MIRASOL RESOURCES LTD.

(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2010 and 2009

Canadian Funds

DAVIDSON & COMPANY LLP Chartered Accountants A Partnership of Incorporated Professionals

AUDITORS' REPORT

To the Shareholders of
Mirasol Resources Ltd.

We have audited the consolidated balance sheets of Mirasol Resources Ltd. as at June 30, 2010 and 2009 and the consolidated statements of loss, comprehensive loss and deficit, cash flows and schedules of resources property exploration costs for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada Chartered Accountants

October 25, 2010

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Mirasol Resources Ltd.
(An Exploration Stage Company)

Statement 1

Consolidated Balance Sheets

As at June 30
Canadian Funds

ASSETS		2010		2009
Current				
Cash	**$**	**5,147,280**	$	3,653,477
Receivables and advances *(Note 10)*		**57,331**		48,497
		5,204,611		3,701,974
Equipment *(Note 8)*		**40,344**		55,025
Resource property acquisition costs, *Schedule (Note 9)*		**78,333**		78,333
	$	**5,323,288**	$	3,835,332

LIABILITIES				
Current				
Accounts payable and accrued liabilities *(Note 10)*	**$**	**161,180**	$	160,691
		161,180		160,691
SHAREHOLDERS' EQUITY				
Share Capital *(Note 11)*				
Authorized:				
Unlimited common shares without par value				
Issued and fully paid *(Note 11a)*		**14,171,636**		11,246,301
Contributed surplus *(Note 11c)*		**2,259,578**		1,469,648
		16,431,214		12,715,949
Deficit - *Statement 2*		**(11,269,106)**		(9,041,308)
		5,162,108		3,674,641
	$	**5,323,288**	$	3,835,332

Nature of Business *(Note 1)*
Commitments *(Note 14)*
Subsequent Events *(Note 15)*

On Behalf of the Board:

" Mary L. Little ", Director

" Nick DeMare ", Director

- See accompanying notes to the consolidated financial statements -

Mirasol Resources Ltd. Statement 2

(An Exploration Stage Company)

Consolidated Statements of Loss, Comprehensive Loss and Deficit

For the Years Ended June 30

Canadian Funds

		2010		2009
Operating Expenses				
Exploration costs, net – Schedule	$	**1,459,581**	$	1,513,848
Office and miscellaneous		**233,025**		159,208
Management fees		**210,758**		199,075
Professional fees		**107,657**		111,423
Travel		**78,574**		41,950
Shareholder information		**42,662**		25,544
Listing and filing fees		**24,681**		17,390
Amortization		**1,582**		7,301
Stock-based compensation		**-**		215,408
		2,158,520		2,291,147
Other Items				
Foreign exchange (gain) loss		**67,276**		(180,951)
Interest and bank charges, net		**2,002**		(61,478)
		69,278		(242,429)
Loss and Comprehensive Loss for the Year		**(2,227,798)**		(2,048,718)
Deficit - Beginning of Year		**(9,041,308)**		(6,992,590)
Deficit - End of Year	$	**(11,269,106)**	$	(9,041,308)
Loss per Share – Basic and Diluted	$	**(0.07)**	$	(0.07)
Weighted Average Number of Shares Outstanding		**31,062,011**		29,258,181

- See accompanying notes to the consolidated financial statements -

Mirasol Resources Ltd.

Statement 3

(An Exploration Stage Company)

Consolidated Statements of Cash Flow

For the Years Ended June 30

Canadian Funds

		2010		2009
Operating Activities				
Loss for the year	$	(2,227,798)	$	(2,048,718)
Items not affecting cash:				
Stock-based compensation		-		215,408
Amortization		1,582		7,301
Amortization included in exploration expenses		15,822		20,664
Changes in non-cash working capital items:				
Receivables and advances		(8,834)		9,601
Accounts payable and accrued liabilities		489		(43,005)
Cash used in operating activities		(2,218,739)		(1,838,749)
Investing Activities				
Purchase of equipment		(2,723)		(3,534)
Cash used in investing activities		(2,723)		(3,534)
Financing Activities				
Share capital issued, net of issuance costs		3,715,265		-
Cash provided by financing activities		3,715,265		-
Change in Cash		1,493,803		(1,842,283)
Cash - beginning of year		3,653,477		5,495,760
Cash - End of Year	$	5,147,280	$	3,653,477

Supplemental Schedule of Non-Cash Financing Transactions:				
Fair value of private placement warrants	$	909,128	$	-
Fair value of finder fee warrants	$	202,384	$	-
Fair value of warrants exercised	$	14,419	$	-
Fair value of options exercised	$	307,163	$	-

There was no cash paid for interest or income taxes for the years ended June 30, 2010 and 2009.

Mirasol Resources Ltd. Schedule

(An Exploration Stage Company)

Consolidated Schedules of Resource Property Exploration Costs

For the Years Ended June 30

Canadian Funds

	2010	2009
Properties:		
Claudia		
Consultants and salary	**$ 15,789**	$ 44,440
Camp and general	**49**	-
Travel	**173**	2,911
Option payment received	**-**	(106,950)
	16,011	(59,599)
Joaquin		
Consultants and salary	**343,563**	22,300
Camp and general	**96,917**	198
Travel	**34,864**	2,193
Mining rights and fees	**4,049**	8
Assays and sampling	**537**	10
Option payment received	**(78,331)**	(93,761)
	401,599	(69,052)
La Curva		
Consultants and salary	**31,637**	152,017
Camp and general	**11,417**	133,727
Travel	**2,577**	10,049
Mining rights and fees	**440**	2,864
Assays and sampling	**-**	28,643
	46,071	327,300
La Libanesa		
Consultants and salary	**31,636**	130,540
Camp and general	**34,327**	94,893
Travel	**2,294**	6,929
Mining rights and fees	**661**	2,209
Assays and sampling	**-**	6,960
	68,918	241,531
Nico		
Consultants and salary	**25,043**	9,415
Camp and general	**5,785**	5,738
Travel	**1,483**	185
Mining rights and fees	**305**	318
Assays and sampling	**-**	172
Option payment received	**-**	(62,225)
	32,616	(46,397)
Rubi		
Consultants and salary	**23,233**	-
Camp and general	**2,924**	11,809
Travel	**2,426**	315
Mining rights and fees	**106,013**	28,523
Assays and sampling	**10,548**	7,978
	145,144	48,625
Balance Carried forward	$ **710,359**	$ 442,408

- See accompanying notes to the consolidated financial statements -

Mirasol Resources Ltd.
(An Exploration Stage Company)

Consolidated Schedules of Resource Property Exploration Costs

For the Years Ended June 30
Canadian Funds

	2010	2009
Properties continued		
Balances forward	$ 710,359	$ 442,408
Sascha		
Consultants and salary	108,698	29,941
Camp and general	88,852	7,153
Travel	3,230	7
Mining rights and fees	2,020	4
Assays and sampling	690	-
	203,490	37,105
Santa Rita		
Consultants and salary	26,542	35,723
Camp and general	8,694	1,449
	35,236	37,172
Virginia		
Consultants and salary	51,832	-
Camp and general	12,582	-
Travel	1,632	-
Assays and sampling	6,031	-
	72,077	-
Other Projects	171,730	385,132
General & administrative	109,471	-
Generative exploration	157,218	612,031
Total Costs for the Year	$ 1,459,581	$ 1,513,848

- See accompanying notes to the consolidated financial statements -

1. Nature of Business

Mirasol Resources Ltd. ("Mirasol") (the "Company") engages primarily in acquiring and exploring mineral properties, principally located in Argentina and Chile, 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 mineral interests. The recovery of the Company's investment in mineral properties is dependent on the discovery of economically recoverable reserves, and 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 mineral properties. Also, the Company will have to raise additional funds for future corporate and administrative expenses and to undertake further exploration and development of its mineral properties. While the Company has been successful in the past at raising funds, there can be no assurance that it will be able to do so in the future.

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2. Significant Accounting Policies

a) Basis of Consolidation

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the accounts of the Company and its wholly owned subsidiaries, Mirasol Argentina S.R.L, Minera Del Sol S.A. and Minera Mirasol Chile Limitada. Inter-company balances have been eliminated upon consolidation.

b) Cash

For purposes of reporting cash flows, the Company considers cash to include amounts held in banks and highly liquid investments with maturities at point of purchase of 90 days or less. The Company places its cash with institutions of high credit worthiness.

c) Equipment

Equipment is valued at cost less accumulated amortization. The Company provides for amortization for equipment using the declining balance method at a rate of 30% for exploration equipment and 30% for computer equipment and applies only one-half of the applicable rate in the year of acquisition.

d) Income Taxes

The Company accounts for income taxes using the asset and liability method. Future taxes are recognized for the tax consequences of "temporary differences" by applying enacted or substantively enacted statutory tax rates applicable to future years on differences between the financial statement carrying amounts and tax basis of existing assets and liabilities. The effect on future taxes for a change in tax rates is recognized in income during the period that includes the date of enactment or substantive enactment. In addition, the method requires the recognition of future tax benefits to the extent that realization of such benefits is more likely than not.

e) **Earnings (Loss) per Share**

Basic earnings (loss) per share is computed by dividing income (loss) attributable 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 earnings per share. The dilutive effect of convertible securities is reflected in 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 diluted earnings per share by application of the treasury stock method.

f) **Management's Estimates**

The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reported periods. Actual results could differ from those estimates.

g) **Foreign Currency Translation**

The foreign currency-denominated activities of the Company are translated into Canadian dollars under the temporal method as follows:

- Monetary assets and liabilities at year-end rates;
- Non-monetary assets and liabilities at historical rates;
- Income and expense items at the average rate of exchange prevailing during the year.

