MIRASOL RESOURCES LTD.

(An Exploration Stage Company)

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2012

Canadian Funds

DAVIDSON & COMPANY LLP Chartered Accountants A Partnership of Incorporated Professionals

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Mirasol Resources Ltd.

We have audited the accompanying consolidated financial statements of Mirasol Resources Ltd., which comprise the consolidated statements of financial position as at June 30, 2012, June 30, 2011 and July 1, 2010 and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years ended June 30, 2012 and June 30, 2011, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Mirasol Resources Ltd. as at June 30, 2012, June 30, 2011 and July 1, 2010 and its financial performance and its cash flows for the years ended June 30, 2012 and June 30, 2011 in accordance with International Financial Reporting Standards.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Accountants

October 26, 2012

Mirasol Resources Ltd.

(An Exploration Stage Company)

Consolidated Statements of Financial Position

Canadian Funds

	June 30, 2012	June 30, 2011 *(Note 12)*	July 1, 2010 *(Note 12)*
ASSETS			
Current Assets			
Cash and cash equivalents	$ 6,826,040	$ 10,114,703	$ 5,147,280
Short-term investments	997,830	-	-
Receivables and advances	231,466	169,813	57,331
	8,055,336	10,284,516	5,204,611
Equipment *(Note 6)*	208,870	147,043	40,344
Exploration and Evaluation Assets *(Note 7)*	2,624,003	78,333	78,333
	$ 10,888,209	$ 10,509,892	$ 5,323,288
LIABILITIES			
Current Liabilities			
Accounts payable and accrued liabilities *(Note 8)*	$ 985,207	$ 780,033	$ 161,180
EQUITY			
Share Capital *(Note 9)*	36,029,893	24,633,294	14,171,636
Reserves	14,019,377	9,099,836	2,259,578
Deficit	(40,146,268)	(24,003,271)	(11,269,106)
	9,903,002	9,729,859	5,162,108
	$ 10,888,209	$ 10,509,892	$ 5,323,288

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

On Behalf of the Board:

“ Mary L. Little ”, Director

“ Nick DeMare ”, Director

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

Mirasol Resources Ltd.

(An Exploration Stage Company)

Consolidated Statements of Loss and Comprehensive Loss

For the Years Ended June 30

Canadian Funds

	2012	2011 *(Note 12)*
Operating Expenses		
Exploration costs *(Note 7)*	$ 11,599,329	$ 5,843,196
Share-based payments *(Note 9)*	3,345,027	5,907,356
Professional fees	325,528	184,501
Management fees *(Note 8)*	284,322	272,375
Office and miscellaneous	254,791	253,933
Foreign exchange loss	197,870	140,308
Shareholder information	73,009	49,404
Listing and filing fees	47,519	55,431
Travel	41,271	40,002
Amortization	2,272	2,223
Interest and bank charges, net	(27,941)	(14,564)
Loss and Comprehensive Loss for the Year	$ 16,142,997	$ 12,734,165
Loss per Share – Basic and Diluted	$ 0.40	$ 0.35
Weighted Average Number of Shares Outstanding	39,986,459	36,070,377

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

Mirasol Resources Ltd.

(An Exploration Stage Company)

Consolidated Statements of Changes in Equity

Canadian Funds

	Share Capital Common Shares		Reserves	Deficit	Total
	Number	$	$	$	$
Balance – July 1, 2010	33,241,981	14,171,636	2,259,578	(11,269,106)	5,162,108
Private placement					
- Units issued for cash	3,000,000	9,300,000	-	-	9,300,000
- Fair value of private placement warrants	-	(1,945,690)	1,945,690	-	-
Share issuance costs					
- Finders' warrants	-	(371,005)	371,005	-	-
- Cash	-	(595,786)	-	-	(595,786)
Options exercised	653,200	433,330	-	-	433,330
Fair value of options exercised	-	347,485	(347,485)	-	-
Warrants exercised	1,447,020	2,257,016	-	-	2,257,016
Fair value of warrants exercised	-	1,036,308	(1,036,308)	-	-
Share-based payments	-	-	5,907,356	-	5,907,356
Loss for year	-	-	-	(12,734,165)	(12,734,165)
Balance – June 30, 2011	38,342,201	24,633,294	9,099,836	(24,003,271)	9,729,859
Private placement					
- Units issued for cash	4,000,000	13,200,000	-	-	13,200,000
- Fair value of private placement warrants		(1,764,978)	1,764,978	-	-
Share issuance costs					
- Finders' warrants	-	(250,440)	250,440	-	-
- Cash	-	(1,015,313)	-	-	(1,015,313)
Options exercised	20,000	12,600	-	-	12,600
Fair value of options exercised	-	6,296	(6,296)	-	-
Warrants exercised	338,460	773,826	-	-	773,826
Fair value of warrants exercised	-	434,608	(434,608)	-	-
Share-based payments	-	-	3,345,027	-	3,345,027
Loss for the year	-	-	-	(16,142,997)	(16,142,997)
Balance – June 30, 2012	42,700,661	36,029,893	14,019,377	(40,146,268)	9,903,002

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

Mirasol Resources Ltd.

(An Exploration Stage Company)

Consolidated Statements of Cash Flows

For the Years Ended June 30

Canadian Funds

	2012	2011
		(Note 12)
Operating Activities		
Loss for the year	$ (16,142,997)	$ (12,734,165)
Items not affecting cash:		
Share-based payments *(Note 9)*	3,345,027	5,907,356
Amortization	2,272	2,223
Amortization included in exploration expenses	53,992	31,276
Unrealized foreign exchange	22,335	580,233
Changes in non-cash working capital items:		
Receivables and advances	(61,653)	(112,482)
Accounts payable and accrued liabilities	139,702	618,852
Cash used in operating activities	(12,641,322)	(5,706,707)
Investing Activities		
Acquisition of exploration and evaluation assets	(2,480,198)	-
Short-term investments purchased	(997,830)	-
Purchase of equipment	(118,091)	(140,198)
Cash used in investing activities	(3,596,119)	(140,198)
Financing Activities		
Share capital issued, net of share issuance costs	12,971,113	11,394,561
Cash provided by financing activities	12,971,113	11,394,561
Effect of exchange rate change on cash and cash equivalents	(22,335)	(580,233)
Change in Cash and cash equivalents	(3,288,663)	4,967,423
Cash and cash equivalents - Beginning of year	10,114,703	5,147,280
Cash and cash equivalents - End of year	$ 6,826,040	$ 10,114,703

Supplemental Schedule of Non-Cash Investing and Financing Transactions:		
Exploration and evaluation assets included in accounts payable	$ 65,472	$ -
Fair value of private placement warrants	$ 1,764,978	$ 1,945,690
Fair value of finder fees warrants	$ 250,440	$ 371,005
Fair value of options exercised	$ 6,296	$ 347,485
Fair value of warrants exercised	$ 434,608	$ 1,036,308

There was no cash paid for interest or income taxes for the years ended June 30, 2012 and 2011.

The accompanying notes are an integral part of these financial statements

1. Nature of Business

Mirasol Resources Ltd. ("Mirasol" or "the Company") is incorporated under the laws of the Province of British Columbia, Canada. The Company's corporate registered and records office is located at 600 – 890 West Pender Street, Vancouver, British Columbia.

Mirasol engages 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, 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.

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

2. Basis of Presentation

Statement of compliance

The financial statements have been prepared in accordance with IFRS as adopted by Canada on January 1, 2011. This represents the Company's application of IFRS as at and for the year ended June 30, 2012, including the 2011 comparative year. The financial statements have been prepared in accordance with IFRS 1, "First-time Adoption of International Financial Reporting Standards" as issued by the International Accounting Standards Board ("IASB").

A summary of the Company's significant accounting policies under IFRS are presented in Note 3. These policies have been applied retrospectively and consistently applied except where specific exemptions permitted an alternative treatment upon transition to IFRS in accordance with IFRS 1. Prior to July 1, 2011, the Company prepared its financial statements in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). The impact of the transition from Canadian GAAP to IFRS is explained in Note 12.

Basis of measurement

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

These consolidated financial statements were approved by the Board of Directors on October 26, 2012.

3. Significant Accounting Policies

a) Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, Mirasol Argentina S.R.L, Minera Del Sol S.A., Australis S.A., Gran Nueva Victoria S.A., Cabo Sur S.A., and Minera Mirasol Chile Limitada. Inter-company balances have been eliminated upon consolidation.

b) Significant Accounting Estimates and Judgments

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

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

Significant assumptions relate to, but are not limited to, the following:

(i) Impairment: The Company assess its investments, exploration and evaluation assets and equipment annually to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the evaluation of events and conditions that indicate impairment in accordance with IAS 36. The Company has concluded that impairment conditions do not exist.

