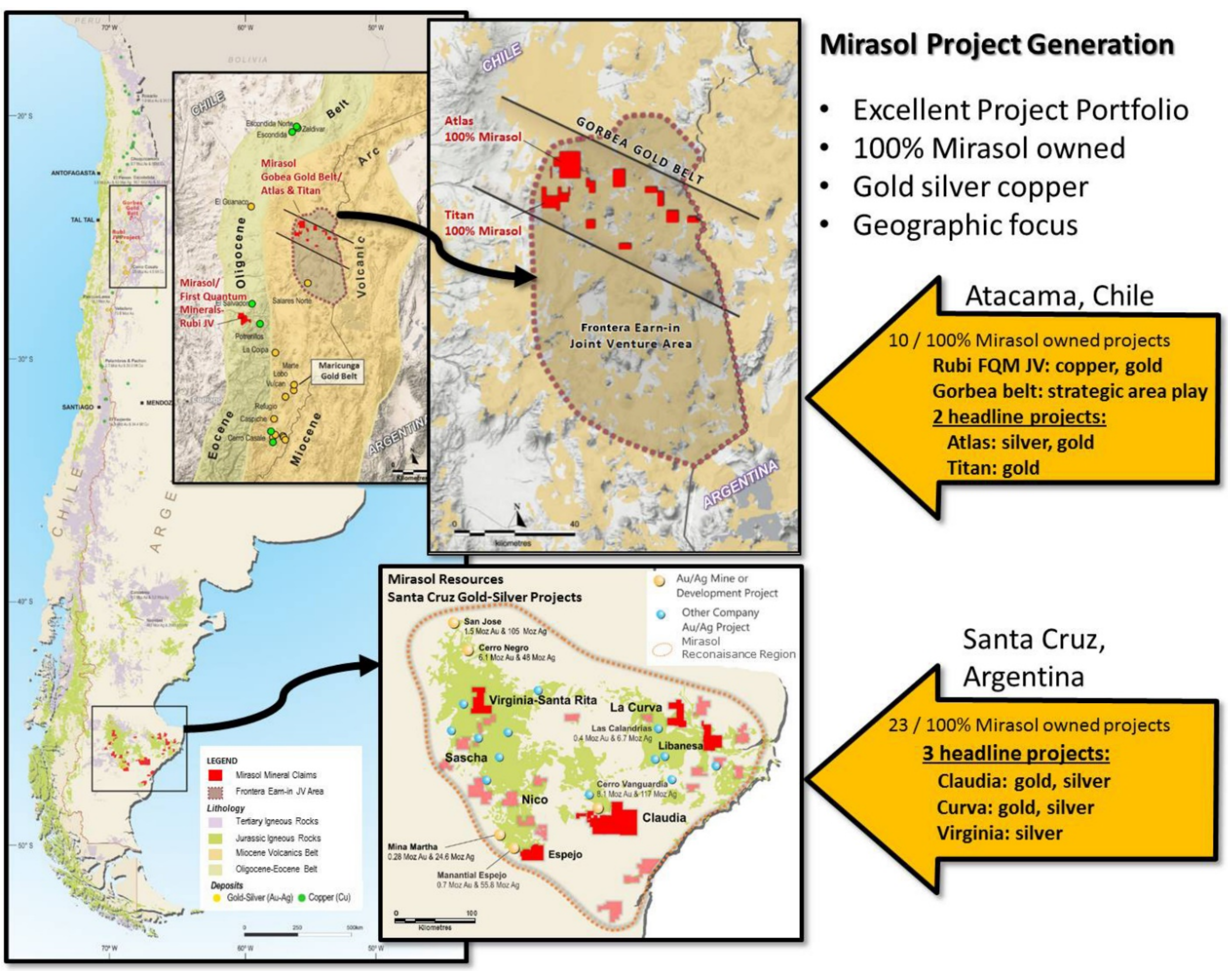

Figure 1: Location of Mirasol Resources Exploration Projects.

Mirasol's goals and objectives for 2015 financial year are as follows;

- Advance the Rubi porphyry copper-gold-molybdenum property in Chile through to drill testing via its strong JV with copper producer First Quantum.
- Secure a strong JV with a quality exploration partner for the Gorbea Belt projects in Chile that will include drilling key targets at Atlas and potentially at other projects in 2015.
- Seek JV partners to explore and drill test a range of permissive, drill-ready targets outlined by Mirasol's exploration at Claudia and La Curva in Argentina.
- To deliver a National Instrument ("NI") 43-101 compliant initial resource for its high-grade Virginia silver project in Santa Cruz and seek a JV partner to advance the project through drill testing of the new exploration targets identified by Mirasol in the financial year 2014.
- Re-initiate Mirasol's project generative pipeline. Primarily focused in the world class porphyry and epithermal belts of Chile, but also where appropriate to secure quality projects in Argentina with low holding cost as part of counter-cyclic investment strategy.
- Advance the Frontera JV by completing first-pass reconnaissance sampling of this package of early-stage exploration claims that lie with the highly prospective Miocene- age volcanic arc of northern Chile.
- Consider a range of external opportunities for accretive value creation and future growth.

Highlights for the Year Ended June 30, 2014

On May 1, 2014, Mary L. Little resigned as the CEO of the Company and Stephen C. Nano was appointed as the new CEO. Both Ms. Little and Mr. Nano are co-founders of the Company, and each has played significant and integral roles in the development and exploration achievements of the Company. Ms. Little will continue to serve as director and a consultant to the Company.

On March 1, 2014, the Company announced a transition of the day-to-day management of the Company from Mary L. Little, the President, CEO, and director to Stephen C. Nano, who has served as Vice President of Exploration for the past 10 years. Under the first stage of this succession plan, Mr. Nano was appointed as a director and the President of the Company.

On February 26, 2014, Mirasol announced that it had identified what it believes to be a new precious metal district in Chile, the Gorbea Belt. The Atlas and Titan projects are the most advanced of nine 100%-owned, precious metal projects comprising the Gorbea Belt property portfolio that is a sub-region within Mirasol's Chilean Miocene Volcanic Arc generative program. Mirasol also announced assay results from new surface sampling at the Atlas project. These results expanded the footprint of the Atlas Gold Zone ("AGZ") and Atlas Silver Zone ("ASZ") prospects, with assays up to 492.0 g/t Ag from the ASZ. This phase of sampling also identified new prospects at Atlas, outlined by rock float and outcrop assays of up to 2.91 g/t Au and 2,470.0 g/t Ag.

On February 24, 2014, the Company reported that First Quantum, under the terms of the new JV letter agreement (see news release September 18, 2013), had commenced an aggressive exploration program at Mirasol's Rubi copper – gold porphyry project, with a 2,460 line-km helicopter-borne magnetic survey. This survey identified magnetic anomalies in the Portezuelo and Lithocap targets that are consistent with large-scale alteration systems, potentially associated with porphyry style mineralization. The magnetic survey also outlined additional magnetic features under gravel cover in the Pampa Del Inca plain and at the Corner Zone prospect that represent new exploration targets.

On February 21, 2014, a NI 43-101 technical report for the Company's Virginia silver project was filed on SEDAR (www.sedar.com). This presented drill results that outlined seven silver vein shoots drilled to date and initial metallurgical results from the higher -grade silver vein/ breccia mineralization, and lower- grade halo material. The report also outlined 21 new undrilled targets that warrant priority further exploration, including 10 new target areas that are classified as drill-ready. These targets significantly expand the potential scope of the Virginia vein zone for discovery of new silver mineralization.

On January 23, 2014, Mirasol Resources announced results of an aggressive exploration program at its La Curva gold project in southern Argentina, where four large-scale undrilled gold-silver prospects have been identified. Mirasol's exploration suggests that the La Curva project may be part of a newly recognized, large, low-sulphidation precious metal district. This announcement also presented results of an IP electrical geophysical survey and a mapping and sampling program at the Cerro Chato prospect. This outlined a large covered chargeable and resistive geophysical anomaly centered on small hill with a defined 670 m by 450 m zone of silica replacement of volcanic rock. Rock chip sampling of isolated, centimetre wide veinlets, breccia outcrop and float across the hill returned assays up to 8.69 g/t Au and 5.6 g/t Ag. These mineralized structures may represent geochemical leakage from the covered geophysical anomaly.