Exchange gains and losses are recognized in the period they are incurred.

h) **Stock-Based Compensation**

Stock-based awards made to employees and non-employees are measured and recognized using a fair value based method. Accordingly, the fair value of the options at the measurement date is accrued and charged to operations over the vesting period, with the offsetting credit to contributed surplus. If and when the stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital.

i) **Asset Retirement Obligations**

"Asset Retirement Obligations" requires recognition of a legal liability for obligations relating to retirement of property, plant and equipment, and arising from the acquisition, construction, development, or normal operation of those assets. Such asset retirement costs must be recognized at fair value, when a reasonable estimate of fair value can be estimated, in the period in which it is incurred, added to the carrying value of the asset, and amortized into income on a systematic basis over its useful life.

As at June 30, 2010 the Company does not have any asset retirement obligations.

j) **Acquisition and Exploration Costs**

Exploration costs are expensed as incurred as the Company is in the process of exploring its mineral tenements and has not yet determined whether these properties contain ore reserves that are economically recoverable. If and when the Company's management determines that economically extractable proven or probable mineral reserves have been established, the subsequent costs incurred to develop such property, including costs to further delineate the ore body will be capitalized.

The Company continues to capitalize its acquisition costs related to its mineral properties. Any option payments received are credited to the cost of the property with the resulting net amount included in the exploration costs expensed on the income statement.

k) **Financial Instruments**

Financial assets and financial liabilities, including derivatives, are recognized on the balance sheet when the Company becomes a party to contractual provisions of the financial instrument or a derivative contract. All financial instruments are measured at fair value on initial recognition except for certain related party transactions. Measurement in subsequent periods depends on whether the financial instrument has been classified as held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other liabilities.

Financial assets and financial liabilities held-for-trading are measured at fair value with gains and losses recognized in the Company's loss for the period. Financial assets held-to-maturity, loans and receivables and financial liabilities, other than those held-for-trading, are measured at amortized cost using the effective interest method of amortization. Available-for-sale financial assets are measured at fair value with unrealized gains and losses including changes in foreign exchange rates being recognized in other comprehensive income ("OCI") upon adoption.

Derivative instruments are recorded on the balance sheet at fair value including those derivatives that are embedded in financial instruments or other contracts but are not closely related to the host financial instrument or contract, respectively. Changes in the fair values of derivative instruments are recognized in the Company's loss for the period.

The Company has designated each of its significant categories of financial instruments as follows:

Cash	Held-for-trading
Receivables and advances	Loans and receivables
Accounts payable and accrued liabilities	Other financial liabilities

Amendment to Financial Instruments – Disclosures

CICA Handbook Section 3862, Financial Instruments – Disclosures and Section 3863, Financial Instruments Presentation were amended to place increased emphasis on disclosure about the nature and the extent of risks arising from financial instruments and how the entity manages those risks. Disclosure is also required about the inputs used in making fair value measurements, including their classification within a hierarchy that prioritizes their significance. 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 observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The Company has adopted these amendments for the fiscal year ended June 30, 2010 and the additional required disclosures are included in Note 5.

l) **Comparative Figures**

Certain comparative amounts have been reclassified to conform to the current period's presentation.

3. Changes in Accounting Policy

a) **Credit risk and fair value of financial assets and financial liabilities**

Effective July 1, 2009, the Company adopted EIC-173 "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities." This guidance clarified that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities including derivative instruments. The Company has evaluated the new section and determined that adoption of these new requirements has had no impact on the Company's consolidated financial statements.

b) **Mining Exploration Costs**

Effective July 1, 2009, the Company adopted EIC-174 "Mining Exploration Costs." This guidance clarified that an entity that has initially capitalized exploration costs has an obligation in the current and subsequent accounting periods to test such costs for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. The Company has evaluated the new section and determined that adoption of these new requirements has had no impact on the Company's consolidated financial statements.

c) **Goodwill and intangible assets**

Effective July 1, 2009 the Company adopted the CICA handbook section 3064, "Goodwill and Intangible Assets", which replaces CICA HB Section 3062, "Goodwill and Intangible Assets," CICA HB Section 3450, "Research and Development Costs," amendments to Accounting Guideline (AcG) 11, "Enterprises in the Development Stage," EIC-27, "Revenues and Expenditures during the Pre-operating Period" and CICA HB Section 1000, "Financial Statement Concepts." The standard reduces the differences with International Financial Reporting Standards ("IFRS") in the accounting for intangible assets and results in closer alignment with U.S. GAAP. The objectives of Section 3064 are to reinforce the principle-based approach to the recognition of assets only in accordance with the definition of an asset and the criteria for asset recognition; and clarify the application of the concept of matching revenues and expenses such that the current practice of recognizing assets that do not meet the definition and recognition criteria are eliminated. The standard also provides guidance for the recognition of internally developed intangible assets (including research and development activities), ensuring consistent treatment of all intangible assets, whether separately acquired or internally developed. The Company has evaluated the new section and determined that adoption of these new requirements has had no impact on the Company's consolidated financial statements.

4. Recent Accounting Pronouncements Not Yet Adopted

a) International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canadian GAAP. This date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. For the Company, the transition date will be July 1, 2011 and this will require the restatement for comparative purposes of amounts reported by the Company for the year ended June 30, 2011. The Company is currently assessing the financial reporting impact of the transition to IFRS and the changeover date.

b) Business combinations

In January 2009, the CICA issued Handbook section 1582, "Business Combinations", which establishes new standards for accounting for business combinations. This is effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Early adoption is permitted. The Company will be adopting this policy effective July 1, 2010. This adoption is not expected to have an impact on the Company's financial position, earnings or cash flows.

c) Non-Controlling Interest

In January 2009, the CICA issued Handbook section 1602, "Non-controlling Interests", to provide guidance on accounting for non-controlling interests subsequent to a business combination. The section is effective for fiscal years beginning on or after January 2011. Early adoption is permitted. The Company will be adopting this policy effective July 1, 2010. This adoption is not expected to have an impact on the Company's financial position, earnings or cash flows.

d) Consolidated Financial Statements

In January 2009, the CICA issued Handbook section 1601, "Consolidated Financial Statements", to provide guidance on the preparation of consolidated financial statements. The section is effective for fiscal years beginning on or after January 1, 2011. The Company will be adopting this policy effective July 1, 2010. This adoption is not expected to have an impact on the Company's financial position, earnings or cash flows.

e) Comprehensive Revaluation of Assets and Liabilities

In August 2009, the CICA amended Handbook Section 1625, "Comprehensive Revaluation of Assets and Liabilities" to be consistent with Sections 1582, 1601 and 1602, which were issued in January 2009. The amendments apply prospectively to comprehensive revaluations of assets and liabilities occurring in fiscal years beginning on or after January 1, 2011. Early adoption is permitted. The Company will be adopting this policy effective July 1, 2010. This adoption is not expected to have an impact on the Company's financial position, earnings or cash flows.

5. Fair Value of Financial Instruments

The Company's financial instruments consist of cash, receivables and advances and accounts payable and accrued liabilities. Cash is carried at fair value using a level 1 fair value measurement. The fair value of receivables and advances and accounts payable and accrued liabilities approximates their carrying value due to their short-term maturity or capacity of prompt liquidation. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from the financial instruments. See note 7 for management's assessment of risks.

The Company holds cash balances and incurs payables that are denominated in the Canadian Dollar, the US Dollar, the Argentine Peso and the Chilean Peso. These balances are subject to fluctuations in the exchange rate between the Canadian Dollar, and the US Dollar and the Argentine and Chilean Peso, resulting in currency gains or losses for the Company.

6. 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 mineral properties 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 shareholders' 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. 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. The annual and updated budgets are approved by the Board of Directors.

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 90 days 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.

7. 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.

Sensitivity analysis

The Company's financial instruments consist of cash, receivables and advances, and accounts payable and accrued liabilities.

The Company has classified its cash as held-for-trading, and is measured at fair value. Receivables and advances are designated as loans and receivables and are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost.

As at June 30, 2010, the carrying amount of accounts receivable and advances and accounts payable and accrued liabilities equals fair market value. Based on management's knowledge and experience of the financial markets, the Company believes the following movements are reasonably possible over a twelve month period:

- The Company is exposed to interest rate risk as bank accounts earn interest income at variable rates. The income earned on these accounts is subject to the movements in interest rates. The cash proceeds from the Company's financing activities are invested in term deposits which are readily convertible to known amounts of cash and not exposed to a risk of loss in value.
- Price risk is remote since the Company is currently not a producing entity.