(ii) Share-based compensation: The Company provides compensation benefits to its employees, directors and officers through a stock option plan. The fair value of each option award is estimated on the date of the grant using the Black-Scholes option pricing model. Expected volatility is based on historical volatility of the Company's share price. The Company uses historical data to estimate option exercises and forfeiture rates with the valuation model. The risk-free interest rate for the expected term of the option is based on the yields of government bonds. Changes in these assumptions, especially the volatility and the expected life determination could have a material impact on the Company's comprehensive loss for the year. When the Company determines it necessary to modify the terms of options, the Black-Scholes option pricing model is utilized at the date of the modification and uses the modified terms in order to calculate the incremental change in value of the original option. The use of the option-pricing model and a change in assumptions used within the model could result in a material impact on the Company's comprehensive loss for the year.

(iii) Warrant valuation: The Company grants warrants in conjunction with private placements and as compensation for debt financing arrangements. The fair value of each warrant granted is estimated on the date of the grant using the Black-Scholes option pricing model. Expected volatility is based on historical volatility of the Company's share price. The Company uses historical data to estimate warrant exercises and forfeiture rates with the valuation model. The risk-free interest rate for the expected term of the warrant is based on the yields of government bonds. Changes in these assumptions, especially the volatility and the expected life determination could have a material impact on the Company's equity.

(iv) Recovery of deferred tax assets: Judgment is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets require management to assess the likelihood that the Company will generate taxable income in future periods in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows and the application of existing tax laws in each jurisdiction.

(v) Functional currencies: The functional currency of an entity is the currency of the primary economic environment in which the entity operates. That of the Company and its subsidiaries was determined by conducting an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

c) Foreign Currencies

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and its wholly owned subsidiaries, Mirasol Argentina S.R.L, Minera Del Sol S.A., Australis S.A., Gran Nueva Victoria S.A., Cabo Sur S.A., and Minera Mirasol Chile Limitada., is the Canadian Dollar (“$”). The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, the Effects of Changes in Foreign Exchange Rates (“IAS 21”).

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

The Company’s presentation currency is the Canadian dollar.

d) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit with banks and short-term interest-bearing investments with maturities of three months or less at the purchase date.

e) Financial Instruments

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

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

See Note 5 for relevant disclosures.

f) Impairment of Financial Assets

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

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

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

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

g) Impairment of Non-financial Assets

The carrying amounts of non-financial assets are reviewed for impairment whenever facts and circumstances suggest that the carrying amounts may not be recoverable. If there are indicators of impairment, the recoverable amount of the asset is estimated in order to determine the extent of any impairment. For the purpose of measuring recoverable amounts, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash-generating units" or "CGUs"). The recoverable amount is the higher of an asset's fair value less costs to sell and value in use (being the present value of the expected future cash flows of the relevant asset or CGU). An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

h) Equipment

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

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.

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

Gains and losses on disposals of equipment are determined by comparing the proceeds with the carrying amount of the asset and are included as part of other gains and losses in the statement of loss and comprehensive loss.

i) Exploration and Evaluation Assets

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

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

Ownership in exploration and evaluation assets involves certain interest risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristics of many exploration and evaluation assets. The Company has investigated ownership of its exploration and evaluation assets and, to the best of its knowledge, ownership of its interests are in good standing.

j) Provisions

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

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

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

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

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

k) Income Taxes

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

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

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

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

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

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

l) Share Capital

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

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

m) Share-based Payments

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

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

n) Loss per Share

Basic loss per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding during the year. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the loss per share. The dilutive effect of convertible securities is reflected in the diluted loss per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents is reflected in the diluted loss per share by application of the treasury stock method. At June 30, 2012, the Company had no items which would have a dilutive effect on the loss per share.

4. Recent Accounting Pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the International Accounting Standards Board ("IASB") or International Financial Reporting Interpretations Committee ("IFRIC"). The Standards impacted that are applicable to the Company are as follows:

a) IFRS 7, Financial Instrument: Disclosures ("IFRS 7"), Offsetting Financial Assets and Financial Liabilities, was amended by the IASB in 2011 to require information about all recognized financial instruments that are set off in accordance with paragraph 42 of IAS 32 "Financial Instruments: Presentation".

The amendments also require disclosure of information about recognized financial instruments subject to enforceable master netting arrangements and similar agreements even if they are not set off under IAS 32. The IASB believes that these disclosures will allow financial statement users to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with an entity's recognized financial assets and recognized financial liabilities, on the entity's financial position. The amended standard is effective for annual periods beginning on or after January 1, 2013. The Company is currently evaluating the impact of this standard.

b) IFRS 9, Financial Instruments ("IFRS 9") was issued by IASB in October 2010 and will replace IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. There are two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

In December 2011, the effective date of IFRS 9 was deferred to years beginning on or after January 1, 2015. The Company is currently evaluating the impact of this standard.

c) IFRS 10, Consolidated Financial Statements ("IFRS 10"), was issued in May 2011 and will supersede the consolidation requirements in SIC-12, Consolidation – Special Purpose Entities ("SIC-12"), and IAS 27 (2008), Consolidated and Separate Financial Statements ("IAS 27"), effective for annual periods beginning on or after January 1, 2013, with early application permitted. IFRS 10 builds on existing principles by identifying the concept of control as a determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard also provides additional guidance to assist in the determination of control where this is difficult to assess. The Standard is not expected to have an impact on the Company in its current form.

d) IFRS 11, Joint Arrangements ("IFRS 11"), was issued in May 2011 and will supersede existing IAS 31, Joint Ventures ("IAS 31") effective for annual periods beginning on or after January 1, 2013, with early application permitted. IFRS 11 provides for the accounting of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The Standard also eliminates the option to account for jointly controlled entities using the proportionate consolidation method. The Standard is not expected to have an impact on the Company in its current form.

e) IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12"), was issued in May 2011 and is a new and comprehensive standard on disclosure requirements for all forms of interest in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. IFRS 12 is effective for annual periods beginning on or after January 1, 2013 with earlier application permitted. The Standard is not expected to have an impact on the Company in its current form.

f) IFRS 13, Fair Value Measurements ("IFRS 13") was issued in May 2011 and sets out, in a single IFRS, a framework for measuring fair value. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This definition of fair value emphasizes that fair value is a market-based measurement, not an entity specific measurement. In addition, IFRS 13 also requires specific disclosures about fair value measurement. IFRS 13 is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted. The Company is currently assessing the impact of this Standard.

g) IAS 1, Presentation of Items of Other Comprehensive Income ("OCI") ("IAS 1"), was revised in June 2011 to change the disclosure of items presented in OCI, including a requirement to separate items presented in OCI into two groups based on whether or not they may be recycled to profit or loss in the future. The revision is effective for annual periods beginning on or after July 1, 2012 with early application permitted. The Standard is not expected to have an impact on the Company in its current form.

h) IAS 27, Separate Financial Statements ("IAS 27"), as amended in 2011, is the standard to be applied in accounting for investments in subsidiaries, joint ventures, and associates when an entity elects, or is required by local regulations, to present separate (non-consolidated) financial statements. IAS 27 (2011) supersedes IAS 27 (2008) and carries forward the existing accounting and disclosure requirements for separate financial statements, with some minor clarifications. The amended standard is effective for annual periods beginning on or after January 1, 2013. The Company is currently assessing the impact of this Standard.

i) IAS 28, Investments in Associates and Joint Ventures ("IAS 28"), as amended in 2011, supersedes IAS 28 "Investments in Associates" and prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The Standard defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied (including exemptions from applying the equity method in some cases). It also prescribes how investments in associates and joint ventures should be tested for impairment. The amended standard is effective for annual periods beginning on or after January 1, 2013. The Company is currently assessing the impact of this Standard.

j) The IASB amended IAS 32, "Financial Instruments: Presentation" to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- the meaning of 'currently has a legally enforceable right of set-off;
- the application of simultaneous realization and settlement;
- the offsetting of collateral amounts; and
- the unit of account for applying the offsetting requirements.

The amended standard is effective for annual periods beginning on or after January 1, 2014. The standard is not expected to have an impact on the Company in its current form.

k) IFRIC 20, Stripping Costs in the Production Phase of a Mine ("IFRIC 20") was issued in October 2011. This interpretation provides guidance on the accounting for the costs of stripping activity in the production phase when two benefits accrue to the entity: usable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods. IFRIC 20 is applicable for annual periods beginning on or after January 1, 2013 with early adoption permitted. The Standard is not expected to have an impact on the Company in its current form.