On November 25, 2013, the Company reported results from a 15 hole, 3,218 m reverse circulation ("RC") drill program at its 100%-owned Titan gold project, in the prospective Miocene-aged gold-copper belt of northern Chile. This drill program provided a first-pass test of a number of geochemical, geophysical and conceptual geological targets. Fourteen of the 15 drill holes returned oxide gold intersections at an 0.1 g/t cut off, including a best length-weighted average down hole intersection of 44 m at 1.21 g/t Au from hole TIRC_01B. Higher-grade oxide gold intersections calculated using a 0.25 g/t Au cut-off included:

- Hole TIRC_01B with 18 m at 2.16 g/t Au, including 10 m at 3.85 g/t Au
- Hole TIRC_05A with 10 m at 1.87 g/t Au including 8 m at 2.24 g/t Au
- Hole TIRC_02 with 24 m at 0.63 g/t Au including 12 m at 0.86 g/t Au

On September 11, 2013, the Company signed a binding Letter Agreement with First Quantum which permits First Quantum to a earn a 55% interest on the Rubi property by expending US $6.5 million over four years and US $1.1 million in staged cash payments. The exploration expenditure commitment during the first year is US $1.5 million which will include conducting a geophysical survey of the claims and 3,000 m of drilling.

Highlights Subsequent to the Year Ended June 30, 2014

On September 3, 2014, the Company provided an exploration update on its Rubi porphyry copper - gold JV with First Quantum. First Quantum has been conducting an aggressive surface exploration program under the terms of a binding Letter Agreement, spending approximately US $680,000 in the September 2013 to June 2014 period. An archeological and environmental management plan, and drill proposal, was submitted to the Chilean authorities in July 2014.

In August 2014 First Quantum was granted an exploration drill permit for the Rubi project and has subsequently let the drill contact to Geotec Bolyes a well-recognized Chilean drill company with over 35 years' experience in drilling in the Atacama region.

It is anticipated that drilling of the phase 1 targets at Rubi will start in Q2 of the financial year 2015.

On August 14, 2014, the Company signed the definitive Option and Joint Venture Agreement (the "Definitive Agreement") with its partner, First Quantum for the exploration and development of its 100%-owned, 13,659 hectare Rubi Property, located in the El Salvador copper-gold mining district of Region III, northern Chile (see September 18, 2013 update below).

The Definitive Agreement requires First Quantum to make an exploration expenditure commitment of at least US $1.5 million by the first year anniversary of the signing of this agreement, with a minimum exploration commitment which includes a project-wide magnetic geophysical survey and 3,000 m of core drilling on the Rubi Property. The Definitive Agreement provides for First Quantum to earn a 55% interest in the Rubi Property upon completion of a US $6.5 million investment in exploration over four years from the date of signing the Definitive Agreement including at least US $1.1 million in annual staged cash payments following the first year. After the initial earn-in, First Quantum' participating interest may be increased to 65% on completing, within an additional two years, a NI 43-101 compliant technical report, including an indicated resource estimate and Preliminary Economic Assessment (PEA) of more than 1.0 million tonnes of contained Cu metal, using a 0.20% cut-off grade. First Quantum may further increase its interest to 75% by declaring a "decision to mine", and will provide mine financing to Mirasol at commercial terms if requested by Mirasol, to include interest calculated at LIBOR+4% and the repayment of Mirasol's proportion of mine finance is to be made from 50% of the cash flow to which it is entitled.

On July 23, 2014, the Company reported advancing Atlas AGZ prospect in the Miocene belt of Chile with new rock chip and trench gold - silver results (also see July 18, 2014 update below):

- At the AGZ prospect surface rock chip sampling has outlined an 800 by 500 m area hosting multiple gold-anomalous quartz-alunite alteration trends, with 55 of 473 rock chips assaying between 1.0 and 50.3 g/t gold.
- Detailed re-sampling of existing AGZ trenches which lie within the area of the rock chip gold anomaly returned best length-weighted average channel samples of:
    - 8.4 m at 1.85 g/t Au and 0.5 g/t Ag
    - 11.3 m at 1.32 g/t Au and 7.3 g/t Ag
    - 14.9 m at 1.67 g/t Au and 0.6 g/t Ag
- Highest individual channel samples from the re-sampled trenches include 1.2 m at 8.85 g/t Au and 45.8 g/t Ag, and 1.0 m at 5.63 g/t Au and 5.13 g/t Ag.

On July 18, 2014, the Company reported high-grade gold and silver assays associated with geophysical anomalies at the Atlas project in Chile. At season's end approximately 80% of the +25 sq. km Atlas alteration system had been systematically reconnaissance sampled with over 2,479 surface rock chip and 334 stream sediment samples collected this season These results have expanded the dimensions and upgraded the potential of the AGZ and the ASZ prospects as well as defining a large gold-silver anomaly at the new Pampa prospect. Highlights of the results are as follows:

- ASZ prospect - Rock chip samples from this silver-enriched zone outline 700 m long trend with hydrothermal breccia and silicified tuffs returning new silver results up to 215.0 g/t Ag and anomalous gold from recent sampling.
- Atlas Pampa prospect - Float and subcrop rock chip samples have outlined this new gold-silver prospect.
- An IP electrical geophysical survey over the central part of the Atlas alteration system outlined a series of large highly resistive anomalies spatially associated with gold-silver bearing surface rock chips.

Mirasol is very encouraged by the results received this season from the Atlas project where exploration to date has identified anomalous gold and silver mineralization in multiple centres over a 6.7 sq. km area, in what is emerging as a large precious metal system with potential to develop multiple drill targets.

Activities During the Financial Year 2014 - Project Generation

Generative exploration is a key strategy employed by Mirasol for identifying and acquiring new prospects. Mirasol considers both *acquisition of other company properties* via outright purchase or earn-in JV, and staking of open-ground opportunities via *concept-driven project generation* to be project generative activities. Concept-driven target generation leading to open-ground staking is a core speciality of the Company. This approach has delivered to Mirasol the vast majority of its project portfolio in Chile and Argentina and is considered a cost effective way to build shareholder value.

For accounting purposes costs of generative exploration are not attributable to specific Mirasol projects but are consolidated under separate project generation cost centres for Chile and Argentina. When Mirasol applies for exploration claims to secure a target area it is deemed to be a new project. Expenditure is then accounted for under a separate new cost code for each new project secured. This year Mirasol has reformatted the presentation of the financial statements (see Note 9 to the accompanying consolidated financial statements) so that expenditure on project generation is identified. For the financial year 2014 Mirasol invested $571,507 in Chile and $30,478 in Argentina on other company evaluations and project generative activities.

Acquisition of other company properties

During the 2014 financial reporting period Mirasol undertook evaluation of a range of other company properties in Chile and elsewhere, with the objective of identifying projects for acquisition. This program is staffed by senior Chilean geologists that have extensive knowledge of Andean mineral deposits and large contact networks in the exploration and mining industry to leverage. This aspect of our generative activity is primarily targeting pre-drill through to pre-resource stage precious metal and copper projects where Mirasol can leverage its technical skill and investment exploration fund to deliver a potential large-scale discovery. These activities are targeting epithermal precious metal and porphyry copper gold deposits of the three principal Tertiary age mineral belts in Chile – Paleocene, Oligocene and Miocene.

Other company property evaluations during the financial year 2014 have identified several projects with permissive geologic features suggesting the potential for large undiscovered mineral systems. Mirasol's management is planning to undertake discussions with the property owners to determine if commercially acceptable deals terms can be reached for these properties.

Concept- driven project generation

Mirasol is recognized as one of the more successful project generation companies reflecting its discovery record and strong project portfolio. Mirasol's reputation as a project generator is built on the successful application of innovative concept-driven project generation integrated with high quality field geology that turns targets into quality projects. Mirasol's Joaquin and Virginia silver discoveries were outcomes of this generative process, as is the large project portfolio in Santa Cruz and the Atacama. Mirasol leverages this skill set with strong earn-in JV deals with high calibre mining companies to deliver the potential for shareholder wealth creation through discovery.