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 Canadian dollars and Argentine and Chilean Pesos. A significant change in the currency exchange rates between the US 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, 2010, the Company is exposed to currency risk through the following assets and liabilities denominated in US dollars and Argentine and Chilean Pesos:

June 30, 2010	US Dollars	Argentine Peso	Chilean Peso
Cash and cash equivalents	2,300,975	506,845	4,438,982
Accounts receivable	16,000	99,791	435,520
Accounts payable and accrued liabilities	(1,004)	(325,293)	(7,229,694)

Based on the above net exposures as at June 30, 2010, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the US dollar would result in an increase/decrease of $242,806 in the Company's net earnings. Likewise, a 10% depreciation or appreciation of the Canadian dollar against the Argentine and Chile Peso would result in an increase/decrease of $7,506 and $468, respectively in the Company's net earnings.

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 Canadian financial institutions. The Company's receivables consist of goods & services tax due from the Federal Government of Canada.

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, 2010 the Company was holding cash and cash equivalents of $5,147,280 to settle current liabilities of $161,180. Management believes it has sufficient funds to meet its current obligations as they become due.

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.

Commodity price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

8. Equipment

		Cost 2010		Accumulated Amortization 2010		Net Book Value As at June 30, 2010
Exploration Equipment	$	117,341	$	78,707	$	38,634
Computer Hardware		14,256		12,546		1,710
	$	131,597	$	91,253	$	40,344

		Cost 2009		Accumulated Amortization 2009		Net Book Value As at June 30, 2009
Exploration Equipment	$	116,228	$	61,876	$	54,352
Computer Hardware		12,646		11,973		673
	$	128,874	$	73,849	$	55,025

9. Resource Property Costs

Cumulative resource expenditures per project under active exploration are as follows

	Capitalized Acquisition Costs	Exploration Costs	**Balance as at 30 June 2010**	Balance as at 30 June 2009
Sascha Property, Argentina	$ -	$ 446,446	$ **446,446**	$ 371,104
Nico Property, Argentina	8,532	299,594	**308,126**	292,644
Claudia Property, Argentina	-	38,866	**38,866**	22,855
Joaquin Property, Argentina	-	276,197	**276,197**	(73,166)
Santa Rita Property, Argentina	-	(57,098)	**(57,098)**	(92,334)
Virginia Property, Argentina	-	72,077	**72,077**	-
Espejo Property, Argentina	-	201,508	**201,508**	232,854
La Curva Property, Argentina	-	613,482	**613,482**	590,155
La Libanesa Property, Argentina	-	573,622	**573,622**	576,790
Playa Grande Property, Argentina	-	257,579	**257,579**	257,579
Morito Property, Argentina	-	-	-	169,694
Pajaro, Veloz and Los Loros Properties, Argentina	69,801	2,117	**71,918**	71,918
	$ 78,333	$ 2,724,390	$ **2,802,723**	$ 2,420,093

a) **Sascha and Joaquin Properties**

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

The Company signed an option agreement with Coeur d'Alene Mines ("Coeur") for the exploration of its 100%-owned Sascha and Joaquin gold-silver projects in Santa Cruz Province, southern Argentina. The option agreement provides for an agreement to give Coeur the option to earn an initial 51% in both projects by expending a total of US$8,000,000 in exploration over four years. In October 2008, Coeur terminated its option on the Sascha property and returned the property to Mirasol. As such, the total earn-in on both properties must reach US$6 million in order to vest at 51% interest. After earn-in, Coeur may elect to fund a bankable feasibility study to increase its interest to 61%, at which point Mirasol may elect to maintain a participatory 39% interest or request Coeur to increase its interest to 71% by providing mine financing at commercial terms to Mirasol.

Coeur will operate the exploration programs with collaboration from Mirasol. During the 2010 fiscal year an option payment of $78,331 (US$75,000) (2009 - $93,761 (US$100,000)) was received from Coeur pertaining to the Joaquin property. For the Joaquin project, Exploration Costs are net of joint venture payments received. In October 2008, Coeur terminated its option on the Sascha property and returned the property to Mirasol.

b) **Claudia and Santa Rita Properties**

The Company owns a 100% interest in the Claudia and Santa Rita properties 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.

c) **Nico Property**

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

On February 12, 2009, the Company signed an exploration option agreement with Coeur for the exploration of its 100%-owned Nico gold-silver project in Santa Cruz Province, southern Argentina. The option agreement provides for an agreement to give Coeur the option to earn an initial 55% in the project by expending a total of US$2,300,000 in exploration over four years. US$250,000 of these exploration expenditures will be made in the first year. On February 13, 2009, a payment of $62,225 (US$50,000) was received upon the signing of this agreement. Coeur returned the Nico property to Mirasol in January 2010 in order to focus efforts on the Joaquin joint venture.

d) **Espejo, La Libanesa and La Curva Properties**

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

e) **Pajaro, Veloz and Los Loros Property**

The Company acquired 100% of the rights to three exploration properties, Pajaro, Los Loros and Veloz, in Santa Cruz Province, Argentina. During 2008, 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.

10. Related Party Transactions

Except as noted elsewhere in these financial statements, related party transactions are as follows:

a) Included in accounts payable and accrued liabilities at June 30, 2010 is an amount of $18,536 (2009 - $13,832) owing to directors and officers of the Company. The amount was incurred in the ordinary course of business. The amount is unsecured, non-interest bearing and has no specific terms of repayment. Repayment is expected within the next fiscal year and therefore has been classified as a current liability in these financial statements. As at June 30, 2010, $10,427 (2009 - $Nil) was advanced to an officer of the Company for expenses incurred on behalf of the Company and is included in receivables and advances.

b) The following represents the details of related party transactions paid or accrued during the year ended June 30:

		2010		2009
Consulting fees paid to a company where an officer of the Company is a principal	**$**	**414,163**	$	281,908

The consulting fees have been included in exploration costs $350,852 (2009 - $225,946) and in management fees $63,311 (2009 - $55,962).

11. Share Capital

a) Details of share capital are as follows:

Authorized:
Unlimited common shares without par value

	Shares		Amount
Issued and allotted:			
Balance – June 30, 2008 and June 30, 2009	29,258,181	$	11,246,301
Shares issued for private placement	2,800,000		3,500,000
Share issuance costs	-		(256,935)
Fair value of private placement warrants	-		(909,128)
Fair value of finder fee warrants	-		(202,384)
Exercise of options	1,167,500		447,750
Exercise of warrants	16,300		24,450
Fair value of options exercised	-		307,163
Fair value of warrants exercised	-		14,419
Balance – June 30, 2010	**33,241,981**	**$**	**14,171,636**

b) On December 22, 2009 the Company completed a non-brokered private placement with the issuance of 2,800,000 units at a price of $1.25 per unit for gross proceeds of $3.5 million. Each unit consists of one common share and one-half common share purchase warrant. One whole warrant will entitle the holder to purchase a common share of the Company for 24 months from the closing date at a price of $1.50 per share for the first 12 months and $1.75 thereafter. The Company allocated $2,590,872 to the common shares and $909,128 to the share purchase warrants based upon the relative fair values.

The Company paid finder's fees of $208,800 equal to 6% of the value of 2,784,000 units, and issued 222,720 broker warrants, with a fair value of $202,384 and exercisable at $1.50 per share, as finder's fees.

The warrants fair values were based on the following assumptions:

	Warrants
Expected dividend yield	0.00%
Expected stock price volatility	145.98%
Risk-free interest rate	1.31%
Expected life of warrants	2 years

c) Details of contributed surplus:

		June 30, 2010		June 30, 2009
Balance – beginning of year	**$**	**1,469,648**	$	1,254,240
Fair value of stock-based compensation		**-**		215,408
Fair value of private placement warrants		**909,128**		-
Fair value of finder fee warrants		**202,384**		-
Fair value of options exercised		**(307,163)**		-
Fair value of warrants exercised		**(14,419)**		-
Balance – end of year	**$**	**2,259,578**	$	1,469,648

d) 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 cannot be less than the "Discounted Market Price" as defined in the policies of the Exchange. Options begin vesting on the grant date based on a schedule outlined in the share purchase option plan.

A summary of the Company's options, which includes options issued under the Company's stock option plan and agent's options at June 30, 2010 and 2009 and the changes for the year are as follows:

	Number of Options	Weighted Average Exercise Price
Options outstanding at June 30, 2008	2,657,000	$0.54
Granted	470,000	$0.25
Cancelled	(186,000)	$0.55
Options outstanding at June 30, 2009	2,941,000	$0.49
Exercised	(1,167,500)	$0.38
Cancelled	(50,000)	$0.65
Options outstanding at June 30, 2010	1,723,500	$0.56
Options vested as at June 30, 2010	1,723,500	$0.56

At June 30, 2010, the following stock options are outstanding:

Expiry date	Exercise Price	Options Outstanding	Options Exercisable
March 28, 2011	$0.50	86,000	86,000
May 9, 2011	$0.70	455,000	455,000
February 28, 2013	$0.63	797,500	797,500
May 21, 2014	$0.25	385,000	385,000
	$0.56	1,723,500	1,723,500

e) Warrants

A summary of the Company's share purchase warrants and broker warrants at June 30, 2010 and 2009 and the changes for the year are as follows:

	Warrants Outstanding	Weighted Average Exercise Price
Warrants outstanding at June 30, 2008	2,000,000	$1.50
Expired	(2,000,000)	$1.50
Warrants outstanding at June 30, 2009	-	-
Granted – private placement warrants *	1,400,000	$1.50
Granted – broker warrants	222,720	$1.50
Exercised	(16,300)	$1.50
Balance at June 30, 2010	1,606,420	$1.50

* These warrants are exercisable at $1.50 for the first 12 months from closing of the private placement and exercisable at $1.75 thereafter.