5. Financial Instruments

Categories of financial instruments

		June 30, 2012		June 30, 2011		July 1, 2010
Financial assets						
Fair Value Through Profit and Loss						
Cash and cash equivalents	$	6,826,040	$	10,114,703	$	5,147,280
Short-term investments		997,830		-		-
Loans						
Receivables and advances		231,466		169,813		57,331
	$	8,055,336	$	10,284,516	$	5,204,611
Financial liabilities						
Other financial liabilities						
Accounts payable and accrued liabilities	$	985,207	$	780,033	$	161,180

a) Fair Value

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

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

		June 30, 2012		June 30, 2011		July 1, 2010
Level 1						
Cash and cash equivalents	$	6,826,040	$	10,114,703	$	5,147,280
Short-term investments	$	997,830	$	-	$	-

b) Management of capital risk

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

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

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

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

c) Management of financial risk

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

i. Currency risk

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

At June 30, 2012, the Company is exposed to currency risk through the following assets and liabilities denominated in US and Australian dollars and Argentine and Chilean Pesos:

	US Dollars	Australian Dollars	Argentine Peso	Chilean Peso
Cash and cash equivalents	750,356	-	4,140,902	21,004,358
Receivables and advances	19,680	-	698,257	9,386,930
Accounts payable and accrued liabilities	(92,449)	(51,582)	(2,613,593)	(45,707,389)

Based on the above net exposures as at June 30, 2012, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the US and Australian dollar would result in an increase/decrease of $69,053 and $5,381, respectively in the Company's net loss. Likewise, a 10% depreciation or appreciation of the Canadian dollar against the Argentine and Chilean Peso would result in an increase/decrease of $50,142 and $3,108, respectively in the Company's net loss.

ii. Credit risk

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

The Company's cash is held through large financial institutions. The Company's receivables consist of harmonized sales tax due from the Federal Government of Canada. Management believes that credit risk concentration with respect to receivables is remote.

iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above. As at June 30, 2012, the Company's financial liabilities consist of accounts payable and accrued liabilities totalling $985,207, which are expected to be paid within 90 days. Management believes the Company has sufficient funds to meet its liabilities as they become due.

iv. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments included in cash is limited because these investments are generally held to maturity.

v. 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.

6. Equipment

		Exploration Equipment		Computer Hardware		Total
Cost						
Balance as at July 1, 2010	$	117,341	$	14,256	$	131,597
Additions for the year		130,518		9,680		140,198
Balance as at June 30, 2011	$	247,859	$	23,936	$	271,795
Additions for the year		112,280		5,811		118,091
Balance as at June 30, 2012	$	360,139	$	29,747	$	389,886
Accumulated Amortization						
Balance as at July 1, 2010	$	78,707	$	12,546	$	91,253
Amortization for the year		30,570		2,929		(i) 33,499
Balance at June 30, 2011	$	109,277	$	15,475	$	124,752
Amortization for the year		53,234		3,030		(i) 56,264
Balance as at June 30, 2012	$	162,511	$	18,505	$	181,016
Carrying amounts						
As at July 1, 2010	$	38,634	$	1,710	$	40,344
As at June 30, 2011	$	138,582	$	8,461	$	147,043
As at June 30, 2012	$	197,628	$	11,242	$	208,870

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

7. Exploration and Evaluation Assets

a) Claudia Property

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

b) Espejo, La Libanesa, and La Curva Properties

The Company owns a 100% interest in mining interests of Espejo, La Libanesa, and La Curva properties situated in the Santa Cruz Mining District, Argentina, by staking.

The Company signed a letter of intent on April 27, 2011 with Pan American Silver Corp. ("Pan American") which permits Pan American to earn a 51% interest in the Espejo property by expending US$4 million over four years, and then to reach a 61% interest by completing a 43-101 compliant feasibility study, at which time Mirasol can retain its equity interest in the project or request Pan American to finance project development, to be repaid through cash flow. The Company received US $75,000 pursuant to the letter of intent and the definitive agreement has been signed as of October 4, 2012.

c) 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 Sascha and Joaquin gold-silver projects. The option agreement provides Coeur the option to earn an initial 51% in both projects by expending a total of US$8 million in exploration over four years. In October 2008, Coeur terminated its option on the Sascha property and returned the property to Mirasol. The total earn-in on both properties reached US$6 million and Coeur vested at 51% interest in the Joaquin property in December 2010. Coeur has elected to fund a bankable feasibility study to increase its interest to 61%. Mirasol, at its option, can 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.

d) Santa Rita Property and Virginia Zone

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

During the year ended June 30, 2012, the Company purchased certain surface rights overlaying the Virginia Zone for Argentine Pesos 11,236,240 ($2,495,707). The Company incurred broker fee costs in relation to the surface rights of US$50,000 ($49,963). The cost of surface rights has been capitalized to exploration and evaluation assets.

e) Nico Property

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

f) Pajaro, Veloz and Los Loros Properties

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

g) Gorbea Project

The Company owns 100% of the claims under its Gorbea project in Northern Chile. It is engaged in prospect generation and exploration of disseminated gold and copper prospects in the region.

h) Rubi Property

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

i) Akira Property

The Company holds a 100% interest in the Akira Property in northern Chile, acquired by staking on open ground.

j) 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.

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

Acquisition Costs

	Balance at June 30, 2011 and July 1, 2010	Additions during the year	Balance at June 30, 2012
Nico	$ 8,532	$ -	$ 8,532
Pajaro, Veloz and Los Loros	69,801	-	69,801
Santa Rita and Virginia	-	2,545,670	2,545,670
	$ 78,333	$ 2,545,670	$ 2,624,003

Exploration Costs

	Balance at June 30, 2011	Additions during the year	Balance at June 30, 2012
Claudia	$ 655,354	$ 2,944,281	$ 3,599,635
Espejo	205,101	(71,099)	134,002
Homenaje	39,920	133,781	173,701
Joaquin	424,364	128,001	552,365
La Curva	703,624	118,879	822,503
La Libanesa	772,845	98,177	871,022
Nico	304,062	1,831	305,893
Pajaro, Veloz and Los Loros	89,240	65,587	154,827
Santa Rita and Virginia	2,940,134	5,588,331	8,528,465
Sascha	461,943	24,561	486,504
Other**	4,594,332	1,117,866	5,712,198
Total Argentina Properties	$ 11,190,919	$ 10,150,196	$ 21,341,115
Akira	$ -	$ 13,689	$ 13,689
Cindy	-	279,804	279,804
Gorbea	656,956	658,429	1,315,385
Rubi	400,654	183,196	583,850
Sirio	-	37,956	37,956
Other**	-	276,059	276,059
Total Chile Properties	$ 1,057,610	$ 1,449,133	$ 2,506,743

*** Includes costs incurred for value added taxes and generative exploration.*

During the year, the Company incurred exploration and evaluation costs on its properties as follows:

	2012	2011
Argentina		
Claudia		
Consultants and salaries	1,004,302	313,635
Camp and general	973,971	230,273
Drilling	491,425	-
Geophysics	1,966	-
Travel	127,134	63,020
Mining rights and fees	135,775	2,119
Assays and sampling	209,708	7,441
	2,944,281	616,488
Espejo		
Option payment received	(76,433)	-
Consultants and salaries	2,917	1,717
Camp and general	849	1,145
Travel	38	24
Mining rights and fees	1,530	707
	(71,099)	3,593
Homenaje		
Consultants and salaries	68,089	25,929
Camp and general	44,823	8,848
Travel	19,669	4,854
Mining rights and fees	1,185	271
Assays and sampling	15	18
	133,781	39,920
Joaquin		
Consultants and salary	114,513	156,562
Camp and general	4,020	40,282
Travel	8,545	11,608
Mining rights and fees	833	1,388
Assays and sampling	90	13,335
Option payments received	-	(75,008)
	128,001	148,167
La Curva		
Consultants and salary	72,348	42,794
Camp and general	34,608	21,379
Travel	10,728	12,497
Mining rights and fees	1,180	4,987
Assays and sampling	15	8,485
	118,879	90,142

	2012	2011
***Argentina** (Continued)*		
La Libanesa		
Consultants and salary	$ 63,973	$ 108,175
Camp and general	28,532	53,461
Travel	4,179	22,587
Mining rights and fees	1,015	1,731
Assays and sampling	478	13,269
	98,177	199,223
Los Loros		
Consultants and salary	48,065	49,002
Camp and general	9,166	19,873
Travel	7,695	10,830
Mining rights and fees	331	-
Assays and sampling	134	5,864
	65,391	85,569
Nico		
Consultants and salary	396	889
Camp and general	1,380	3,221
Travel	23	35
Mining rights and fees	32	320
Assays and sampling	-	3
	1,831	4,468
Santa Rita and Virginia		
Consultant and salary	1,271,717	451,543
Camp and general	1,080,227	678,218
Drilling	2,725,136	1,396,255
Mining rights and fees	118,118	1,684
Travel	150,540	261,378
Assays and sampling	242,593	136,077
	5,588,331	2,925,155
Sascha		
Consultants and salary	13,840	2,396
Camp and general	8,298	12,473
Travel	2,103	123
Mining rights and fees	318	496
Assays and sampling	2	9
	24,561	15,497