Mirasol has previously undertaken two concept-driven target generation efforts in Chile. The first during 2007 and 2008 led to the staking of the Rubi project, currently being evaluated under JV to First Quantum. The second concept driven effort in 2010 to 2012 led to the staking of the nine

Gorbea Belt properties including the discovery of the Atlas and Titan gold – silver systems, which are currently the subject of JV negotiations with several quality mining companies.

While Mirasol has not undertaken new concept-driven generative exploration in Chile during the financial year 2014, the Company has commenced acquiring and compiling new data sets with the goal of initiating a new generative program in Chile during the financial year 2015. This program will be primarily focused in the Oligocene and Miocene age volcanic belts targeting giant epithermal precious metal and porphyry deposits.

Activities the Financial Year 2014 - Mineral Projects

The Company carries out early-stage exploration for gold, silver and copper in Chile and Argentina. Properties are advanced through surface exploration to a stage where the Company can attract the participation of major resource companies that have the expertise and financial capability to test and advance these properties to commercial production. Where the drill targets defined by this work are considered to be of exceptional calibre Mirasol may elect to drill properties with its own funds, as was the case at Virginia in Argentina and Titan in Chile.

As previously discussed, during the financial year 2014 Mirasol refocused the Company's spend into Chile, evident in the Company's exploration spend on its mineral projects which totalled $2.34 million in Chile and $1.31 million in Argentina.

In Argentina expenditures were predominately directed to the Claudia, La Curva and Virginia projects for surface mapping, sampling and geophysics programs designed to identify new drill targets and to prepare these projects to be offered for JV in the financial year 2015. Field work on these projects was completed by November 2013. Subsequent work in the financial year 2014 on these projects has been limited to processing and desk top integrated analysis of the information to refine drill targets.

In Chile, exploration funds were primarily directed to the nine 100%-owned Gorbea Belt gold silver projects and initial reconnaissance of one of the Frontera JV claims that adjoins Mirasol's Titan project.

Mirasol also presented its nine, 100%-owned Gorbea Projects (including Atlas and Titan) to number of high calibre potential JV partner companies as a belt play. This process included field reviews of the projects with number of industry-leading precious metal producers. As a result Mirasol has received several competitive JV offers that match the investment and exploration objectives of the Company. Mirasol is finalizing discussions and deal terms, with the object of selecting a JV partner so that exploration of these projects, under the terms of the JV, can proceed during the southern hemisphere summer season of October 2014 to May 2015.

Titan Property, Gorbea Belt Chile

The Titan property was staked by and is 100%-held by the Company and comprises approximately 5,500 hectares. Mineralization at Titan is related to a gold and silver bearing, high-sulphidation epithermal alteration system that shows some geological evidence that suggests a relation to a deeper porphyry target or intrusive center.

Exploration for the financial year 2014

Mirasol's exploration at Titan for the reporting period has been focused on detailed remapping of the original 3,285 m of trenching, mapping of the surface geology and selected sampling of the different mineralizing phases seen in the breccias at the project. A new high resolution (0.5 m pixel) Pleiades satellite image as been acquired as a mapping base for this work.

This exploration is aimed at providing detailed geological context to interpret the oxide gold drill intersections from last season's drilling and to assist in developing an exploration model for the deeper conceptual porphyry target that may exist at the project.

Summary of previous Mirasol exploration at Titan

Mirasol published geochemical results from surface trenching and rock chip channel sampling conducted at Titan as part of its first-pass exploration (news release January 21, 2013).

Original reconnaissance samples from the project returned assays up to 1.60 g/t Au from outcrops and small hand-dug pits. Mirasol also completed a 3,285 m mechanical surface trenching program which defined a gold anomaly at Titan in excess of 700 by 660 m in extent. The trench sampling defined multiple intervals in-excess of 100 m in length of anomalous gold mineralization, with the best averaging 0.41 g/t Au over 194 m. At a 0.1 g/t Au cut-off, the results included 132 m at 0.55 g/t, 80 m at 0.56 g/t, 24 m at 0.95 g/t and 10 m at 2.93 g/t Au.

Mirasol completed a 17.2 sq-km high-resolution ground magnetics survey and a 26.6 line-km pole-dipole IP electrical geophysical survey at the project (news release March 1, 2013). Results from these surveys were consistent with the Company's geological concept model of a near-surface epithermal gold-bearing zone positioned over a postulated mineralized intrusion at depth. Such systems are known to host economic precious and base-metals mineralization elsewhere in this belt.

The Company also completed a 15 hole, 3,218 m RC drill program during the financial year 2014 (news release November 25, 2013). This program provided a first-pass test of a number of geochemical, geophysical and conceptual geological targets. Fourteen of the 15 completed drill holes returned oxide gold intersections at an 0.1 g/t cut off, including a best length-weighted average down hole intersection of 44 m at 1.21 g/t Au from hole TIRC_01B. Higher grade oxide gold intersections calculated using a 0.25 g/t Au cut-off included

- Hole TIRC_01B with 18 m at 2.16 g/t Au, including 10 m at 3.85 g/t Au
- Hole TIRC_05A with 10 m at 1.87 g/t Au including 8 m at 2.24 g/t Au
- Hole TIRC_02 with 24 m at 0.63 g/t Au including 12 m at 0.86 g/t Au

Intense alteration related to the Titan mineralizing system, combined with strong surface weathering and related oxidation that is typical of northern Chile, has produced very friable rock in the near surface. In areas of more intense hydrothermal alteration, which are often associated with gold mineralization, the rock can have a fine-grained, powdery texture which is difficult to drill with reliable sampling. Consequently, drill sample recovery calculations as reported have significant inherent uncertainties, principally related to the low number of actual specific gravity (SG) determinations of the sample material used in the calculations. While this is common in the early-stages of project exploration, it could mean that the calculated, reported, recoveries may improve or be downgraded as more data is gathered.

Atlas Project, Gorbea Belt Chile

Atlas is a 100%-owned exploration property located adjacent to the Company's Titan gold project in the Miocene-aged volcanic belt of northern Chile. The Atlas project covers a high-sulphidation epithermal precious metal system that shows some geological similarities to mineralization at

Kinross's La Coipa mine (located 150 km to the south) by virtue of its high-grade silver content, classic high- sulphidation epithermal mineralisation style and similar age of mineralization.

Exploration for the financial year 2014

In February Mirasol announced assay results from new surface sampling at the Atlas project completed over the 2013 October to December period. These results expanded the foot print of the AGZ and ASZ prospects, with assays up to 492.0 g/t Ag from the ASZ. This phase of sampling also identified new prospects at Atlas, outlined by rock float and outcrop assays of up to 2.91 g/t Au and 2,470.0 g/t Ag.

Mirasol continued the aggressive reconnaissance program of the large Atlas alteration system over the January to May period 2014, collecting an additional 1,180 surface rock chip samples and completing a detailed stream sediment program over the claims area. The rock chip and stream sediment program was aimed at extending the mineralized foot print of the known prospects and undertaking first-pass sampling of previously unprospected areas within the claims block. This work has outlined a zone of subcroping, northwest trending vuggy silica structures and breccias which are textually similar to gold-bearing structures exposed in last season's trenching in the AGZ. Assay results from the January to May exploration are being received and collated and will be reported in the near future.

A detailed remapping and resampling program was also completed for the trenches excavated during last season's exploration. This will provide an improved understanding of the structural controls on mineralization and has demonstrated a strong association of gold mineralization in the Atlas Gold Zone with classic vuggy silica structures and brecciated / rebrecciated vuggy silica zones with coarsely crystalline alunite cement, typical of classic high-sulphidation epithermal mineralization. The majority of precious metal mineralization encountered to date at Atlas is strongly oxidized, suggesting the potential for oxide gold and silver targets to be outlined at the project.

A 5.4 sq- km IP electrical geophysical survey covering the AGZ and ASZ prospects and new zones of mineralization identified by this field season's exploration was completed in mid-May. This data is being processed and once compete will be analysed in conjunction with the assays and new geological information for drill target selection.