During the year ended June, 2010, the Company had 16,300 warrants exercised for total proceeds of $24,450.

f) Share Bonus Plan

The Company has established a share bonus plan for senior management. The Company can issue 500,000 shares for each 500,000 ounces of gold or gold equivalent of "Indicated Mineral Resource", as defined in National Instrument 43-101, up to 1,000,000 shares in total under the plan on any property in which the Company has an interest that is not less than 20%.

12. Income Taxes

a) Income tax expense differs from the amount that would result from applying the federal income tax rate to earnings before income taxes. These differences result from the following items:

	2010	2009
Loss before income taxes	**$ (2,227,798)**	$ (2,048,718)
Federal and provincial statutory income tax rates	**29.25%**	30.25%
Income tax recovery based on the above rates	**(651,631)**	(619,737)
Increase (decrease) due to:		
Non-deductible expenses	**156,267**	154,318
Difference between Canadian and foreign tax rates	**(2,051)**	(25,935)
Loss and temporary differences for which no tax benefit has been recorded	**500,063**	467,308
Foreign exchange and other	**(2,648)**	24,046
Income tax expense (recovery)	**-**	-

b) The components of future income tax assets are as follows:

	2010	2009
Future income tax assets		
Non-capital losses	**$ 1,214,195**	$ 858,910
Resource properties	**1,495,169**	1,349,953
Other	**171,657**	112,065
Total future tax assets	**2,881,021**	2,320,928
Valuation allowance	**(2,881,021)**	(2,320,928)
Net future income tax asset	**-**	-

The Company has non-capital loss carry-forwards of approximately $4,070,063 that may be available for tax purposes. The loss carry-forwards are principally in respect of Canadian and Argentinean operations and expire as follows:

2011	$ 4,189
2012	2,599
2013	369,148
2014	208,030
2015	392,146
2026	1,139,503
2027	661,467
2028	409,303
2029	-
2030	645,237
No expiry	238,441
	$ 4,070,063

A full valuation allowance has been recorded against the net potential future income tax assets associated with all the loss carry-forwards and certain other deductible temporary differences as their utilization is not considered more likely than not at this time.

13. Segmented Information

Details on a geographical basis are as follows:

As at June 30		**2010**		2009
Total Assets				
Canada	**$**	**5,034,786**	$	3,536,036
Argentina		**276,651**		276,715
Chile		**11,851**		22,581
Total	**$**	**5,323,288**	$	3,835,332

As at June 30		**2010**		2009
Property, Plant and Equipment				
Canada	**$**	**1,710**	$	673
Argentina		**36,468**		51,363
Chile		**2,166**		2,989
Total	**$**	**40,344**	$	55,025

As at June 30		**2010**		2009
Resource Properties				
Canada	**$**	**-**	$	-
Argentina		**78,333**		78,333
Chile		**-**		-
Total	**$**	**78,333**	$	78,333

For the Years Ended June 30		**2010**		2009
Net Income (Loss)				
Canada	**$**	**(617,917)**	$	(641,537)
Argentina		**(1,411,809)**		(1,096,519)
Chile		**(198,072)**		(310,662)
Total	**$**	**(2,227,798)**	$	(2,048,718)

14. Commitments

The Company has co-signed an operating lease agreement, commencing on November 1, 2007 to October 31, 2011. The total minimum lease payments are $2,862 per month and $34,344 per annum. The Company's proportionate share of the minimum lease payments is $1,431 per month and $17,172 per annum.

15. Subsequent Events

Subsequent to June 30, 2010

a) The Company has cancelled its previous operating lease agreement and has signed a new operating lease agreement, commencing on October 1, 2010 to October 31, 2011. The total minimum lease payments are $900 per month and $10,800 per annum.

b) The Company granted 1,000,000 incentive stock options to certain directors, officers, employees and consultants. The options are exercisable at $2.90 per common share for a period of five years from the date of grant.

c) The Company issued 25,000 common shares on the exercise of options for gross proceeds of $15,750.

d) The Company issued 571,708 common shares on the exercise of warrants for gross proceeds of $857,562.

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

Introduction

Prepared September 30, 2010 for the year ended June 30, 2010. All dollar amounts referenced, unless otherwise indicated, are expressed in Canadian funds.

The following discussion of the Company's financial condition and results of operations should be read in conjunction with its annual audited consolidated financial statements and related notes for the year ended June 30, 2010. This section contains forward-looking statements that involve risks and uncertainties. The Company's actual results may differ materially from those discussed in forward-looking statements as a result of various factors, including those described under "Forward-Looking Information".

Forward-Looking Information

This management discussion and analysis ("MD&A") contains certain forward-looking statements and information relating to Mirasol Resources Ltd. ("Mirasol" or the "Company") that are based on the beliefs of its management as well as assumptions made by and information currently available to Mirasol. 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, regulatory compliance, the sufficiency of current working capital, 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. Aside from factors identified in the annual MD&A, additional important factors, if any, are identified here.

Overview

Mirasol Resources Ltd. (TSXV-MRZ) is a precious metals exploration and development company focused on discovery and acquisition of new, high-potential metals deposits in the Americas. Mirasol Argentina SRL and Minera Del Sol SA, the Company's subsidiaries in Argentina, and Minera Mirasol Chile Limitada, the Company's subsidiary in Chile, currently hold 100% of the rights, or applications in progress, of twenty-two exploration properties in the Patagonia region of southern Argentina and in northern Chile. The Company offers shareholders access to growth from the early stages, a portfolio of 100%-owned high quality projects in various stages of exploration, and a focus on emerging regions with high potential for discovery.

Current Highlights

On October 18, 2010, the Company announced results from Phase 5 drilling at its 100% owned Joaquin project, including hole DDJ-100 at the La Morocha prospect. This is the deepest, widest and highest silver grade hole drilled at La Morocha, and the third best hole at Joaquin property to date based on interval-grade thicknesses.

Complete results from the remainder of Phase 5 are pending. Upon the completion of Phase 5 drilling, Mirasol's joint venture partner, Coeur d'Alene Mines commenced infill drilling at the La Negra prospect.

On September 15, 2010, the Company announced results from newly discovered veins at the Virginia silver prospect. Mapping and sampling were completed for the 2009-2010 season. Drilling permits are being obtained and the first round of drilling is expected to begin during the southern hemisphere summer.

On August 10, 2010, the Company announced the results from Phase 4 diamond drilling and the results of the first four holes of Phase 5 at its 100% owned Joaquin project. New results expand the La Negra prospect's silver-gold mineralized corridor and enhance other silver-gold targets.

On July 22, 2010, the Company announced results from Phase 4 of drilling at its 100% owned Joaquin project. In late May, Mirasol's joint venture partner, Coeur d'Alene Mines initiated an exploration program that includes a Phase 5 drilling program and an exploration program. Coeur d'Alene Mines Corporation has budgeted US$3.3 million in exploration at Joaquin in 2010.

On June 7, 2010, the Company announced high-grade silver results at the Ely, Margarita and Naty Veins, Virginia Vein Zone. Preliminary results have identified soil covered extensions of outcropping high-grade silver veins. Current results increase the total length of veins and potential drill targets at the zone.

On April 14, 2010, Mirasol launched an updated web page which profiles exploration projects and project generation activities.

On April 13, 2010, the Company announced the results of 14 infill channels averaging 855 gram per tonne (g/t) silver at the Julia Vein, Virginia Vein Zone. Combined with the previously announced 44 channels from the Julia Vein (March 4, 2010) there are now 58 channel composites with an average grade of 805 g/t silver and an average minimum true width of 1.76 metres along the vein's greater than 2,000 metre strike length.

On March 17, 2010, the Company announced the start of a fourth phase drilling at its 100% owned Joaquin project. Mirasol's joint venture partner, Coeur d'Alene Mines, recently announced plans to spend US $3.3 million during 2010 in step-out drilling and further exploration at Joaquin. The Company also reported final results for the third phase of drilling at Joaquin, completed in late November, 2009. Total metres drilled at the Joaquin project to the end of phase three were 8,611 metres in 63 diamond drill holes.

On March 4, 2010, the Company announced that systematic sawn-channel sampling has returned high-grade silver values that significantly exceed previously reported average results for the Julia Vein at the Virginia Vein Zone. Best individual result from this round of sampling are 0.7 metres at 4,070 grams per ton (g/t) silver, and the best length weighted average result of 3.74 m at 1,592 g/t silver. These results confirm that the Virginia Vein Zone is rapidly developing into an important high-grade silver project.