	2012	2011
Chile		
Akira		
Geophysics	$ 239	$ -
Mining rights and fees	13,450	-
	13,689	-
Cindy		
Consultant and salary	189,771	-
Camp and general	28,429	-
Geophysics	24,640	-
Travel	23,092	-
Mining rights and fees	12,320	-
Assays and sampling	1,552	-
	279,804	-
Gorbea		
Consultant and salary	301,887	277,691
Camp and general	119,746	52,022
Drilling	35,525	651
Geophysics	9,756	-
Travel	78,736	42,272
Mining rights and fees	14,286	46,867
Assays and sampling	98,493	67,608
	658,429	487,111
Rubi		
Consultant and salary	-	5,516
Camp and general	737	4,703
Geophysics	32,739	-
Travel	-	1,282
Mining rights and fees	149,720	137,684
Assays and sampling	-	39,646
	183,196	188,831
Sirio		
Consultants and salary	3,640	-
Camp and general	3,568	-
Geophysics	24,640	-
Travel	1,589	-
Mining rights and fees	4,519	-
	37,956	-
Value added tax & other taxes paid	1,037,997	517,752
Generative exploration & administrative	98,763	311,526
Other Projects	257,361	209,745
Total Exploration and Evaluation Costs	$ 11,599,329	$ 5,843,196

8. Related Party Transactions

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of the transactions between the Company and other related parties are disclosed below.

a) Trading transactions

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

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

	Nature of transactions
Miller Thomson (effective July 1, 2011)	Legal fees
Avisar Chartered Accountants (effective September 1, 2011)	Accounting fees
Global Ore Discovery	Exploration costs and project management fees

During the year, the Company incurred the following fees and expenses in the normal course of operations in connection with related parties. Expenses have been measured at the exchange amount which is determined on a cost recovery basis.

		2012		2011
Legal fees	$	160,966	$	-
Accounting fees		86,750		-
Exploration costs		746,795		597,452
Other operating expenses		62,802		104,020
Management fees		114,618		104,152
	$	1,171,931	$	805,624

Included in accounts payable and accrued liabilities at June 30, 2012 is an amount of $95,395 (June 30, 2011 - $89,870; July 1, 2010 - $393) owing to directors and officers of the Company and to companies where the directors and officers are principal. The amount was incurred in the ordinary course of business, 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.

b) Compensation of key management personnel

The remuneration of the chief executive officer, chief financial officer, vice president of exploration, exploration manager, and the corporate secretary (collectively, the key management personnel) during the years ended June 30, 2012 and 2011 were as follows:

		2012		2011
Management fees (i)	$	289,112	$	109,250
Share-based payments (ii)		1,736,354		3,582,092
	$	2,025,466	$	3,691,342

(i) Management fees of $160,192 are included in Management fees and $128,920 is included in Exploration costs.
(ii) Share-based payments represent the expense for the years ended June 30, 2012 and 2011.

9. Share Capital

Common Shares

Authorized: Unlimited number of common shares

Private Placement Financing

On December 20, 2011, the Company completed a bought deal private placement ("the Offering") and issued 4,000,000 units at a price of $3.30 per unit for gross proceeds of $13,200,000. Each unit consists of one common share and one-half common share purchase warrant. One whole warrant entitles the holder to purchase a common share of the Company at a price of $4.30 per share expiring on December 20, 2013. The Company allocated $11,435,022 to the common shares and $1,764,978 to the share purchase warrants based upon the relative fair values.

The Company paid the underwriters commission consisting of $792,000, equal to 6% of the value of the offering in cash and issued 200,000 common share purchase warrants with fair value of $250,440. Each warrant entitles the underwriters to purchase one common share at a price of $3.30, expiring on December 20, 2013. Other costs relating to the offering amounted to $223,313.

On December 7, 2010 the Company completed a non-brokered private placement with the issuance of 3,000,000 units at a price of $3.10 per unit for gross proceeds of $9,300,000. Each unit consists of one common share and one-half common share purchase warrant. One whole warrant entitles the holder to purchase a common share of the Company for one year at a price of $4.00 per share expiring on December 6, 2011. The Company allocated $7,354,310 to the common shares and $1,945,690 to the share purchase warrants based upon the relative fair values.

The Company paid finder's fees of $555,210 equal to 6% of the value of 2,985,000 units, and issued 179,100 broker warrants, with a fair value of $371,005 and exercisable for one year at $3.10 per share expiring on December 6, 2011. Other share issuance costs relating to this transaction amounted to $40,576.

The warrants' fair values were based on the following assumptions:

	December 20, 2011 Private Placement	December 7, 2010 Private Placement
Expected dividend yield	0.0%	0.0%
Expected stock price volatility	77.62%	77.66%
Risk-free interest rate	0.9%	1.7%
Expected life of warrants	2 years	1 year

Share Purchase Options

The Company has established a share purchase option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised no later than five years from the date of grant or such lesser period as determined by the Company's board of directors. The exercise price of an option is equal to or greater than the closing market price on the TSX Venture Exchange on the day preceding the date of grant. The vesting terms for each grant are set by the Board of Directors. The option plan provides that the aggregate number of shares reserved for issuance under the plan shall not exceed 10% of the total number of issued and outstanding shares. At June 30, 2012, a total of 4,270,066 options were reserved under the option plan with 3,685,300 options outstanding.

a) Movements in share options during the year

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, 2012 and the changes for the year are as follows:

	Number of Options	Weighted Average Exercise Price
Options outstanding at July 1, 2010	1,723,500	$0.56
Granted	1,835,000	$4.40
Exercised	(653,200)	$0.66
Options outstanding at June 30, 2011	2,905,300	$2.96
Granted	800,000	$5.23
Exercised	(20,000)	$0.63
Options outstanding and exercisable as at June 30, 2012	3,685,300	$3.47

On January 19, 2012, the Company announced the amendment of the exercise price of 775,000 incentive stock options originally granted on March 23, 2011 from $6.25 per share to $3.32 per share. On October 15, 2012, the Company received approval from the TSX Venture Exchange to amend the exercise price from $6.25 to $3.32 per option.

b) Fair value of share options granted

On August 4, 2011, the Company granted options to directors, officers and employees to purchase up to 800,000 common shares of the Company at an exercise price of $5.23. The estimated fair value of these stock options was $3,173,883 using the Black-Scholes option pricing model.

During the year ended June 30, 2011, the Company granted options to directors, officers and employees to purchase up to 1,835,000 common shares of the Company at a weighted average exercise price of $4.40. The estimated fair value of the stock options granted during the year ended June 30, 2011 was $6,078,500 using the Black-Scholes option pricing model. $171,144 of this fair value was recognized as share-based payment expense during the year ended June 30, 2012 due to the vesting provisions.

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

	Year ended June 30, 2012	Year ended June 30, 2011
Expected dividend yield	0.0%	0.0%
Expected stock price volatility	120%	121% - 123%
Risk-free interest rate	1.92%	1.79%
Forfeiture rate	0.0%	0.0%
Expected life of options	3.7 years	3.5 years

c) Share options outstanding at the end of the year

A summary of the Company's options outstanding as at June 30, 2012 is as follows:

Expiry Date	Exercise price	Options Outstanding	Options Exercisable
February 28, 2013	$0.63	712,500	712,500
May 21, 2014	$0.25	345,000	345,000
October 5, 2015	$2.90	992,800	992,800
December 16, 2015	$5.55	60,000	60,000
March 23, 2016	$6.25	775,000	775,000
August 4, 2016	$5.23	800,000	800,000
		3,685,300	3,685,300

Warrants

a) Movements in warrants during the year

A summary of the Company's share purchase warrants and broker warrants at June 30, 2012 and the changes for the year are as follows:

	Warrants Outstanding	Weighted Average Exercise Price
Warrants outstanding at July 1, 2010	1,606,420	$1.50
Issued - private placement warrants	1,500,000	$4.00
Issued - broker warrants	179,100	$3.10
Exercised	(1,447,020)	$1.56
Balance at June 30, 2011	1,838,500	$3.66
Issued - private placement warrants	2,000,000	$4.30
Issued - broker warrants	200,000	$3.30
Expired	(1,500,040)	$4.00
Exercised	(338,460)	$2.29
Balance at June 30, 2012	2,200,000	$4.21

b) Warrants outstanding

At June 30, 2012, the following warrants are outstanding:

	Expiry Date	Exercise Price	Warrants Outstanding
Private placement warrants	December 20, 2013	$4.30	2,000,000
Broker warrants	December 20, 2013	$3.30	200,000
			2,200,000

Share Bonus Plan

The Company has established a share bonus plan for senior management. The Company can issue 500,000 shares for each initial 500,000 ounces of gold or gold equivalent of "Indicated Mineral Resource", for an individual project, as defined in National Instrument 43-101, up to 1,000,000 shares in total under the plan on any Company property in which the Company retains an interest that is not less than 20%. In 2011, the share bonus plan was modified and approved by the TSX Venture Exchange to define the types of included resources. As at June 30, 2012, no shares have been issued under this plan.