A new high resolution (0.5 m pixel) Pleiades satellite image was acquired for the Atlas project area. Processing of the image is complete and will provide a detailed base for geological mapping.

Summary of previous Mirasol exploration at Atlas

Exploration for the 2013 financial year outlined two separate areas of at-surface precious metal anomalies: the AGZ, and the nearby ASZ which is located 2 km south of the AGZ. Five trenches were completed at these prospects as a follow-up of gold and silver rock chip anomalies.

Preliminary geological interpretation of the results suggested that the mineralized zones found at AGZ and ASZ may extend under adjacent thin cover, beyond the limit of current trenching. The distribution of gold plus silver anomalous surface rock chips also highlighted other potential targets in the AGZ and ASZ prospects that warrant trenching. PIMA (hand held infrared mineral spectrometer) analyses of the mineralized trench samples showed an advanced argillic alteration mineral assemblage typical of high-sulphidation epithermal precious metal systems.

The Frontera JV, Miocene Arc program Chile

In the financial year 2013, the Company signed a definitive exploration and option agreement (the Frontera JV) with an arms-length private Chilean company, to explore a portfolio of prospective, early-stage mineral properties that fall within the Miocene Volcanic Arc generative program in northern Chile. These claims are in some cases contiguous with Mirasol's 100%-owned Gorbea Belt projects and cover all or parts of up to 15 alteration systems that have received little previous exploration.

The Frontera JV provides for Mirasol to earn a 51% interest in any, or all, of the exploration properties by expending US $3 million within a four year period which commenced on December 26, 2012, of which US $300,000 was committed to be spent in the first year (completed). After vesting, each party will contribute in proportion to its equity position. Should a discovery be put into production, a 1.5% net smelter return royalty ("NSR") is payable by Mirasol to its venture partner from Mirasol's percentage of production, capped at 51% of total production. If either party dilutes below 10% interest, ownership will convert to a 1% NSR.

Exploration for the financial year 2014

To date Mirasol's in field exploration in the Frontera JV properties has been focused on the Vaquillas claims that are contiguous with the northern portion of the Titan project. Vaquillas covers an area of hydrothermal alteration evident on satellite imagery that has not previously been systematically sampled for precious metal mineralization. Mirasol has undertaken an integrated remote sensing alteration targeting study at Vaquillas and completed a systematic rock chip and detailed stream sediment sampling program over the altered areas. Results from this program are being collated and analysed.

Rubi porphyry JV project, Chile

The Rubi property in northern Chile, covering more than 13,000 hectares, was initially staked in December 2006 and is located in the Paleocene - Oligocene metallogenic belt which hosts some of the world's largest porphyry copper deposits. The Rubi project is located adjacent to two large porphyry copper - gold mining districts in what Mirasol believes is an underexplored section of one of the world's more productive porphyry copper belts. Mirasol will continue to report on progress toward drill testing of the Rubi Project as new information is received.

Exploration for the financial year 2014

On September 11, 2013, the Company signed a binding Letter Agreement with First Quantum which permits First Quantum to a earn a 55% interest on the Rubi property by expending US $6.5 million over four years and US $1.1 million in staged cash payments. The exploration expenditure commitment during the first year is US $1.5 million to include a magnetic survey of the claims and 3,000 m of drilling.

For the period September 2013 to June 2014 (see news release September 3, 2014), First Quantum have undertaken aggressive exploration program spending approximately US $680,000 completing;

- A 2,460 line-km, detailed, low-altitude, helicopter-borne magnetic (helimag) survey covering the entire Rubi property and immediate surrounding lands.
- Processing of the detailed helicopter magnetics survey of the project with leading-edge 3D modelling software to highlight structure and potential exploration target areas.

- An extensive property-wide soil survey using both conventional soil samples in areas of locally derived soils and enzyme partial leach technique in the gravel-covered areas. The partial leach technique was applied in the gravel areas, as under some circumstances this approach can detect mineralization through transported overburden.
- Soil buffer capacity (acidity) was also measured as an additional technique to potentially detect buried areas of oxidizing sulphide mineralization.
- A gravity survey covering much of the property was completed and combined with field observations to model the depth of gravel cover over the majority of the property. These results suggest that much of the project is covered by zero to less than 100 metres of gravel. This is considered relatively thin cover for modern Chilean porphyry exploration. The gravity model will be used to help prioritize targets in the shallower cover areas for drill testing.
- Outcropping areas of alteration were surveyed with grid-based hand-held infrared spectrometer measurements. This information is used to identify alteration mineral species and changes in chemical composition and degree of crystallinity of these minerals. A combination of these factors can be used to vector towards more prospective parts of a mineralized system. Systematic geological mapping and rock chip sampling was also completed over the main prospects where outcropping alteration is evident.

Initial integrated analysis of the new data sets by First Quantum has highlighted eight preliminary target areas in the Rubi claims. These include;

1. Refining of targets in the Lithocap, Corner Zone and Portezuelo areas originally identified by Mirasol; and
2. A number of prospective new target areas identified within the large gravel-covered plain at the centre of the project.

Mirasol's management are pleased with the exploration approach and outcomes to-date from the First Quantum program at Rubi. This work has increased the number of potential targets and has built a strong knowledge-base to leverage final drill target selection.

Summary of previous Mirasol exploration at Rubi

During 2008, Mirasol consolidated its mineral land position at Rubi and conducted additional detailed mapping, sampling and re-interpretation of the area's geology, resulting in the recognition of two high-priority prospects, Lithocap and Portezuelo and the recognition of gravel covered conceptual targets at the Pampa del Inca plain and Corner Zone prospects. Lithocap is an altered and mineralized target which returned copper, molybdenum and gold anomalies in surface and stream sediment samples, and suggests the potential for a porphyry copper (gold) system may exist, partially covered by post-mineral gravels (news release June 12, 2007). Portezuelo is an outcropping copper-mineralized sheeted vein system that requires mapping and an electrical geophysical survey to refine drill targets.

Virginia Project, Santa Rita Property, Argentina

The Virginia Santa Rita property comprises "*manifestaciones de descubrimiento*"[1] and exploration "*cateos*"[2] located in the northwestern sector of the Deseado Massif volcanic terrain of southern

[1] "Manifestacion de descubrimiento", or simply "M.D." is the second level of mineral property in Argentina, after Cateo, and must be registered with a "discovery" location. An M.D. may be converted into the third level, "mina" on completion of certain requirements.
[2] "Cateo" is the initial stage of exploration mineral property which can be staked in Argentina. The maximum size of an individual cateo is 10 km by 10 km.

Argentina. The Virginia high-grade, silver vein zone was discovered at the Santa Rita property following-up priority exploration targets generated by Mirasol consultants from satellite imagery.

Exploration for the financial year 2014

Mirasol filed a NI 43-101 technical report on SEDAR (www.sedar.com) for the Virginia silver property in February 2014.

This report details results of initial metallurgical tests on composited material from seven quartz vein shoots at the Virginia vein system. Non-optimized recoveries for higher-grade mineralized vein material, using two conventional technologies of agitated leach and flotation, yielded silver recoveries of 75% to 81%, which fall within the expected range of recoveries for similar deposits for this stage of test work. Metallurgical testing on peripheral lower-grade material returned significantly lower recoveries. Test work to date has not been able to improve recoveries in the low grade halo mineralization.

An extensive evaluation of all exploration data for the Virginia project and immediate surrounds identified 21 priority target areas of further detailed exploration. Eleven of these target zones require trenching and further surface work to define drill targets. Ten of these targets are considered drill-ready; in some cases have high-grade silver in surface trenching, or are associated with well-developed veining that may at current outcrop expressions represent a the low-grade top of potentially concealed silver shoots. These targets significantly expand the foot print of the Virginia silver system outside the area that have been drill tested to date.

Mirasol intends to seek a strategic partner to test these new targets and advance exploration on the known silver shoots at the Virginia Project.