On February 16, 2010, the Company announced high-grade silver assays ranging up to 3,170 g/t from rock chip sampling of additional veins discovered at the Virginia zone. Ongoing mapping and sampling continues to identify new veining while expanding the size of the mineralized zone at this 100% owned project.

On January 11, 2010, the Company announced additional encouraging results from the third phase of drilling from the La Negra and La Morocha prospects at the Joaquin property, and the discovery of new outcropping silver zones surrounding La Negra.

On January 6, 2010, the Company announced the discovery of a new high-grade silver vein, the Julia vein, part of the Virginia vein zone located on a 100% owned mineral property. The Julia vein was discovered while following up alteration and structural targets during November 2009.

On December 22, 2009, the Company announced it closed a non-brokered private placement consisting of 2,800,000 units at a price of $1.25 per unit for the gross proceeds of $3.5 million. Each unit consisted of one common share and one-half of a share purchase warrant. One whole warrant entitles the holder to purchase an additional common share of the Company at a price of $1.50 per share for the first year, and $1.75 per share for the second year. The Company paid finder's fees equal to 6% of the value of the units, and issued brokerage warrants equal to 8% of the number of units sold entitling the holder to purchase one common share for a period of two years at a price of $1.50 per share. All securities are subject to a four-month hold.

On November 24, 2009, the Company announced partial results from the third phase of drilling at the La Negra zone at the Joaquin project. These results include the highest grade silver intercept drilled to date, hole DDJ-43, at the property.

Activities on Mineral Projects

Activities during the year ended June 30, 2010 were focused on exploration activities on the Company's gold-silver prospects and acquisition evaluations in Santa Cruz Province, Argentina.

As of June 30, 2010, through its subsidiaries, the Company held 20 cateos (mineral exploration concessions) and other applications in progress in Santa Cruz Province. Mirasol identified, staked and holds a 100% interest in all of its prospects.

The Company intends to carry out "grass-roots" exploration for gold and silver properties in Argentina, Chile, and elsewhere in Latin America, to advance such properties through further exploration in order to bring the properties to a stage where the Company can attract the participation of a major resource company which has the expertise and financial capability to take such properties to commercial production. At present, Mirasol has a joint venture with Coeur d'Alene Mines at the Joaquin Project in Santa Cruz Province, Argentina.

As part of its exploration and new project generation strategy, Mirasol plans to joint venture a number of exploration-stage properties during the 2011 fiscal year.

Generative Exploration

Generative exploration is a key strategy employed by Mirasol for identifying and acquiring new prospects. To identify and capitalize on a good quality prospect, experienced professionals are needed to ensure the right opportunity is taken at the right time. Costs of generative exploration are those costs not attributable to a specific Mirasol project. When Mirasol defines a project as a distinct exploration target, it is then accounted for as a separate project. Generative exploration costs totaled $157,218 for the year ended June 30, 2010, down from $660,656 incurred for the same period in 2009. Exploration activities in Chile and Argentina are managed from the Company's Mendoza, Argentina exploration office. The majority of costs associated with generative exploration were for salaried employees, consulting and contractors, travel, camp and general and administrative costs.

Mirasol controls the mineral rights to twenty properties in Santa Cruz Province, Argentina. The Joaquin property is under joint venture to Coeur d'Alene Mines. Mirasol plans to offer the following properties for joint venture in 2011: Libanesa, Espejo, Claudia, Sascha, Playa Grande in Argentina, and the Rubi property in Chile. Other properties will also be considered for joint ventures.

Joaquin Property

The Joaquin Property is located in the central part of Santa Cruz Province and comprises exploration "*cateos*" and "*manifestaciones de descubrimiento*". The Joaquin Project is part of the 2006 Coeur joint venture; they are the project operator and are responsible to fund exploration and drilling. Initially, a total of four mineralized zones were identified by Mirasol geologists, including the La Morocha, La Negra, La Morena and the Joaquin Main gold-silver vein and breccia targets. Mirasol believes it has made a significant silver-gold discovery at the Joaquin property.

During2010 , Coeur completed approximately 8,000 metres of diamond drilling at Joaquin. Three prospects, La Negra, La Morocha and La Morena were tested.

Phase 1 drilling at La Negra returned high grade silver and gold assays from a 1.1 to 2.8 metre wide, steeply- dipping banded epithermal vein and mineralized wall rock. Assay results from the La Negra vein-breccia, calculated at a 60 g/t silver cut off, include 2.6 metres of 375.9 g/t Ag and 2.07 g/t Au, and 2.8 metres of 476.6 g/t Ag and 2.39 g/t Au. Phase 1 drilling confirmed that the La Morocha structure is continuously mineralized over a 300 metre strike length, and down dip to a depth of 110 metres below surface. Initially, five holes drilled in the La Morocha structure returned between 15.8 and 42 metre wide intercepts of silver mineralization, with hole DDJ-15 returning two mineralized intervals each over 20 metres wide.

A second phase of diamond drilling, totaling 2,066.8 metres at Joaquin, was completed during June 2009 and results were presented in press releases on July 13 and July 23, 2009. DDJ- 38 included a 7.45 metre intercept grading 703 g/t silver with 0.13 g/t gold credit, and the mineralized zone .

Phase three drilling was initiated in October 2009 and assays from five holes were released on November 24, 2009. Best down hole intersections returned from this round of results at a 20 g/t silver equivalent cut-off are: from DDJ-37, 32.2 metres of 164 g/t silver and 0.08 g/t gold, including 4.7 metres of 767 g/t silver and 0.27 g/t gold; from DDJ-39, 43.3 metres of 119 g/t silver and 0.11 g/t gold, including 0.9 metres of 1,939 g/t silver and 0.62 g/t gold; and from DDJ-43, 25.4 metres of 1,164 g/t silver and 0.21 g/t gold including a high grade interval of 3.3 metres of 7,753 g/t silver and 1.17 g/t gold, hosted in a sulfide vein structure. DDJ-43 assays are the highest assay results to date at the Joaquin property.

Additional results confirmed in DDJ-58 the high grade extension to DDJ-43 at La Negra. Assays included 17.3 metres of 1,979 g/t silver and 0.29 g/t gold. Additional detailed information is available on Mirasol's website www.mirasolresources.com.

Drilling at La Negra has confirmed continuity for 700 metres of strike length and to depth of at least 100 metres at both La Negra and La Morocha targets.

Expenses during the year ended June 30, 2010 were $479,930 which included $343,563 for consultants and salaries, $96,917 for camp and general and $34,864 for travel. The Company received an option payment during the year of $78,331 (US$75,000) for the Coeur Joint Venture.

Santa Rita Property- Virginia Zone

During the second quarter a new high grade, silver-dominant vein zone was discovered at the Santa Rita property, named the Virginia zone. On January 6, 2010, the Company reported initial results from 30 chip samples taken over a two kilometre length of the Julia vein sector. The average silver grade of the initial 30 chip samples was 645 g/t silver. Exploration is ongoing and on February 16, 2010, Mirasol reported assays ranging up to 3,170 g/t silver from rock chip sampling of veins discovered surrounding the Julia vein, which brings the length of total exposed veins to more than four kilometres.

Sawn channel samples (March 4, 2010) from the Julia vein returned higher silver values yet from 44 channels, and final results of all 58 Julia vein channels averaged 805 g/t Ag. Ground geophysical surveys, including ground magnetic and gradient array IP, have been initiated in tandem with district scale exploration.

Additional press releases in May and June, 2010, confirmed significant silver values from additional veins parallel to the Julia vein called the Ely, Naty, Margarita and Roxane veins. Outlying veins were discovered east of the principal vein zone. The Virginia discovery now has more than 9 kilometres of vein length exposed or interpreted to exist.

The Santa Rita property comprises "*manifestaciones de descubrimiento*" and exploration "*cateos*", located in the northern sector of the Deseado Massif volcanic terrane.

During the year ended June 30, 2010 expenses for the Santa Rita Property and the Virginia Zone totaled $107,313 which included $78,374 for consultants and salaries, $21,276 for camp and general, $6,031 for assays and sampling expenses, and $1,632 for travel.

Sascha Property

The Sascha Project hosts a gold and silver mineralized epithermal quartz vein system of low-sulphidation style which comprises four cateos and two M.D.s ("*manifestaciones de descubrimiento")*. The Sascha Project was initially included in the Coeur joint venture. Coeur initiated drilling in March 2007 and completed 19 diamond drill holes totaling approximately 2500 metres. Results from additional diamond drilling completed in October 2008 tested the northwest extension of the Sascha Main mineralized vein zone.

Results were deemed by Coeur not sufficiently encouraging to merit additional work, and the property was returned to Mirasol on October 31, 2008. All environmental reclamation requirements have been completed.

In the second quarter, the Company's geologists mapped, compiled and interpreted all drilling results and have defined a number of new prospective drill targets at Sascha. The project is available for joint venture.

During the year ended June 30, 2010, the Company incurred costs of $203,490 which included consultants and salaries of $108,698, camp and general costs of $88,852 and travel costs of $3,230. As at June 30, 2010, total cumulative costs of exploration by Mirasol, apart from Coeur's expenditures, on the Sascha property were $446,446.