10. Segmented Information

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

Total Non-Current Assets	June 30, 2012	June 30, 2011	July 1, 2010
Canada	$ 38,437	$ 8,532	$ 1,710
Argentina	2,761,088	175,263	114,801
Chile	33,348	41,581	2,166
	$ 2,832,873	$ 225,376	$ 118,677

11. Income Taxes

The Company is subject to Canadian federal and provincial tax for the estimated assessable profit for the years ended June 30, 2012 and June 30, 2011 at a rate of 25.75% and 27.50% respectively. The Company has no assessable profit in Canada for the years ended June 30, 2012 and June 30, 2011.

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

	Year Ended June 30, 2012	Year Ended June 30, 2011
Loss before income taxes	$ (16,142,997)	$ (12,734,165)
Canadian federal and provincial income tax rates	25.75%	27.50%
Income tax recovery based on the above rates	$ (4,156,822)	$ (3,501,895)
Non-deductible expenses	1,759,019	1,882,738
Difference between Canadian and foreign tax rates	(622,590)	(221,286)
Tax effect of deferred tax assets for which no tax benefit has been recorded	2,881,414	1,832,815
Foreign exchange and other	138,979	7,628
Total income taxes	$ -	$ -

The Canadian Federal and provincial statutory income tax rate decreased to 25.75% due to legislated changes.

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

	June 30, 2012	June 30, 2011	July 1, 2010
Unrecognized deferred income tax assets:			
Non-capital losses	$ 2,091,908	$ 1,792,515	$ 1,214,195
Resource properties	5,096,394	2,772,960	1,495,169
Other	921,109	271,069	171,657
Total unrecognized deferred income tax assets	$ 8,109,411	$ 4,836,544	$ 2,881,021

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

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

	June 30, 2012	June 30, 2011	July 1, 2010	Expiry date Range
Non-capital losses	$ 7,462,108	$ 6,210,621	$ 4,299,930	See below
Resource properties	15,266,038	8,788,158	4,758,214	Not applicable
Share issue costs	1,272,494	632,788	209,547	2013 - 2016
Other	1,801,496	351,257	355,178	Not applicable

The company has non-capital loss carry-forwards of approximately $7,462,108 that may be available for tax purposes. The loss carry-forwards are principally in respect of Canadian, Argentinian and Chilean operations and expire as follows:

	Canada	Argentina	Chile
2012	$ -	$ 2,194	$ -
2013	-	612,409	-
2014	-	1,020,761	-
2015	253,239	127,422	-
2026	458,388	594,970	-
2027	661,467	100,838	-
2028	409,303	-	-
2029	-	-	-
2030	645,238	-	-
2031	935,110	-	-
2032	1,397,287	-	-
No-expiry	-	-	243,482
	$ 4,760,032	$ 2,458,594	$ 243,482

12. Transition to International Financial Reporting Standards

IFRS 1 First-time Adoption of International Financial Reporting Standards sets forth guidance for the initial adoption of IFRS. Under IFRS 1 the standards are applied retrospectively at the transitional statement of financial position date with all adjustments to assets and liabilities taken to deficit unless certain exemptions are applied. The Company has applied the following optional exemptions to its opening statement of financial position dated July 1, 2010:

(i) IFRS 3 - Business Combinations

IFRS 1 indicates that a first-time adopter may elect not to apply IFRS 3 Business Combinations retrospectively to business combinations that occurred before the date of transition to IFRS. The Company has taken advantage of this election and will apply IFRS 3 to business combinations that occur on or after July 1, 2010.

(ii) IFRS 2 – Share-based Payments

IFRS 1 encourages, but does not require, first-time adopters to apply IFRS 2 Share-based Payments to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before the later of the date of transition to IFRS and January 1, 2005. The Company has elected not to apply IFRS 2 to awards that were granted prior to November 7, 2002.

IFRS 1 also outlines specific guidelines that a first-time adopter must adhere to under certain circumstances. The Company has applied the following guidelines to its opening statement of financial position dated July 1, 2010:

(i) Estimates

In accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under previous GAAP, unless there is objective evidence that those estimates were in error. The Company's IFRS estimates as of July 1, 2010 are consistent with its Canadian GAAP estimates for the same date.

IFRS employs a conceptual framework that is similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement and disclosure. While adoption of IFRS did not have any impact on the Company's equity and cash flows from operating, investing and financing activities as at July 1, 2010 and June 30, 2011 it has resulted in changes to the Company's reported results of operations.

Reconciliation of net loss for the year ended June 30, 2011 is as follows:

		For the Year Ended June 30, 2011
Total Loss and Comprehensive Loss Under Canadian GAAP	$	12,784,936
Adjustment		
Share-based payments (see note a)		(50,771)
Total Loss and Comprehensive Loss Under IFRS	$	12,734,165

a) Share-based payments

IFRS

- Each tranche of an award with different vesting dates is considered a separate grant for the calculation of fair value.
- Forfeiture estimates are included in the calculation of fair value of stock-based awards, and are revised for actual forfeitures in subsequent periods.
- Awards granted to employees are measured on the date of grant while awards to parties other than employees are measured on the date the goods and services are received.

Canadian GAAP

- The fair value of stock-based awards with graded vesting are calculated as one grant and the resulting fair value may be recognized on a straight-line basis over the vesting period.
- Forfeitures of awards may be recognized as they occur.
- Awards granted to employees are measured on the date of grant while awards to non-employees are measured at the earliest of (a) the date at which performance is complete; (b) the date a commitment for performance is reached; and (c) grant date (if fully vested)

Upon transition, the Company estimated a forfeiture rate of 0% based on available history and the requirement did not result in any adjustments.

Under Canadian GAAP, the fair value of options granted to consultants was re-measured at each reporting period. Such consultants provide services similar to the ones provided by an employee and therefore qualify as employees under IFRS. Options granted to consultants were measured only on the date of grant for reporting under IFRS resulting in adjustments to Reserves and Loss.

13. Subsequent Events

a) The Company issued 150,000 common shares on the exercise of stock options for gross proceeds of $94,500.

b) The Company granted 145,000 incentive stock options to certain employees. The options are exercisable at $2.34 per common share for a period of five years from the date of grant.

c) On October 15, 2012, the Company received approval from the TSX Venture Exchange to amend the exercise price of 775,000 incentive stock options from $6.25 to $3.32 per option. These options were originally granted on March 23, 2011 at an exercise price of $6.25 and expiring on March 23, 2016.

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

Introduction

The Management Discussion and Analysis ("MD&A") is prepared as of October 26, 2012 and is intended to supplement the Company's consolidated financial statements for the year ended June 30, 2012. All financial information, unless otherwise indicated, has been prepared in accordance with International Financial Reporting Standards ("IFRS"). 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 consolidated financial statements and related notes for the year ended June 30, 2012. 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 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, and the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of Mirasol with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievement of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Overview

Mirasol 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, Minera Del Sol S.A., Cabo Sur S.A., Australis S.A., and Gran Nueva Victoria S.A., 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-one 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.

Highlights for the Year Ended June 30, 2012

The Company closed a bought deal private placement (“the Offering”) with Haywood Securities Inc., Macquarie Capital Markets Canada Inc., Sprott Private Wealth Inc., and Paradigm Capital Inc. (Collectively the “Underwriters”) and issued 4,000,000 units (the “units”) of the Company at a price of $3.30 per unit for aggregate proceeds of $13,200,000. Each unit is comprised of one common share of Mirasol and one half of one share purchase warrant with each whole warrant entitling the holder to purchase one common share of the Company for the period of two years at a price of $4.30 per common share. The Company paid the Underwriters commission in connection with the Offering consisting of $792,000 in cash and issued 200,000 common share purchase warrants (the "Underwriters' Warrants"). Each Underwriters' Warrant entitles the holder to purchase one common share for a period of two years at a price of $3.30 per share.