Summary of previous Mirasol exploration at Virginia

On January 6, 2010, the Company reported initial results at Virginia from 30 rock chip samples taken over a two-km length of the Julia Vein sector. The average silver grade of the initial 30 chip samples was 645 g/t Ag, and on February 16, 2010, Mirasol reported assays ranging up to 3,170 g/t Ag from rock chip sampling of the Julia vein and surrounding veins.

Sawn channel samples from all 58 of the Julia vein channels averaged 805 g/t Ag (news release March 4, 2010). Ground geophysical surveys, including magnetics and gradient array IP, were completed.

Additional press releases in May and June, 2010, reported significant silver values had been returned from sampling of additional veins at Virginia which parallel, and surround, the Julia vein. These veins include the Ely, Naty, Margarita and Roxane. Outlying veins were also discovered to the east and northwest of the principal vein zone. The Virginia discovery presently has more than 9 km of exposed and/or interpreted vein length.

From 2010 through mid-2011, Mirasol drill campaigns systematically tested 1,780 m of veining strike-length outlined at Virginia. These diamond drilling campaigns totalled 9,266 m in 117 drill holes, and four distinct silver deposits at Julia North, Julia Central, Julia South and Naty veins were defined. The vein shoots comprised potentially economic silver grades and widths at a nominal drill spacing of 50 m by 50 m, or closer. Mirasol re-drilled a total of 22 of the holes to try and improve core recoveries; results from 14 of these re-drilled holes included significant silver intersections with excellent core recovery, among them:

- Julia North: VG-6A, with 24.27 m of 326 g/t Ag (96% core recovery), including 5.48 m of 1,038 g/t Ag (98% recovery).
- Julia Central: VG-50A, with 28.25m of 220 g/t Ag (98% percent recovery), including 18.11 m of 303 g/t Ag (96% recovery).

In addition, encouraging intersections from “scout” holes drilled at Naty Extension, Ely South and Martina indicated several zones of high priority for follow-up drilling (news release July 18, 2011).

In October 2011, the Company commenced a new diamond drilling program to test new veins, vein extensions, and to try and expand the Virginia project’s resource for potential additional shallow oxide silver deposits. This program expanded drilling in the areas successfully tested by scout holes. Highlights included (news release January 26, 2012):

- Naty Extension: 1.5 m of 797 g/t Ag (VG-096); 2.0 m of 214 g/t Ag, including a 0.3 m interval of 1,195 g/t Ag (VG-097).
- Martina: 3.8 m of 155 g/t Ag within a longer intercept of 25.4 m grading 61 g/t Ag (VG-119B); 10.9 m of 63 g/t Ag which included a high-grade interval of 1.1 m of 141 g/t Ag (VG-122A).
- Ely South: 21.8 m of 79 g/t Ag, including a 1.9 m interval of 495 g/t Ag (VG-113); and 18.2 m of 63 g/t Ag, with a high-grade 4.5 m interval of 109 g/t Ag (VG-111). 26.9 m (estimated true thickness of 15.0m) of 135 g/t Ag, which included a 1.19 m bonanza grade interval of 1,760 g/t Ag (VG-127); and 28.0 m (estimated true thickness of 18.4 m) grading 195 g/t Ag, which included a 4.6 m interval of 493 g/t Ag (VG-138). Final results from Phase IV drilling were published on June 25, 2012.

La Curva Property, Argentina

The La Curva property comprises four exploration cateos totalling 36,721 hectares, located in the eastern Deseado Massif, and has year round access from the paved national highway.

<u>Exploration for the financial year 2014</u>

Mirasol announced results of a property-wide exploration program at its La Curva gold project in southern Argentina, where four large-scale undrilled gold-silver prospects have been identified at Cerro Chato, Loma Arthur, Southwest and Curva West. The program included 57 sq-km of geological mapping, 630 rock chip samples, over 108 line-km of pole-dipole IP and 77.3 sq-km of ground magnetics. Results were presented for an IP electrical geophysical survey and a mapping and sampling program at the Cerro Chato prospect.

Cerro Chato exploration outlined a 1,700 m by 1,000 m argillic-silica alteration zone centered on a 670 m by 450 m zone of silica replacement of a laminated volcanic rock. Rock chip sampling of isolated centimetre wide veinlets, breccia outcrop and float across the zone returned assays up to 8.69 g/t Au and 5.6 g/t Ag.

The geophysical survey defined a 2,100 m by 1,200 m chargeability anomaly (+ 10 mV/V) underlying the alteration zone and extending out under gravel cover. Additionally, the survey outlined a 1,000 m by 650 m resistive body (+ 200 ohm-m) centered under mapped alteration and coincident with the core of the stronger (+20 mV/V) chargeability anomaly. Chargeability and resistivity anomalies of this magnitude can indicate sulphide and silica bodies, and may represent zones of hydrothermal alteration and mineralization underlying the Cerro Chato hill at shallow depths

These geological features suggest the current outcrop level may be the top of the epithermal alteration system and that the narrow mineralized structures may represent geochemical leakage from the covered geophysical anomaly.

Mirasol is seeking a JV partner to advance exploration of this project.

Summary of previous Mirasol exploration at La Curva

In the financial year 2013, surface mapping, geophysical surveys and systematic geochemical sampling defined rhyolitic domes in the west, and further explored three gold-anomalous targets on the east side with associated gold-bearing quartz veins. The three principal targets include the Loma Arthur vein system and Cerro Chato, which hosts gold-rich veins and silicified breccias (news releases April 1, 2008 and February 24, 2009), and the Southwest target. During the 2012-2013 season, exploration focused on the western part of the property where gold and pathfinder element geochemical anomalies defined several new gold-anomalous targets. Ground magnetic and IP geophysical survey coverage was expanded over the western zone, and identified coincident structural and gold-anomalous dome-hosted mineralization.

Claudia Property, Argentina

The large Claudia Property (of approximately 129,000 hectares) comprises exploration cateos located in the south-central part of Santa Cruz Province, beginning at the property boundary of, and extending for approximately 30 km to the south of AngloGold Ashanti's Cerro Vanguardia gold-silver mine. The Company has identified five discrete zones of mineralized quartz veins: Rio Seco in the east, and Laguna Blanca, Ailen, Curahue and Curahue West all located in the western part of the property.

Exploration for the financial year 2014

Exploration for the reporting period was focused on the Rio Seco and Curahue prospects and includes:

- Extending and infill of the IP electrical geophysics.
- New detailed ground magnetic surveys to cover extension of the mineralized trends
- Detailed volcanic facies mapping
- Rock chip geochemistry

The Curahue prospects was significantly expanded by this program and can now be traced in trenching, surface geochemistry and electrical geophysics intermittently for approximate 14 kilometre strike length. These exploration results are being analysed for drill target selection. However it is evident from results to date that the Curahue represents an extensive new gold silver bearing vein system that has that has not been previously drill tested.

Result from the Rio Seco new geophysics and geology have provided context for the results from the 2012 – 13 drilling a trenching program showing strong resistive features at depth or adjacent to the better anomalous gold silver intersections. This new data is being analysed in conjunction with previous information to identify follow-up drill targets.

Mirasol is seeking a JV partner to advance exploration of this project.

Summary of previous Mirasol exploration at Claudia

Initial reconnaissance assay results at Rio Seco from systematic channel sampling returned values reaching 3.28 g/t Au with 15.33 g/t Ag over 1.7 m, and individual vein results up to 14.2 g/t Au with 229 g/t Ag over 0.7 m were obtained in the "J vein" sector of the Rio Seco Zone (news releases August 3, 2006, November 1, 2007, January 8, 2009, and June 1, 2009).

Mirasol signed a joint venture agreement with Hochschild Mining Group in February 2007, which completed 3,871 m of core drilling by December 2007, and 3,011 m of RC drilling in December 2008. Drilling was designed to test both outcropping Cerro Vanguardia-style quartz veins and covered geophysical targets. Although multiple mineralized targets were intersected, on April 7, 2009 Hochschild elected to return 100% of the property to the Company.