Nico Property

The Nico property was initially staked in 2004 and expanded in 2005 and 2006. The mineral property is held as "*manifestaciones de descubrimiento*". The property is located 40 km north of Coeur d'Alene Mines' ("Coeur") Martha silver mine, adjacent to a provincial highway. The central mineralized zone at Nico hosts a north-south trend of quartz veinlets and breccia and exhibits a silver-gold-polymetallic signature. During the 2007-2008 seasons a prospect-scale ground magnetic survey and gradient array IP geophysical survey were completed over key targets. New geophysical interpretation identified a felsic dome field. The Nico main mineralized zone extends as a traceable geophysical structure for 2.5 km in length.

On February 12, 2009, the Company signed an exploration option agreement with Coeur for the exploration of the Nico gold-silver project with Coeur as the project operator. The option agreement provided Coeur the option to earn an initial 55% in the project by expending a total of US$2,300,000 in exploration over four years and making cash payments totaling US$ 250,000. Additional details of the agreement were published on February 12, 2009. On February 13, 2009, a payment of $62,225 (US$50,000) was received upon the signing of the agreement.

Coeur drilled eleven shallow diamond holes in late 2009 at the Nico Main target. Coeur reported best results of 8.23 metres containing 0.43 g/t gold and 27 grams silver, including 1.25 metres of 2.21 g/t gold and 200 g/t silver in DDH-11. Coeur returned the Nico property to Mirasol in January 2010. Nico hosts multiple targets and will be made available for joint venture.

Expenditures incurred for the year ended June 30, 2010 totaled $32,616, which included $25,043 for consultants and salaries, $5,785 for camp and general and $1,483 for travel expenses.

Claudia Property

The Claudia Property comprises exploration concessions ("*cateos*") totaling approximately 120,000 hectares located in the central part of Santa Cruz Province, beginning at the limit with, and for approximately 30 km south of Anglogold Ashanti's producing Cerro Vanguardia gold-silver mine. Initial exploration mapping of the La Claudia and Claudia II cateos identified several zones of veins and veinlets hosted within silicified rhyolite and rhyodacite tuff units. Sampling returned anomalous gold and silver assays from three discrete zones. Assay results from a systematic channel sampling program returned values reaching 3.28 g/t gold with 15.33 g/t silver over 1.7 metres, and individual vein results up to 14.2 g/t Au with 229 g/t Ag over 0.7 metres were obtained in the "J vein" sector. (Further news of the Claudia Project was published in a news release dated 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. Hochschild initiated Stage 1 drilling at the Claudia Project and completed 3,871 metres of core drilling in December 2007. In December, 2008, Hochschild completed 3,011 metres of reverse circulation drilling. Both campaigns were designed to test outcropping Cerro Vanguardia-style veins and covered geophysical targets. Although multiple mineralized targets were intersected, on April 7, 2009 Hochschild elected to terminate the joint venture. Data synthesis and results show five principal exploration areas, three of which have received minimal exploration and all are considered highly prospective and remain underexplored.

Key bonanza gold-silver targets at the Rio Seco zone have not been drill tested, among others. Mirasol intends to seek a joint venture partner for the Claudia project in 2010.

Expenses during the year ended June 30, 2010 totaled $16,011 which mainly consisted of $15,789 for consultants and salaries.

Espejo Property

The Espejo property was staked in April 2006 and adjoins Panamerican Silver's Manantial Espejo silver-gold mine. Exploration work includes remote sensing (satellite image) interpretation, ground magnetic survey, gradient array IP geophysical survey, and geochemical sampling which define multiple coincident resistive and conductive geophysical anomalies on strike with the principal vein structures under development at the Manantial Espejo mine. The Espejo property will be offered for joint venture this year.

Additional exploration cateos were staked in 2008 which expand the property to the south (news release June 26, 2008). There were no expenses incurred during the year ended June 30, 2010.

La Curva Property

Mirasol's exploration at La Curva continued during the quarter. Surface mapping, geophysical surveys and systematic geochemical sampling define two gold-anomalous targets with associated auriferous (gold-bearing) quartz veins. The two principal targets include the Loma Arthur vein-dome system and, Cerro Chato, which hosts gold-rich veins and silicified breccias, and additional targets exist on the property. The dome-vein setting is seen elsewhere in productive mining districts. The La Curva property covers 169.5 square kilometres of prospective Jurassic-age volcanic units and older basement rocks which are partly covered by a thin veneer of younger gravels. (See news releases of April 1, 2008 and February 24, 2009)

Expenses during the year ended June 30, 2010 totaled $46,071, which included $31,637 for consultants and salaries, $11,417 for camp and general and $2,577 in travel costs.

La Libanesa Property

The La Libanesa property hosts a hydrothermal breccia hill, "Cerro Plomo", which contains high grade lead-silver-gold anomalies. Cerro Plomo is hosted in a unique rhombic structural block and is associated with radial dikes and peripheral gold-bearing veins. La Libanesa was staked in 2006 and the property was expanded to five cateos during 2007, Trenching, geochemical sampling, mapping, an MMI (Mobile Metal Ion) geochemical survey have been completed with a regional interpretation of La Libanesa's unique geological setting. . In Q2 2010, an AMT ground geophysical survey identified a strong resistive feature near Cerro Plomo. The MMI soil survey identified an extended area reaching at least 400 metres east and west of Cerro Plomo which show highly elevated base metals with silver and gold anomalies. (News release dated February 24, 2009). Gold-silver bearing quartz vein material has been mapped which forms a radial distribution around Cerro Plomo. The property is currently available for joint venture.

Expenses during the year ended June 30, 2010 totaled $68,918, which included $34,327 for camp and general costs, $31,636 for consultants and salaries and $2,294 for travel expenses.

Rubi Property, Chile

The Rubi copper property in northern Chile, covering 12,900 hectares, is strategically located 22 km southwest of El Salvador, one of Chile's giant porphyry-copper producing districts, operated by Codelco, the Chilean state mining company. The Rubi property, was staked in December 2006 and increased in 2008, and is located in the Eocene-Oligocene metallogenic belt, which hosts some of the world's largest porphyry-copper deposits. During 2008, Mirasol consolidated its mineral land position at Rubi and conducted additional detailed mapping, sampling and re-interpretation of the area's geology. An altered and leached lithocap returned copper and gold anomalies in surface and stream sediment samples and indicate the potential for a porphyry copper (gold) system to exist. (news release dated June 12, 2007). The Rubi property is currently being offered for joint venture.

Expenses during the year ended June 30, 210 totaled $145,144, which primarily consisted of $106,013 for mining rights and fees and $23,233 for consultants and salaries and $10,548 for assay and sampling costs.

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, 2010 as compared to the Year Ended June 30, 2009

The Company's net loss for the year ended June 30, 2010 was $2,227,798 or $0.07 per share compared to a net loss of $2,048,718 or $0.07 per share for prior year, an increase of $179,080.

Total operating expenses for the year ended June 30, 2010 were $2,158,520 compared to $2,291,147 for the prior year, a decrease of $132,627. The decrease in costs is primarily due to a decrease in stock-based compensation expense ($Nil compared to $215,408) due to fewer options vesting and a decrease in exploration costs ($1,459,581 compared to $1,513,848).

Office and miscellaneous expenses increased ($233,025 compared to $158,208) primarily due to expanded marketing efforts, travel costs increased ($78,574 compared to $41,950), shareholder information costs increased ($42,662 compared to $25,544) due to increased attendance at mining and investor conferences, and management fees increased ($210,758 compared to $199,075) due to increased exploration activity.

For the Three Months Ended June 30, 2010 as compared to the Three Months Ended June 30, 2009

Net Loss and Operating Expenses

The Company's net loss for the quarter ended June 30, 2010 was $661,197 compared to a net loss of $666,780 for the comparative period in 2009, a decrease of $5,583.

Operating expenses were higher in the quarter ended June 30, 2010 at $758,039 compared with $594,379 in 2009, an increase of $163,660. The increase in costs is primarily due to an increase in exploration costs ($537,028 compared to $344,755) and consultants and contractor expenses ($45,831 compared to $20,584) and travel expenses ($33,211 compared to $14,354) due to increased exploration activity.

Selected Annual Information

The following table sets out selected annual financial information of the Company and is derived from the Company's audited consolidated financial statements for the years ended June 30, 2010, 2009 and 2008.

	2010	2009	2008
Sales	$ -	$ -	$ -
Loss for the Period	$ (2,227,798)	$ (2,048,718)	$ (2,319,665)
Loss per Share - Basic and Diluted	$ (0.07)	$ (0.07)	$ (0.08)
Total Assets	$ 5,323,288	$ 3,835,332	$ 5,711,647
Total Long-term Liabilities	$ -	$ -	$ -
Dividends Declared	$ Nil	$ Nil	$ Nil

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of Mirasol and is derived from unaudited quarterly consolidated financial statements prepared by management. The Company's unaudited interim consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles and expressed in Canadian dollars.