The Company’s joint venture partner and operator of its Joaquin project, Coeur d’Alene Mines (“Coeur”) commenced a major diamond drilling program at the project in support of feasibility work. The program focused on the La Negra and La Morocha silver-gold deposits and more recently the La Morena prospect. The funding of all expenditures through to the delivery of a feasibility study allows Coeur to increase its equity in the Joaquin project from the currently vested 51% to 61%.

Phases III and IV diamond drilling were completed on the Company’s 100% owned Virginia Silver Project, Santa Cruz Province, Argentina during the year. Phases I to IV of drilling have identified six discrete silver deposits containing sufficient grade, size, and drill hole density to support a resource estimate.

An aggressive exploration program was undertaken at the Company’s 100% owned Claudia gold-silver project in Argentina. The exploration program had been on hold for Claudia project since 2009 when the project was returned to the Company following early termination of an earn-in joint venture (“JV”) agreement.

The Company granted 800,000 incentive stock options under its incentive stock option plan to certain directors, officers, employees and consultants. The incentive options are exercisable at $5.23 per option for a period of five years until August 4, 2016.

Bernie Zacharias, CA, was appointed as Chief Financial Officer by the Company, effective September 1, 2011. Mr. Zacharias is a managing partner, founder and director of Avisar Chartered Accountants since 2004 and has recently acted as Chief Financial Officer of several TSX Venture Exchange listed companies. Mr. Zacharias’ addition brings beneficial corporate finance experience to the Company.

Activities on Mineral Projects

Activities during the year ended June 30, 2012 were focused on exploration activities on the Company's gold-silver prospects and acquisition evaluations in Santa Cruz Province, Argentina, and northern Chile.

The Company carries out "grass-roots" exploration for gold and silver in Argentina, Chile, and elsewhere in Latin America. To the present time, properties are advanced through exploration to bring the properties to a stage where the Company can attract the participation of major resource companies having the expertise and financial capability to take such properties to commercial production. At present, Mirasol has a joint venture with Coeur at the Joaquin Project in Santa Cruz Province, Argentina and with Pan American Silver Corp. ("Pan American Silver"), permitting Pan American Silver to earn a 51% interest in the Company's Espejo property upon completion of US $ 4 million investment in exploration. Mirasol holds a 100% interest in all other properties.

The Company plans to continue drilling at the Virginia and Claudia Projects, and potentially other properties in Argentina. In addition, the Company has re-activated its generative and reconnaissance precious metals exploration program in northern Chile.

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 that 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. Costs of generative exploration totaled $98,763 for the year ended June 30, 2012 (2011 - $311,526), a decrease of $212,763 from costs incurred in the prior year. Exploration activities in Chile and Argentina are managed from the Company's Mendoza, Argentina exploration office. The majority of costs associated with generative exploration are for consulting and contractors.

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 joint venture with Coeur; they are the project operator and are responsible for funding 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.

To date, Coeur has completed more than 23,000 metres of diamond drilling at Joaquin. Multiple prospects, including the La Negra, La Morocha, La Morena and Joaquin Main prospects, have been drilled. Coeur holds a vested 51% interest in the project and has elected to proceed to increase its equity to 61% by funding all expenditures through to the delivery of full feasibility study. Coeur commenced a major diamond drilling program of at least 12,000 metres, focused principally on infill drilling of the La Negra silver-gold and La Morocha silver deposits, designed to confirm and add to the published resources. An initial resource was published for the La Morocha and La Negra targets in a news release dated May 9, 2011.

A NI 43-101 compliant Technical Report was published for the Joaquin project on June 28, 2011. The calculated resource includes:

May 9, 2011 Resources - Joaquin Project (100% of Project)

Mineral Type and Category	Ktonnes	Silver g/t	Contained Koz Silver	Gold g/t	Contained Koz Gold
Oxides					
Indicated	6,785	77.7	**16,952**	0.16	34
Inferred	11,128	86.6	**30,989**	0.09	32
Sulphides					
Indicated	419	203.5	**2,741**	0.16	2
Inferred	2,667	197.8	**16,963**	0.12	10
Total of Oxides & Sulphides					
Indicated	7,204	85.0	**19,693**	0.16	36
Inferred	13,794	108.1	**47,952**	0.10	43

- Metal prices used were US$20 /oz Ag and US$1,300 oz/Au.
- Oxide mineral resources estimated using a cutoff grade of 33 g/t Ag Eq and sulphide mineral resources with a cut-off of 51.9 g/t Ag Eq. within Whittle® surface mine designs.
- Ag Eq (silver equivalent) = Ag grade in grams per tonne + Au grade in grams per tonne x 65.
- Mineral resources estimated by the consulting firm of NCL Ingeniería y Construcción Ltda. in Santiago, Chile.
- Mineral resources that are not mineral reserves have not demonstrated economic viability.

Data on 35 new infill holes on La Negra, plus 4 holes drilled for metallurgical studies (news release May 7, 2012) include DDJ-123 and DDJ-218, both of which contain significant gold values in addition to silver. Gold-rich intercepts occur in hole DDJ-213, which cut 21.0 metres of 278 g/t silver and 0.79 g/t gold, and hole DDJ-218 with 6.0 metres of 1,077 g/t silver and 1.98 g/t gold from La Negra.

Subsequent to the end of the year, an updated resource was announced on August 7, 2012 and a 43-101 Technical Report was published on September 21, 2012 on www.sedar.com. The new resource comprises:

August 7, 2012 Resources Joaquin Project Totals

Mineral Type and Category	Tonnes (000)	Silver g/t	Silver oz. (000)	Gold g/t	Gold oz.
Total of Oxides & Sulphides					
Measured	1,650	103.1	5,500	0.11	5,600
Indicated	10,600	96.8	33,000	0.10	34,600
Meas. + Indic.	12,300	97.6	**38,400**	0.10	39,600
Inferred	7,900	123.7	**31,300**	0.07	19,400

Mineral resources that are not mineral reserves have not demonstrated economic viability. Due to rounding of insignificant figures as required by best practices, sums of tonnes and ounces may not appear to total correctly.

- Metal prices used were US$30 /oz Ag and US$1,300 oz/Au. Only silver mineralization was included in the in-pit calculation.
- Oxide mineral resources estimated using a cutoff grade of 33 g/t Ag Eq and sulphide mineral resources with a cut-off of 51.9 g/t Ag Eq. within Whittle® surface mine designs.
- Ag Eq (silver equivalent) = Ag grade in grams per tonne + Au grade in grams per tonne x 65.
- Mineral resources estimated by the consulting firm of NCL Ingeniería y Construcción Ltda. in Santiago, Chile.
- Mineral resources that are not mineral reserves have not demonstrated economic viability.

Additional detailed information is available on Mirasol's website www.mirasolresources.com.

Santa Rita Property- Virginia Project

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

During the period ended December 30, 2009, a new, high grade, silver 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 grams/tonne ("g/t") silver from the Julia Vein. On February 16, 2010, Mirasol reported assays ranging up to 3,170 g/t silver from rock chip sampling of the Julia vein and surrounding veins.

Sawn channel samples (March 4, 2010) from all 58 Julia vein channels averaged 805 g/t silver. Ground geophysical surveys, including ground magnetic and gradient array IP were completed.

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

Drilling in 2010 through mid-2011 systematically tested 1,780 metres of strike length of the 9,600 metres length of veining outlined at the Virginia Silver District, totaling 9,266 metres of diamond drilling in 117 holes. Drilling defined four silver deposits at Julia North, Julia Central, Julia South and Naty Vein with potentially economic silver grades and widths, at a nominal drill spacing of 50 by 50 metres or closer. Mirasol redrilled a total of 22 holes to improve percentage core recovery. Results from the final 14 re-drilled holes include significant silver intersections with excellent core recovery, among them hole VG-6A containing 24.27 metres of 326 g/t silver with 96 percent core recovery, including 5.48 metres of 1,038 g/t silver with 98 percent recovery from the Julia North deposit. At Julia Central, VG-50A contains 28.25 metres of 220 g/t silver with 98 percent recovery including 18.11 metres of 303 g/t silver with 96% recovery. In addition, encouraging intersections from scout holes drilled at Naty Extension, Ely South and Martina (news release July 18, 2011) indicated several zones with a high priority for follow-up drilling.