The Company's 2011-2012 exploration at Claudia focused on four separate prospects: Laguna Blanca, Ailen, the 15-km Curahue Trend, and the Rio Seco vein zone. At Rio Seco, Mirasol completed geological mapping, rock chip sampling, excavation of more than 53 trenches, a 10.7 sq-km gradient-array IP geophysical survey, and 11.1 line-km of pole-dipole IP geophysics (news release March 5, 2012). Rock chip assays returned up to 20.1 g/t Au and 34 g/t Ag, and saw-cut channel and trench sample composites returned 0.7 m at 13.9 g/t Au and 229 g/t Ag, and 10.5 m of 1.9 g/t Au and 22 g/t Ag from mineralized zones. A geophysical survey at the Curahue prospect (news release April 18, 2012) defined a 10 km-long zone which hosts cobbles of epithermal mineralization in an alluvial terrace that partially covers the zone, and which returned assays up to 2.0 g/t Au and 213.0 g/t Ag. Trenching in this zone returned assays up to 0.9 m at 4.7 g/t Au with 120.0 g/t Ag from veins in bedrock, and up to 26 m at 0.45 g/t Au and 1.9 g/t Ag from a veinlet zone.

In 2012-2013, the Curahue trend was extended and new veins were discovered at Curahue West.

A 25 hole, 2,599 m diamond drill campaign was carried out at the Rio Seco Zone in May 2012, targeting gold plus silver anomalies exposed in shallow trenches and found in vein outcrop and float material (news release March 4, 2013). Nine of the 25 diamond drill holes returned anomalous gold and silver assays; the better results included individual assays of up to 0.83 m at 6.59 g/t Au and 139.3 g/t Ag (9.12 g/t gold-equivalent) and broad intersections of anomalous gold and silver up to 15.3 m of 0.29 g/t Au and 50.9 g/t Ag. The majority of the anomalous drill results are clustered around the structural intersection of the "Loma Alta Trend" and the "Rio Seco Main" veins.

Subsequently, a Phase 2 trenching program was completed in 2013 at Rio Seco totalling 1,216 m in 31 trenches (news release March 4, 2013). Trenching successfully extended the Loma Alta vein trend for an additional 900 m to the west, for 3 km total length, and returned assays of up to 6.9 g/t Au and up to 448 g/t Ag.

Other Properties

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

Mirasol's Results of Operations

For the Year Ended June 30, 2014 as compared to the Year Ended June 30, 2013

The Company's net loss for the year ended June 30, 2014 ("Current Year") was $12,233,625 or $0.28 per share (Basic and Diluted) compared to a net income of $33,157,809 or $0.76 per share (Basic and Diluted) for the year ended June 30, 2013 ("Comparative Year").

The net income during the Comparative Year was largely attributable to the gain recorded on the sale of the Company's Joaquin Project. In December 2012, the Company reached an agreement with Coeur for the sale of its 49% interest in the Joaquin Project, executed through the sale of its Argentine subsidiary which held the interest in the Project, for $59,652,000 (US $60,000,000). The proceeds, netted against the transaction costs and working capital deficiency of the Company's subsidiary disposed of, for a total of $661,454, resulted in an accounting gain of $58,990,546 during the year ended June 30, 2013.

Other than the recognition of an accounting gain described above, the Company incurred a net loss of $25,832,737 in the Comparative Year compared to $12,233,625 in the Current Year from its operations, a reduction in loss of $13,599,112.

The higher loss from operations in the Comparative Year is primarily attributable to the change in the fair value of Coeur's common shares held by the Company. Aside from cash payment of $29,826,015, of which $994,200 was deferred, Coeur paid for the remaining purchase price of $29,825,985 via issuance of 1,310,043 shares of its common stock to the Company. The fair value of these shares, during the period between December 2012 and June 2013, decreased significantly which resulted in the recognition of an accounting loss of $12,664,608 during the Comparative Year. In comparison, during the Current Year, the Company sold 223,000 of such shares for cash and recorded the realized and unrealized loss in the market value of the shares held by the Company of $5,565,812, resulting in a decrease in overall loss in the Current Year by $7,098,796. As at June 30, 2014, the Company owned 1,087,043 common shares of Coeur. In addition, the Company's exploration expenditures were lower in the Current Year by $1,630,132 (2014 - $6,712,452; 2013 - $8,342,584), as described above.

The Company's management fees expense also decreased in the Current Year by $1,187,435 (2014 - $669,674; 2013 - $1,857,109). During the Comparative Year, the Company issued shares of its common stock pursuant to its share bonus plan to certain members of the Company's management for significant contributions in the discovery of a deposit of more than 500,000 gold equivalent ounces at the Joaquin Project. The Company issued 500,000 shares valued at $2.05 per share resulting in additional costs of $1,025,000, recorded as management fees, of which $768,750 represented the value of the common shares issued to related parties. The Company also accrued $630,720 (US $600,000) as cash bonus compensation to management. During the Current Year, the Company paid $469,541 (US $432,000) as a settlement payment for termination of services to the former CEO of the Company, offsetting the higher management fees in the Comparative Year described above.

The Company incurred lower share-based payments expense ($11,886 in the Current Year compared to $1,065,617 in the Comparative Year) as a result of fewer incentive stock options granted during the year ended June 30, 2014.

The lower loss from operations in the Current Year as a result of the above was offset by lower foreign exchange gain of $863,453 compared to $2,955,515 during the year ended June 30, 2013, a difference of $2,092,062. The lower foreign exchange gain is attributable to the steadying of the US dollar relative to the Canadian dollar during the Current Year compared to the period from

December 2012 to June 2013 in the Comparative Year, when the Company first received significant amount of US dollars from the sale of its interest in the Joaquin Project. The US dollar exchange rate moved from $0.9942 to $1.0512 Canadian dollars during the period from December 21, 2012 to June 30, 2013 compared to the exchange rate movement from 1.0512 at June 30, 2013 to 1.0676 on June 30, 2014. The Company also spent more funds for its marketing and business developments efforts during the Current Year. Shareholder information increased to $282,340 from $152,037 in the Comparative Year, a change of $130,303. Business development costs, consisting of evaluation of corporate opportunities, were $126,366 in the Current Year with no similar costs in the Comparative Year.

During the Current Year, the Company recorded an income tax recovery of $828,380 as a result of an update to the Company's estimate of the refund for taxes paid on the income earned during the Comparative Year and also due to its application to carry-back the Current Year capital and non-capital losses. During the year ended June 30, 2013, the Company had estimated an income tax expense of $4,123,309.

All other costs remained consistent with those incurred during the year ended June 30, 2013.

For the Three Months Ended June 30, 2014 as compared to the Three Months Ended June 30, 2013

The Company's net loss for the three month period ended June 30, 2014 ("Current Quarter") was $3,013,516 or $0.07 per share compared to a net loss of $9,934,313 or $0.22 per share for the three month period ended June 30, 2013 ("Comparative Quarter"), an overall decrease in loss of $6,920,797.

The decrease in loss was primarily attributable to the change in market value of Coeur's common shares acquired by the Company in conjunction with the sale of its 49% interest in the Joaquin Project on December 21, 2012. The total loss in the fair value of the 1,310,043 common shares of Coeur initially acquired was $7,397,468 during the Comparative Quarter. During the Current Year, the Company sold 223,000 of such shares and recorded a realized and unrealized loss in the market value of the common shares of Coeur in the Current Quarter of $189,190, resulting in the reduction of the overall loss by $7,208,278. Also, the Company's exploration strategy during the Current Quarter involved a reduced focus on its Argentine properties which resulted in lower exploration costs. Exploration costs incurred during the Current Quarter were $1,807,651 compared to $2,992,907 during the three months ended June 30, 2013, a decrease of $1,185,256.

The Company's management fees were lower during the Current Quarter by $178,794 (2014 - $500,069; 2013 - $678,863). During the Comparative Quarter, the Company recorded an additional bonus to senior management of $630,720. The settlement payment for termination of services of the former CEO in the Current Quarter of $469,541 offset the higher cost in the Comparative Quarter. The Company also recorded an additional share-based payments expense of $679,718 primarily attributable to the estimated fair value of the 980,000 incentive stock options granted during the Comparative Quarter.