Period	Revenues $	Loss from Continued Operations and Net Loss $	Basic and Fully Diluted Loss per Share from Continued Operations and Net Loss $
4th Quarter 2010	Nil	(661,197)	(0.02)
3rd Quarter 2010	Nil	(708,357)	(0.02)
2nd Quarter 2010	Nil	(400,744)	(0.01)
1st Quarter 2010	Nil	(457,500)	(0.02)
4th Quarter 2009	Nil	(666,780)	(0.02)
3rd Quarter 2009	Nil	(411,586)	(0.01)
2nd Quarter 2009	Nil	(468,789)	(0.02)
1st Quarter 2009	Nil	(501,563)	(0.02)

Quarterly results will vary in accordance with the Company's exploration and financing activities.

Liquidity

The Company's net working capital as at June 30, 2010 was $5,043,431 compared to a net working capital of $3,541,283 at June 30, 2009. The cash balance at June 30, 2010 was $5,147,280 compared to $3,653,477 at June 30, 2009. As at June 30, 2010, current liabilities were $161,180 compared to $160,691 at June 30, 2009.

As at September 30, 2010, the Company had 33,322,789 outstanding common shares. The Company has 1,723,500 share purchase options and 1,572,580 share purchase warrants outstanding. The weighted average exercise price is $0.56 and $1.72, respectively.

Financing Activities

Financing activities provided $3,243,065 from the net proceeds received for shares issued pursuant to a private placement which closed on December 22, 2009. Terms of the private placement were 2.8 million units priced at $1.25, comprising one Mirasol share plus one half share warrant for two years, priced at $1.50 for one year, stepped to $1.75 in year two, subject to a four month hold period. In addition, the Company received $447,750 proceeds from the exercise of 1,167,500 options and $24,450 proceeds from the exercise of 16,300 warrants.

Capital Resources

The Company has no operations that generate cash flow and its long term financial success is dependant 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 raises money through equity sales and from the exercise of convertible securities (share purchase 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 $5,043,431 for the year ended June 30, 2010, the Company believes it has sufficient funds to meet its administrative, corporate development and 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 off-balance sheet arrangements.

Transactions with Related Parties

During the year ended June 30, 2010, the Company paid or accrued $414,163 (June 30, 2009 - $281,908) in exploration costs $350,852 (2009 - $225,946) and management fees $63,311 (2009 - $55,962) to a Company where an officer of the Company is a principal. Included in accounts payable and accrued liabilities at June 30, 2010 is an amount of $18,536 (2009 - $13,832) owing to directors and officers of the Company.

By agreement dated September 1, 2004, the Company entered into a consulting agreement with a director and officer of the Company to act as the President and CEO of the Company. Compensation is currently US$10,000 per month.

By agreement dated September 1, 2004, the Company entered into a consulting agreement with a director to act as the Exploration Manager of the Company. Compensation currently is US$10,000 per month.

Pursuant to an agreement dated September 1, 2004, the Company entered into a consulting agreement with an officer of the Company to act as the Vice-President of Exploration of the Company. Compensation is US$500 per day for the days worked.

Critical Accounting Policies and Estimates

The details of the Company's accounting policies are presented in Note 2 of the annual audited consolidated financial statements. The following policies are considered by management to be essential to understanding 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.

Acquisition and Exploration Costs

Exploration costs are expensed as incurred since the Company is in the process of exploring its mineral claims and has not yet determined whether these properties contain ore reserves that are economically recoverable. If and when the Company's management determines that economically extractable proven or probable mineral reserves have been established, the subsequent costs incurred to develop such property, including costs to further delineate the ore body will be capitalized.

The Company continues to capitalize its acquisition costs (staking) related to its mineral properties. Any option payments received are first credited to the cost of the property, with any excess included in income.

Changes in Accounting Policies

Instruments - Disclosure

In June 2009, Handbook Section 3862 was further amended to include disclosures about fair value measurements of financial instruments and to enhance liquidity risk disclosure. The additional fair value measurement disclosures include classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices such as quoted interest or currency exchange rates; and
Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

These amendments are required to be adopted for the fiscal years ending after September 20, 2009. The Company has adopted these amendments for the fiscal year ended June 30, 2010 and the additional required disclosures are included in Note 5 or the annual audited consolidated financial statements.

Credit risk and fair value of financial assets and financial liabilities

Effective July 1, 2009, the Company adopted EIC-173 "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities." This guidance clarified that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities including derivative instruments. The Company has evaluated the new section and determined that adoption of these new requirements did not have a significant impact on the Company's consolidated financial statements.

Mining Exploration Costs

Effective July 1, 2009, the Company adopted EIC-174 "Mining Exploration Costs." This guidance clarified that an entity that has initially capitalized exploration costs has an obligation in the current and subsequent accounting periods to test such costs for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. The Company has evaluated the new section and determined that adoption of these new requirements has had no impact on the Company's consolidated financial statements.

Goodwill and intangible assets

Effective July 1, 2009 the Company adopted the CICA handbook section 3064, "Goodwill and Intangible Assets", which replaces CICA HB Section 3062, "Goodwill and Intangible Assets," CICA HB Section 3450, "Research and Development Costs," amendments to Accounting Guideline (AcG) 11, "Enterprises in the Development Stage," EIC-27, "Revenues and Expenditures during the Pre-operating Period" and CICA HB Section 1000, "Financial Statement Concepts." The standard intends to reduce the differences with International Financial Reporting Standards ("IFRS") in the accounting for intangible assets and results in closer alignment with U.S. GAAP. The objectives of Section 3064 are to reinforce the principle-based approach to the recognition of assets only in accordance with the definition of an asset and the criteria for asset recognition; and clarify the application of the concept of matching revenues and expenses such that the current practice of recognizing assets that do not meet the definition and recognition criteria are eliminated.

The standard will also provide guidance for the recognition of internally developed intangible assets (including research and development activities), ensuring consistent treatment of all intangible assets, whether separately acquired or internally developed.

Recent Accounting Pronouncements Not Yet Adopted

Convergence with International Financial Reporting Standards

The Canadian Accounting Standards Board (AcSB) has announced its decision to replace Canadian generally accepted accounting principles ("GAAP") with International Financial Reporting Standards (IFRS) for all Canadian Publicly Accountable Enterprises (PAEs). The effective changeover date is July 1, 2011, at which time Canadian GAAP will cease to apply for Mirasol Resources and will be replaced by IFRS. Following this timeline, the Company will issue its first set of interim financial statements prepared under IFRS in the first quarter of 2011 including comparative IFRS financial results and an opening balance sheet as at July 1, 2010. The first annual IFRS consolidated financial statements will be prepared for the year ended June 30, 2012 with restated comparatives for the year ended June 30, 2011.

During the 2009-2010 fiscal year, the Company began planning its transition to IFRS. The process will consist of three phases: 1) Scoping phase which will assess the overall impact and effort required by the Company in order to transition to IFRS, 2) Planning phase which will include a detailed analysis of the conversion process and implementation plan required for disclosure for the Company's first quarter 3) Transition phase which will include the preparation of an IFRS compliant opening balance sheet as at July 1, 2010, any necessary conversion adjustments and reconciliations, preparation of a fully compliant pro forma financial statements including all note disclosures and disclosures required for the MD&A.

During the third quarter of 2010, the Company, with the assistance of external advisors, completed an initial scoping and diagnostic assessment. This assessment identified, at a high level, the key areas for more detailed consideration and that may give rise to potential difference upon conversion.

Following the completion of the scoping and diagnostic assessment, the Company engaged external advisors to assist with detailed technical reviews of the identified potential high impact areas. These reviews include the identification of IFRS - Canadian GAAP differences, accounting policy considerations, and preliminary implementation plans.

Set out below are the most significant areas, where changes in accounting policies may have the highest potential impact on the Company's consolidated financial statements. Many of the differences identified are not expected to have a material impact on the reported results and financial position.

In the period leading up to the changeover in 2011, the AcSB has ongoing projects and intends to issue new accounting standards during the conversion period. As a result, the final impact of IFRS on the Company's consolidated financial statements can only be measured once all the IFRS accounting standards at the conversion date are known.

Impairment Assets

Canadian GAAP generally uses a two-step approach to impairment testing: first comparing asset carrying values with undiscounted future cash flows to determine whether impairment exists; and then measuring any impairment by comparing asset carrying values with discounted cash flows. International Accounting Standard (IAS) 36, "Impairment of Assets" uses a one-step approach for both testing and measurement of impairment, with asset carrying values compared directly with the higher of fair value less costs to sell and value in use (which uses discounted future cash flows). This may potentially result in write downs where the carrying value of assets were previously supported under Canadian GAAP on an undiscounted cash flow basis, but could not be supported on a discounted cash flow basis.

Currently the Company has no significant assets for which impairment testing is required. However, as events and circumstances of the Company's operations change that give rise to impairment testing, IAS 36 will be applied.

Share Based Payments

IFRS and Canadian GAAP largely converge on the accounting treatment for share – based transactions with only a few differences.

Under Canadian GAAP, the fair value of share based payments with graded vesting are calculated as one grant and the resulting fair value is recognized on an accelerated or straight line basis over the vesting period. Forfeitures of awards are recognized as they occur.