In October 2011, the Company commenced a new season of diamond drilling with the focus to test new veins, vein extensions, and expand the project's resource potential for additional shallow oxide silver deposits. The 2011-2012 program expands drilling in the areas successfully tested by scout holes. Highlights (news release January 26, 2012) at Naty Extension included 1.5 metres of 797 g/t silver in VG-096 and 2.0 metres of 214 g/t silver including 0.3 metres of 1,195 g/t silver in VG-097. Martina Vein highlights included 3.8 metres of 155 g/t silver within a broad intercept of 25.4 metres grading 61 g/t silver in VG-119B, and 10.9 metres of 63 g/t silver, including 1.1 metres of 141 g/t silver, in VG-122A. Ely South highlights include 21.8 metres of 79 g/t silver including 1.9 metres of 495 g/t silver in VG-113, and 18.2 metres of 63 g/t silver including 4.5 metres of 109 g/t silver in VG-111. New holes (VG-127 and VG-138) at Ely South (news release March 1, 2012) demonstrate an increase in true thickness and silver grades at depth. VG-127 intersected 26.9 metres, with an estimated true thickness of 15.0 metres, containing 135 g/t silver, which includes 1.19 metres of 1,760 g/t silver. VG-138 contains 28.0 metres with an interpreted true thickness of 18.4 metres, grading 195 g/t silver, including 4.6 metres of 493 g/t silver. Final results from Phase IV drilling was published on June 25, 2012.

Claudia Property

The large Claudia Property comprises exploration "*cateos*" located in the south-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 of the Rio Seco Zone. (Further news of the Claudia Project was published in news releases 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 completed 3,871 metres of core drilling by December 2007. In December, 2008, Hochschild completed 3,011 metres of reverse circulation drilling. Drilling was designed to test both outcropping Cerro Vanguardia-style quartz veins and covered geophysical targets. Although multiple mineralized targets were intersected, on April 7, 2009 Hochschild elected to terminate the joint venture.

The Company's 2011-2012 exploration at Claudia focuses on three separate prospects: the Laguna Blanca – Ailen zone, the 15 kilometre Curahue Trend, and the Rio Seco vein zone. At Rio Seco, Mirasol has undertaken geological mapping, rock chip sampling, excavation of more than 53 trenches, a 10.7 square kilometer gradient array IP geophysical survey, and 11.1 line kilometres of pole-dipole IP geophysics (news release March 5, 2012). Rock chip assays have returned up to 20.1 g/t gold and 34 g/t silver, and saw-cut channel and trench sample composites s returned 0.7 metres at 13.9 g/t gold and 229 g/t silver and 10.5 metres of 1.9 g/t gold and 22 g/t silver from mineralized zones. A geophysical survey at the Curahue prospect (news release April 18, 2012) defined an 8 km long zone of gravel covered anomalies that geological evidence suggests is an extensive vein zone. Rock chip samples, from locally sourced epithermal cobbles in an alluvial terrace that partially covers the zone, returned assays up to 2.0 g/t gold and 2130.0 g/t silver. Trenching through gravel and sparse outcrop has been carried out over the geophysical anomalies, and returned assays up to 0.9 metres at 4.7 g/t gold with 120.0 g/t silver from outcropping epithermal veins in bedrock, and up to 26 metres at 0.45 g/t gold and 1.9 g/t silver from a veinlet zone.

A 2,600 metre diamond drill campaign was carried out at the Rio Seco Zone in May, 2012, and targeted gold-silver anomalies exposed in shallow trenches and in vein outcrop and float material. Results are pending.

Espejo Property

The Espejo property was staked in April 2006 and adjoins Pan American Silver's Manantial Espejo silver-gold mine to the south and southeast. 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 and production at the Manantial Espejo mine. Additional exploration cateos were staked in 2008 which expand the property to the south (news release June 26, 2008).

The Company completed an exploration option agreement on October 4, 2012 with Pan American Silver which permits Pan American Silver to earn a 51% interest in the property by expending US$4 million over four years, to reach a 61% interest by completing a NI 43-101 compliant feasibility study, and then to further increase the interest to 70% by providing mine financing at commercial terms.

La Curva Property

The La Curva property, comprising two exploration cateos, is located in the eastern Deseado Massif and has year round access from the paved national highway and secondary roads. 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 which exist on the property. The dome-vein setting is seen elsewhere in productive mining districts and at the Dos Calandrias gold system located fifteen kilometers to the west. (See news releases of April 1, 2008 and February 24, 2009).

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 "*manifestaciones de descubrimiento"*. The Sascha Project was initially included in the Coeur joint venture signed in 2006. Coeur initiated drilling in March 2007 and completed 19 diamond drill holes totaling approximately 2,500 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. Additional mapping and new interpretation of drill results have defined a number of new prospective exploration targets at Sascha.

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's 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 which has not been drill tested. 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.

Coeur drilled eleven shallow diamond holes in late 2009 at the Nico Main target and 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, however the Company believes it remains underexplored.

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, a Mobile Metal Ion (“MMI”) geochemical survey have been completed with a regional interpretation of La Libanesa’s unique geological setting.

In 2010, an AMT ground geophysical survey identified a strong resistive feature near Cerro Plomo. An 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.

Rubi Property, Chile

The Rubi copper property in northern Chile, covering 12,900 hectares, is strategically located 22 km southwest of, and adjacent to, 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 in 2008 was enlarged, 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). During the year, the Rubi property was brought through "mensura", the most secure mineral property stage.

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, 2012 as compared to the Year Ended June 30, 2011

The Company’s net loss for the year ended June 30, 2012 was $16,142,997 or $0.40 per share compared to a net loss of $12,734,165 or $0.35 per share for the year ended June 30, 2011, an increase in loss of $3,408,832.

Total operating expenses for the year ended June 30, 2012 were $15,973,068 compared to $12,608,421 in 2011, an increase of $3,364,647. The increase is primarily due to an increase in exploration costs ($11,599,329 in the fiscal 2012 compared to $5,843,196 during fiscal 2011) due to the Company’s increased focus on it Virginia and Claudia properties in Argentina and Gorbea and Cindy projects in Chile. Professional fees also increased by $141,027 ($325,528 during fiscal 2012 as compared to $184,501) due to additional accounting and auditing costs incurred for the transition of the Company’s accounting records from Canadian Generally Accepted Accounting Principles (“Canadian GAAP”) to IFRS.

The above increase was offset by a decrease in share-based payments expense of $2,562,329 ($3,345,027 during the year ended June 30, 2012 compared to $5,907,356 during fiscal 2011) due to additional stock option grants in the prior year.

All other costs remained consistent with those incurred during the year ended June 30, 2011.

For the Three Month Period Ended June 30, 2012 ("Current Quarter") as compared to the Three Months Ended June 30, 2011 ("Comparative Quarter")

The Company's net loss for the three months ended June 30, 2012 was $3,537,826 or $0.08 per share compared to a net loss of $4,836,301 or $0.13 per share for the Comparative Quarter, a decrease in loss of $1,298,475.

Total operating expenses for the Current Quarter were $3,566,229 compared to $4,968,793 for the Comparative Quarter, a decrease of $1,402,564. The decrease in costs is primarily due to the decrease in share-based payments expense of $1,467,477 ($Nil during the three months ended June 30, 2012 compared to $1,467,477 for the same period ended June 30, 2011). The costs during the comparative quarter pertained to vesting of incentive stock options granted previously and recording of relevant expense in the Comparative Quarter. The incentive stock options granted during fiscal 2012 had vested completely before the Current Quarter.

All other operating costs remained relatively consistent with those incurred during the three month period ended June 30, 2011.

The decrease in the operating costs was offset by a decrease in the Company's gain from other items of $104,089 pertaining primarily to a lower foreign exchange gain in the Current Quarter.

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, 2012, 2011 and 2010.

		2012		2011		2010**
Sales	$	-	$	-	$	-
Loss for the Period	$	(16,142,997)	$	(12,734,165)	$	(2,227,798)
Loss per Share - Basic and Diluted	$	(0.40)	$	(0.35)	$	(0.07)
Total Assets	$	10,888,209	$	10,509,892	$	5,323,288
Total Long-term Liabilities	$	-	$	-	$	-
Dividends Declared	$	NIL	$	NIL	$	NIL

****** Prepared in accordance with Canadian GAAP.

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 in accordance with International Accounting Standard ("IAS") 34 and accounting policy consistent with IFRS.

Period	Revenues $	Loss from Continued Operations and Net Loss $	Basic and Fully Diluted Loss per Share from Continued Operations and Net Loss $
4th Quarter 2012	Nil	(3,537,826)	(0.08)
3rd Quarter 2012	Nil	(4,697,002)	(0.11)
2nd Quarter 2012	Nil	(3,971,464)	(0.10)
1st Quarter 2012	Nil	(3,936,705)	(0.10)
4th Quarter 2011	Nil	(4,836,301)	(0.13)
3rd Quarter 2011	Nil	(4,092,807)	(0.11)
2nd Quarter 2011	Nil	(3,249,915)	(0.09)
1st Quarter 2011	Nil	(555,142)	(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, 2012 was $7,070,129 compared to a net working capital of $9,504,483 at June 30, 2011. The cash and short-term investment balance at June 30, 2012 was $7,823,870 compared to $10,114,703 at June 30, 2011. As at June 30, 2012 current liabilities were $985,207 compared to $780,033 at June 30, 2011.