The decrease in the overall loss described above was offset by foreign exchange loss of $978,830 during the Current Quarter compared to a foreign exchange gain of $1,447,724 in the Comparative Quarter, a change of $2,426,554. The foreign exchange movement during the quarters was a function of the change in the value of the US dollar relative to the Canadian dollar, thereby changing the value of the Company's US denominated assets. The US dollar exchange rate moved from 1.1027 to 1.0676 Canadian dollars during the Current Quarter (a loss of 0.0351 Canadian dollars) compared to the exchange rate movement from 1.0167 to 1.0512 during the Comparative Quarter (a gain of 0.0345 Canadian dollars).

During the Current Quarter, the Company recorded an income tax recovery of $802,428 as a result of its application to carry-back the capital and non-capital losses incurred during the Current Year to offset against the taxes paid on the income earned during the year ended June 30, 2013. During the Comparative Quarter, the Company had revised its estimated income tax liability and recorded a tax recovery of $576,691.

All other costs remained consistent with those incurred during the three months ended June 30, 2013.

Selected Annual Information and Summary of Quarterly Results

The following table sets out selected annual financial information of the Company and is derived from the Company's consolidated financial statements for the years ended June 30, 2014, 2013 and 2012.

		2014		2013		2012
Sales	$	-	$	-	$	-
Income (loss) for the Year	$	(12,233,625)	$	33,157,809	$	(16,142,997)
Earnings (loss) per Share - Basic	$	(0.28)	$	0.76	$	(0.40)
Earnings (loss) per Share - Diluted	$	(0.28)	$	0.76	$	(0.40)
Total Assets	$	33,924,535	$	51,712,505	$	10,888,209
Total Long-term Liabilities	$	-	$	-	$	-
Dividends Declared	$	NIL	$	NIL	$	NIL

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

Period	Revenues $	Income (Loss) from Continued Operations $	Basic Income (Loss) per Share from Continued Operations $	Diluted Income (Loss) per Share from Continued Operations $
4th Quarter 2014	Nil	(3,013,516)	(0.07)	(0.07)
3rd Quarter 2014	Nil	(2,505,598)	(0.06)	(0.06)
2nd Quarter 2014	Nil	(2,270,222)	(0.05)	(0.05)
1st Quarter 2014	Nil	(4,444,289)	(0.10)	(0.10)
4th Quarter 2013	Nil	(9,934,313)	(0.22)	(0.22)
3rd Quarter 2013	Nil	(7,453,050)	(0.17)	(0.17)
2nd Quarter 2013	Nil	52,371,426	1.22	1.20
1st Quarter 2013	Nil	(1,826,254)	(0.04)	(0.04)

The Company's annual and quarterly results will vary primarily in accordance with the Company's exploration activities. To finance its operations, the Company also grants incentive stock options to its directors, management, employees, and consultants, which will also cause variation in the Company's results from period to period. The movement in the value of the US dollar relative to the Canadian dollar could also have a significant impact on the Company's results from one period to the next.

The significantly higher losses during the 3rd and 4th quarter of the financial year 2013 pertain to the decrease in the market value of the Company's investment in the common shares of Coeur. The Company's net income during the 2nd quarter of the financial year 2013 was as a result of the sale of its Joaquin Project as described above.

Please also see above for detailed discussion comparing the Company's results in the Current Year and Current Quarter to the Comparative Year and Comparative Quarter, respectively.

Liquidity

During the financial year 2013 the Company raised approximately $30 million from the sale of its interest in the Joaquin Project. The Company's intention is to utilize the funds to continue with its exploration activities and other administrative matters, which the Company has continued with during the financial year 2014, as described above.

The Company's net working capital as at June 30, 2014 was $30,486,145 compared to a net working capital of $42,656,280 at June 30, 2013. The cash and short-term investment and current receivable and advances balance at June 30, 2014 were $20,298,497 compared to $30,398,215 at June 30, 2013. As at June 30, 2014 current liabilities were $465,991 compared to $6,057,594 at June 30, 2013. The main use of cash during the Current Year was for the Company's exploration activities and the net payment of income taxes of $4,097,357.

On October 17, 2014, the Company has 44,245,661 shares issued and outstanding. The Company also has 3,182,800 incentive stock options with a weighted average exercise price of $3.03, which if exercised, would allow the Company to raise approximately $9.65 million.

On October 17, 2014, the Company holds a total of 1,087,043 shares of common stock of Coeur. These shares are traded on the NYSE at US $4.78 for a fair value of US $5.2 million, which could potentially result in additional cash flows for the Company should the Company choose to sell such shares. As at June 30, 2014, these shares were being traded at US $9.18 per share. The fair value of such shares has therefore declined by approximately 48% resulting in a potential loss for the Company in the event of any planned sale of such shares of approximately US $4.8 million during the period from June 30, 2014 to the date of this MD&A.

Investing Activities

During the year ended June 30, 2014, the Company collected $961,413 initially held back by Coeur from the purchase consideration from sale of the Company's Joaquin Project during the financial year 2013. As a result of the sale of 223,000 common shares of Coeur, the Company received $2,460,146 in cash. The Company redeemed short-term investments of $116,472 and expended $36,855 for purchase of equipment and software. The Company also received interest from its funds held in banks of $85,822 during the Current Year.

During the year ended June 30, 2013, the Company received $28,831,815 from sale of its 49% interest in the Joaquin Project. Other investing activities consisted of the purchase of surface rights overlaying its Virginia project in Argentina and the purchase of mineral rights overlaying the Atlas property in Chile for a total cash outlay of $208,212, funds invested in short-term deposits of $415,928 and also purchase of exploration equipment of 25,462. The Company received interest from its funds held in banks of $34,047.

Financing Activities

During the year ended June 30, 2014, the Company's outstanding 2,200,000 warrants expired unexercised. The Company collected $22,500 upon exercise of 90,000 incentive stock options.

During the year ended June 30, 2013, the Company received cash proceeds of $504,750 from the exercise of 955,000 incentive stock options. The Company also issued 500,000 shares of its common stock as a discovery bonus to management, including certain directors, under its share bonus plan.

Capital Resources

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 mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

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.

With working capital of $30,486,145, the Company believes it has sufficient funds to meet its administrative, corporate development and discretionary exploration activities over the next twelve months. Actual funding requirements may vary from those planned due to a number of factors. The Company believes it will be able to raise equity capital as required in the long term but recognizes there will be risks involved that may be beyond its control.

Off-Balance Sheet Arrangements

The Company has no significant off-balance sheet arrangements.

Transactions with Related Parties

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

Compensation of key management personnel

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

The remuneration of the CEO, VP Exploration, Exploration Manager, and the independent directors was as follows:

	Year Ended June 30 2014		Year Ended June 30 2013
Management compensation (i)	$	1,063,335	$	414,403
Management bonus		-		630,720
Share bonus		-		768,750
Share-based payments		-		522,586
Director's fees		25,022		2,000
	$	1,088,357	$	2,338,459

(i) During the year ended June 30, 2014, the Company paid $469,541 (US$432,000) being the full settlement payment for the Transition and Settlement Agreement with the former CEO. The vice president of exploration assumed the responsibilities of the CEO effective May 1, 2014.

Ongoing contractual remuneration during the Current Year, included within management compensation is as follows: former CEO: $200,133; new CEO: $231,785; Exploration Manager: $161,876.

The Company has an arrangement whereby the independent directors of the Company are paid $1,000 per month.

Transactions with other related parties

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

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

Related Party	Relation	Nature of transactions
Miller Thomson	Corporate Secretary is a Partner	Legal advice
Avisar Chartered Accountants	CFO is a Partner	Financial reporting compliance
Chase Management Ltd.	Director is the President	Consulting services
Global Ore Discovery	VP Exploration / CEO is a Director	Exploration consulting

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

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

	Year Ended June 30 2014	2013
Legal fees	$ 162,950	$ 188,240
Accounting fees	96,000	96,000
Professional fees	18,000	-
Other operating expenses	2,135	-
Exploration costs and project management fees	809,877	961,672
	$ 1,088,962	$ 1,245,912

Included in accounts payable and accrued liabilities at June 30, 2014 is an amount of $258,492 (June 30, 2013 - $655,046) owing to directors and officers of the Company and to companies where the directors and officers are principals.