Under IFRS, each tranche of a grant with different vesting dates is considered a separate grant for the calculation of fair value and the resulting fair value is amortized over the vesting period of the respective tranches. Forfeiture estimates are recognized in the period they are estimated, and are revised for actual forfeitures in subsequent periods.

All options granted by the Company which vest in the comparative year for IFRS have been valued in compliance with IFRS and no adjustments will be needed upon transition. A forfeiture rate will need to be applied in the comparative year to make the Company fully compliant with IFRS 2.

Exploration and Evaluation Assets

Under the Company's current accounting policy, the acquisition costs of mineral properties are capitalized while the exploration expenses are expensed.

Upon adoption of IFRS, the Company has to determine the accounting policy for exploration and evaluation (E&E) assets which are the exploration expenses incurred subsequent to obtaining the right to explore the resource property. The Company is currently in compliance with the International Accounting Standards Board ("IASB") Framework which requires exploration expenditures to be expensed and capitalization of expenditures only after the completion of a feasibility study.

The classification of the E&E assets will need to be determined to be either tangible or intangible.

Upon adoption of IFRS 6, "Exploration and Evaluation of Mineral Properties", the Company will be fully compliant with the new standard and the adoption is not expected to have an impact on the financial statements.

Property, Plant and Equipment

Under IFRS, Property, Plant and Equipment ("PP&E") can be measured at fair value or at cost while under Canadian GAAP, the Company has to carry PP&E on a cost basis and the revaluation is prohibited.

Upon adoption of IFRS, the Company has to determine whether to elect a cost model or revaluation model. Management has yet to decide on which model to adopt. Currently, the Company has a small amount of office equipment and vehicles, capitalized as property, plant and equipment and as a result there will be not significant impact on the adoption of either IFRS model on the Company's financial statements.

In accordance with IAS 16 "Property, Plant and Equipment", upon acquisition of significant assets, the Company will need to allocate an amount initially recognized in respect of an asset to its component parts and accounts for each component separately when the components have different useful lives or the components provide benefits to the entity in a different pattern.

Foreign Currency

IFRS requires that the functional currency of each entity in the consolidated group be determined separately in accordance with IAS 21 and the entity's financial results and position should be measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial information for each Company is then translated into the presentation currency of the Company's financial statements. Currently, this is the Canadian dollar ("CAD").

The functional currency is most likely Canadian dollars for Mirasol Resources Ltd., Argentine Pesos for Mirasol Argentina S.R.L and Minera Del Sol S.A., and Chilean Pesos for Minera Mirasol Chile Limitada but a detailed analysis will need to be completed.

As events and conditions relevant to the Company change, it will re-consider the primary and secondary indicators, as described in IAS 21, in determining the functional currency for each entity. Going forward under IFRS, management will assess the appropriate functional currency based on existing circumstances which may have a significant impact on the Company's consolidated financial statements prepared under IFRS.

Future Income Taxes

Like Canadian GAAP, deferred income taxes under IFRS are determined using the liability method for temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, and by generally applying tax rates applicable to the Company to such temporary differences. Deferred income taxes relating to temporary differences that are in equity are recognized in equity and under IFRS subsequent adjustments thereto are backward traced to equity.

IFRS prohibits recognition where deferred income taxes arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable net earnings. The Company expects the impact of implementing IAS 12, Income Taxes will not have a significant impact on the financial statements. However, as events and circumstances of the Company's operations change that give rise to future income taxes, IAS 12 will be applied.

Conclusion

As the Company elects and approves the IFRS accounting policy for each of the areas above, management will determine and disclose impact of the IFRS adoption at the transition date on our financial statements. The International Accounting Standards Board will also continue to issue new accounting standards during the conversion period and, as a result, the final impact of IFRS on the Company's consolidated financial statements will only be measured once all the IFRS applicable accounting standards at the conversion date are known.

Based on the assessment of the information system currently used by the Company, all information required to be reported under IFRS will be available with minimal system changes.

One of the more significant impacts identified to date of adopting IFRS is the expanded presentation and disclosures required. Disclosure requirements under IFRS generally contain more breadth and depth than those required under Canadian GAAP and, therefore, will result in more extensive note references. The Company is continuing to assess the level of presentation and disclosures required to its consolidated financial statements.

Business combinations

In January 2009, the CICA issued Handbook section 1582, "Business Combinations", which establishes new standards for accounting for business combinations. This is effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. The Company has early adopted this policy effective July 1, 2010. This adoption is not expected to have an impact on the Company's financial position, earnings or cash flows.

Non-Controlling Interest

In January 2009, the CICA issued Handbook section 1602, "Non-controlling Interests", to provide guidance on accounting for non-controlling interests subsequent to a business combination. The section is effective for fiscal years beginning on or after January 2011. The Company has early adopted this policy effective July 1, 2010. This adoption is not expected to have an impact on the Company's financial position, earnings or cash flows.

Consolidated Financial Statements

In January 2009, the CICA issued Handbook section 1601, "Consolidated Financial Statements", to provide guidance on the preparation of consolidated financial statements. The section is effective for fiscal years beginning on or after January 1, 2011. The Company early adopted this policy effective July 1, 2010. This adoption is not expected to have an impact on the Company's financial position, earnings or cash flows.

Comprehensive Revaluation of Assets and Liabilities

In August 2009, the CICA amended Handbook Section 1625, "Comprehensive Revaluation of Assets and Liabilities" to be consistent with Sections 1582, 1601 and 1602, which were issued in January 2009. The amendments apply prospectively to comprehensive revaluations of assets and liabilities occurring in fiscal years beginning on or after January 1, 2011. Early adoption is permitted. The Company early adopted this policy effective July 1, 2010. This adoption is not expected to have an impact on the Company's financial position, earnings or cash flows.

Commitments

The Company has co-signed an office lease agreement, commencing on November 1, 2007 to October 31, 2010. The total minimum lease payments are $2,864 per month and $34,368, per annum. The Company's proportionate share of the minimum lease payments is $1,431 per month and $17,172 per annum.

Financial Instruments

The Company's financial instruments consist of cash, receivables and advances, and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest rate, foreign exchange, commodity price or credit risks arising from the financial instruments. The Company may be exposed to liquidity risk such that the Company may not be able to meet its obligations as they fall due. The Company manages this risk by forecasting anticipated investing and financing activities.

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.

Sensitivity analysis

The Company's financial instruments consist of cash, receivables, and accounts payable and accrued liabilities.

The Company has classified its cash as held-for-trading, and is measured at fair value. Receivables are designated as loans and receivables and are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost.

As at June 30, 2010, the carrying amount of accounts receivable and advances and accounts payable and accrued liabilities equals fair market value. Based on management's knowledge and experience of the financial markets, the Company believes the following movements are "reasonably possible" over a three month period:

- The Company is exposed to interest rate risk as bank accounts earn interest income at variable rates. The income earned on these accounts is subject to the movements in interest rates. The cash proceeds from the Company's financing activities are invested in term deposits which are readily convertible to known amounts of cash and not exposed to a risk of loss in value.
- Price risk is remote since the Company is currently not a producing entity.

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 Canadian dollars and Argentine and Chilean Pesos. A significant change in the currency exchange rates between the US 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.

As at June 30, 2010, the Company is exposed to currency risk through the following assets and liabilities denominated in US dollars and Argentine and Chilean Pesos:

June 30, 2010	US Dollars	Argentine Peso	Chilean Peso
Cash and cash equivalents	2,300,975	506,845	4,438,982
Accounts receivable	16,000	99,791	435,520
Accounts payable and accrued liabilities	(1,004)	(325,293)	(7,229,694)

Based on the above net exposures as at June 30, 2010, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the US dollar would result in an increase/decrease of $242,806 in the Company's net earnings. Likewise, a 10% depreciation or appreciation of the Canadian dollar against the Argentine and Chile Peso would result in an increase/decrease of $7,506 and $468, respectively in the Company's net earnings.

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 Canadian financial institutions. The Company's receivables consist of goods & services tax due from the Federal Government of Canada.

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, 2010 the Company was holding cash and cash equivalents of $5,147,280 to settle current liabilities of $161,180. Management believes it has sufficient funds to meet its current obligations as they become due.

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 and cash equivalents is limited because these investments are generally held to maturity.

Commodity Price risk

The Company is exposed to price risk with respect to commodity prices. 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 mineral properties 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 shareholders' 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. 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. The annual and updated budgets are approved by the Board of Directors.

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 90 days 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.

Additional Disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning Mirasol's operating expenses and resource property costs is provided in the Company's Consolidated Statements of Loss, Comprehensive Loss and Deficit and the Consolidated Schedule of Resource Property Costs contained in its Consolidated Financial Statements for June 30, 2010 and June 30, 2009 that is available on Mirasol's website at www.mirasolresources.com or on its SEDAR Page Site 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.

National Instrument 43-101 Disclosure

All technical information for Mirasol's Projects contained within this MD&A has been reviewed by Mary Little, President, CEO & Director, a qualified person under NI 43-101.