Significant Accounting Policies

The details of the Company's accounting policies are presented in Note 3 of the Company's consolidated financial statements for the year ended June 30, 2014. 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.

Exploration and Evaluation Assets

The Company capitalizes the direct costs of acquiring mineral property interests. 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, in which case subsequent exploration and development costs are capitalized. Exploration costs include value-added taxes because the recoverability of these amounts is uncertain.

Recent Accounting Pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC.

The Company adopted the following new standards effective July 1, 2013:

a) IFRS 7, Financial Instruments: Disclosures, was amended to enhance disclosure requirements related to offsetting of financial assets and financial liabilities. The amendment of this standard did not have a significant impact on the Company.

b) IFRS 10, Consolidated Financial Statements, replaced IAS 27, Consolidated and Separate Financial Statements, and requires all controlled entities to be consolidated based on a single control model, whereby control is defined as the exposure to, or having rights to, returns from its involvement in its investee, and the ability to affect those returns through this power over the investee. The standard also provides additional guidance to assist in the determination of control where this is difficult to assess. The Company conducted a review of all of its subsidiaries and determined that the adoption of IFRS 10 did not result in any change in the consolidation status of any of its subsidiaries.

c) IFRS 11, Joint Arrangements, replaced the existing IAS 31, Joint Ventures and provides for the accounting of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The Standard also eliminates the option to account for jointly controlled entities using the proportionate consolidation method. The Company does not have any joint arrangements and as a result the adoption of IFRS 11 did not have any impact on the consolidated financial statements of the Company.

d) IFRS 12, Disclosure of Interests in Other Entities, provides certain disclosure requirements about subsidiaries, joint ventures and associates, as well as unconsolidated structured entities and replaced existing disclosure requirements. The key features are the requirement to disclose judgements and assumptions made when deciding how to classify involvement with another entity, interest that non-controlling entities have in consolidated entities and the nature of the risks associated with interests in other entities. The adoption of IFRS 12 resulted in incremental disclosure in Note 3 to the consolidated financial statements of the Company for the year ended June 30, 2014.

e) IFRS 13, Fair Value Measurement, establishes a single source of guidance for fair value measurements, when fair value is permitted by IFRS. The standard does not affect when fair value is used, it just describes how to measure fair value. The standard provides a single framework for measuring fair value, while requiring enhanced disclosures when fair value is applied, establishes the definition of fair value as the “exit price” and clarifies that the concepts of highest and best use and valuation premise are relevant only for non-financial assets and liabilities. The standard did not have any impact on the Company’s statement of financial position. Any specific disclosure requirements are addressed in the consolidated financial statements of the Company for the year ended June 30, 2014.

f) IAS 1, Presentation of Items of Other Comprehensive Income (“OCI”) (“IAS 1”), was revised to change the disclosure of items presented in OCI, including a requirement to separate items presented in OCI into two groups based on whether or not they may be recycled to profit or loss in the future. The adoption of IAS 1 affects the presentation of the Company’s statement of comprehensive (income) loss.

g) IAS 27, Separate Financial Statements, was amended as a result of IFRS 10, IFRS 11, and IFRS 12. IAS27 deals solely with separate financial statements, and has had no impact on the consolidated financial statements of the Company.

h) IAS 28, Investments in Associates and Joint Ventures, has been amended and provides accounting and disclosure guidance for investments in associates and joint ventures. The Company does not have any investment in associates and as a result the adoption of the standard did not have any impact on the consolidated financial statements of the Company.

The following new standards and amendments to standards have been issued but are not effective during the year ended June 30, 2014:

a) IFRS 7, Financial Instruments: Disclosures, will be amended to require additional disclosures on transition from IAS 39 and IFRS 9, and is effective for annual periods beginning on or after January 1, 2015. The Company is currently evaluating the impact of the amendment.

b) IFRS 9, Financial Instruments: Classification and Measurement, is the first part of a new standard on classification and measurement of financial assets that will replace IAS 39. IFRS 9 has two measurement categories: depreciated cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at depreciated cost only if the entity is holding the instrument to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is recorded at fair value through profit or loss. This standard will be effective for annual periods beginning on or after January 1, 2018. The Company is currently evaluating the impact of this standard.

c) IAS 32, Financial Instruments: Presentation, updates the application guidance to clarify some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position. This is effective for annual periods beginning on or after January 1, 2014. The Standard is not expected to have a significant impact on the Company.

d) IFRIC 21, Levies, sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when should a liability be recognized. The standard is effective for annual periods beginning on or after January 1, 2014, with early application permitted. The Company is not currently subjected to significant levies and therefore expects that the impact from the adoption of the Standard will not be material.

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:

(i) Impairment of exploration and evaluation assets: The net carrying value of each mineral license 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 licenses' value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the licenses' acquisition, development or cost of holding; whether exploration activities produced results that are not promising such that no more 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 licenses. As at June 30, 2014, the Company has concluded that impairment conditions do not exist.

(ii) Valuation of share purchase options and warrants: The Company provides compensation benefits to its employees, directors and officers through a stock option plan. The Company also grants warrants in conjunction with private placements and as compensation for debt financing arrangements. The fair value of each option award is estimated on the date of the grant using the Black-Scholes option pricing model. Expected volatility is based on historical volatility of the Company's share price. The Company uses historical data to estimate option exercises and forfeiture rates with 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 comprehensive (income) loss. All estimates used in the model are based on historical data which may not be representative of future results.

(iii) Income taxes: The Company is subject to income taxes in numerous jurisdictions. Uncertainties exist with respect to interpretations of tax regulations. The Company recognizes it current tax payable/refundable based on its interpretations of tax regulations which may differ from the interpretations of the tax authorities. Such differing interpretations may impact the Company's current income tax payable/refundable.

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 be recognized.

(iv) 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 judgement based on analysis of relevant criteria. The functional currency of the Company and its subsidiaries was determined by conducting an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates ("IAS 21").

Financial Instruments

The Company's financial instruments as at June 30, 2014 consist of cash and cash equivalents, receivable, investments (recorded at fair value using publicly available data), and accounts payable and accrued liabilities. The fair value of cash and cash equivalents, receivable, and accounts payable and accrued liabilities 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.

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, 2014, 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	15,658,206	131,276	829,161	10,616,497
Receivables and advances	-	-	2,270,900	-
Accounts payable and accrued liabilities	(43,309)	(210,402)	(3,220,742)	(8,011,572)

Based on the above net exposures as at June 30, 2014, 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 $1,667,046 and $7,965, 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 $1,585 and $503, 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 is held through large financial institutions. The Company's receivables consist of Goods and Services tax due from the Federal Government. Management believes that credit risk concentration with respect to receivables is remote.

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, 2014, the Company's financial liabilities consist of accounts payable and accrued liabilities totalling $465,991. All of the Company's obligations are expected to be paid within 90 days. 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 short-term investments included in cash is limited because these investments are generally held to maturity. The applicable rates of interest on such investments range between 1.40% and 1.65%.

v. Price risk

The Company is exposed to equity securities price risk because of investments held by the Company and classified on the statement of financial position as "fair value through profit or loss" and also to the price risk with respect to commodity prices.

The Company does not typically invest in equity securities and the maximum exposure to the price risk is represented by the changing fair value of such investments. Assuming all variables remain constant, a 10% increase/decrease in the quoted market price of the

Company's investments would result in an increase/decrease in the Company's income of approximately US$997,905.

The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Capital Management

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

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

In order to maximize ongoing development efforts, the Company does not pay out dividends.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments with maturities of six months or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations. The Company does not invest in commercial paper. The Company is not subject to externally imposed capital requirements.

Additional Disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning Mirasol's operating expenses and exploration and evaluation costs is provided in the Company's audited consolidated statements of (income) loss and comprehensive (income) loss and in Note 9 of the audited consolidated financial statements for the year ended June 30, 2014 that is available on Mirasol's website at www.mirasolresources.com or on its SEDAR company page accessed through www.sedar.com.

Approval

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

Additional Information

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