On October 24, 2012, the Company has 42,850,661 shares issued and outstanding. The Company also has 3,680,300 stock options, 2,000,000 private placement warrants and 200,000 Underwriters' warrants outstanding with a weighted average exercise price of $3.54, $4.30 and $3.30, respectively.

Investing Activities

During the year ended June 30, 2012, the Company purchased surface rights overlaying the Virginia project for cash outlay of $2,480,198, purchased short-term investments for $997,830 and also purchased exploration equipment worth $118,091. The cash outlay for purchase of equipment totaled $140,198 during the year ended June 30, 2011. The Company's property, plant and equipment are principally to be used for exploration activities in Argentina and Chile.

Financing Activities

During the year ended June 30, 2012, the Company closed a bought deal private placement with the Underwriters and issued 4,000,000 units of the Company at a price of $3.30 per unit for an aggregate gross proceeds of $13,200,000. The Company paid the Underwriters cash commission of $792,000 and issued 200,000 common share purchase warrants for purchase of common shares at a price of $3.30. Total cost incurred by the Company in relation to the private placement was $1,015,313, inclusive of the cash commission fee to the Underwriters. The

Company also received cash proceeds of $786,426 from exercise of certain outstanding incentive stock options (20,000) and warrants (338,460).

During the year ended June 30, 2011, the Company received cash proceeds of $433,330 from the exercise of 653,200 options and $2,257,016 from the exercise of 1,447,020 warrants. Also during the year ended June 30, 2011, financing activities provided $8,704,214 from the net proceeds received for shares issued pursuant to a private placement which closed on December 7, 2010. Terms of the private placement were three million units priced at $3.10. Each unit consists of one common share and one-half common share purchase warrant. One whole warrant entitled the holder to purchase a common share of the Company for one year at a price of $4.00 per share. All such warrants were either exercised for common shares or expired during the year ended June 30, 2012.

Capital Resources

The Company has no operations that generate cash flow and its long term financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

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

With working capital of $7,070,129, 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 significant off-balance sheet arrangements.

Transactions with Related Parties

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

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

	Nature of transactions
Miller Thomson (effective July 1, 2011)	Legal fees
Avisar Chartered Accountants (effective September 1, 2011)	Accounting fees
Global Ore Discovery	Exploration costs and project management fees

The Company incurred the following fees and expenses in the normal course of operations in connection with related parties. Expenses have been measured at the exchange amount which is determined on a cost recovery basis.

	June 30, 2012	June 30, 2011
Legal fees	$ 160,966	$ -
Accounting fees	86,750	-
Exploration costs	746,795	597,452
Other operating expenses	62,802	104,020
Management fees	114,618	104,152
	$ 1,171,931	$ 805,624

Included in accounts payable and accrued liabilities at June 30, 2012 is an amount of $95,395 (June 30, 2011 - $89,870; July 1, 2010 - $393) owing to directors and officers of the Company and to companies where the directors and officers are principal. The amount was incurred in the ordinary course of business, 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.

The remuneration of the chief executive officer, chief financial officer, vice president of exploration, exploration manager, and the corporate secretary (collectively, the key management personnel) during the years ended June 30, 2012 and 2011 were as follows:

	2012	2011
Management fees (i)	$ 289,112	$ 109,250
Share-based payments (ii)	1,736,354	3,582,092
	$ 2,025,466	$ 3,691,342

(i) Management fees of $160,192 are included in Management fees and $128,920 is included in Exploration costs.

(ii) Share-based payments represent the expense for the years ended June 30, 2012 and 2011.

Significant Accounting Policies

The details of the Company's accounting policies are presented in Note 3 of the Company's consolidated financial statements for the year ended June 30, 2012. The following policies are considered by management to be essential to the understanding of the processes and reasoning that go into the preparation of the Company's financial statements and the uncertainties that could have a bearing on its financial results.

Exploration and Evaluation Assets

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

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

Ownership in exploration and evaluation assets involves certain interest risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristics of many exploration and evaluation assets. The Company has investigated ownership of its exploration and evaluation assets and, to the best of its knowledge, ownership of its interests are in good standing.

Foreign Currencies

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and its wholly owned subsidiaries, Mirasol Argentina S.R.L., Minera Del Sol S.A., Australis S.A., Gran Nueva Victoria S.A., Cabo Sur S.A., and Minera Mirasol Chile Limitada., is the Canadian Dollar ("$"). The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, the Effects of Changes in Foreign Exchange Rates ("IAS 21").

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

The Company's presentation currency is the Canadian dollar.

Significant Accounting Estimates and Judgments

(i) Impairment: The Company assess its investments, exploration and evaluation assets and equipment annually to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the evaluation of events and conditions that indicate impairment in accordance with IAS 36. The Company has concluded that impairment conditions do not exist.

(ii) Share-based compensation: The Company provides compensation benefits to its employees, directors and officers through a stock option plan. The fair value of each option award is estimated on the date of the grant using the Black-Scholes option pricing model. Expected volatility is based on historical volatility of the Company's share price. The Company uses historical data to estimate option exercises and forfeiture rates with the valuation model. The risk-free interest rate for the expected term of the option is based on the yields of government bonds. Changes in these assumptions, especially the volatility and the expected life determination could have a material impact on the Company's comprehensive loss for the year. When the Company determines it necessary to modify the terms of options, the Black-Scholes option pricing model is utilized at the date of the modification and uses the modified terms in order to calculate the incremental change in value of the original option. The use of the option-pricing model and a change in assumptions used within the model could result in a material impact on the Company's comprehensive loss for the year.

(iii) Warrant valuation: The Company grants warrants in conjunction with private placements and as compensation for debt financing arrangements. The fair value of each warrant granted is estimated on the date of the grant using the Black-Scholes option pricing model. Expected volatility is based on historical volatility of the Company's share price. The Company uses historical data to estimate warrant exercises and forfeiture rates with the valuation model. The risk-free interest rate for the expected term of the warrant is based on the yields of government bonds. Changes in these assumptions, especially the volatility and the expected life determination could have a material impact on the Company's comprehensive loss for the year.

(iv) Recovery of deferred tax assets: Judgment is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets require management to assess the likelihood that the Company will generate taxable income in future periods in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecasted cash flows and the application of existing tax laws in each jurisdiction.

(v) The functional currency of an entity is the currency of the primary economic environment in which the entity operates. That of the Company and its subsidiaries was determined by conducting an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

Transition to International Financial Reporting Standards

The Company adopted IFRS in accordance with IFRS 1, *First-time Adoption of International Financial Reporting Standards* ("IFRS 1"). The first date at which IFRS was applied was July 1, 2010 ("Transition Date") and the year ended June 30, 2012 is the Company's first annual reporting period under IFRS. IFRS 1 provides for certain mandatory exceptions and optional exemptions for first time adopters of IFRS.

IFRS 1 First-time Adoption of International Financial Reporting Standards sets forth guidance for the initial adoption of IFRS. Under IFRS 1 the standards are applied retrospectively at the transitional statement of financial position date with all adjustments to assets and liabilities taken to deficit unless certain exemptions are applied. The Company has applied the following optional exemptions to its opening statement of financial position dated July 1, 2010:

(i)IFRS 3 - Business Combinations

IFRS 1 indicates that a first-time adopter may elect not to apply IFRS 3 Business Combinations retrospectively to business combinations that occurred before the date of transition to IFRS. The Company has taken advantage of this election and will apply IFRS 3 to business combinations that occur on or after July 1, 2010.

(ii) IFRS 2 – Share-based Payments

IFRS 1 encourages, but does not require, first-time adopters to apply IFRS 2 Share-based Payments to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before the later of the date of transition to IFRS and January 1, 2005. The Company has elected not to apply IFRS 2 to awards that were granted prior to November 7, 2002.

IFRS 1 also outlines specific guidelines that a first-time adopter must adhere to under certain circumstances. The Company has applied the following guidelines to its opening statement of financial position dated July 1, 2010:

(i) Estimates

In accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under previous GAAP, unless there is objective evidence that those estimates were in error. The Company's IFRS estimates as of July 1, 2010 are consistent with its Canadian GAAP estimates for the same date.

IFRS employs a conceptual framework that is similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement and disclosure. While adoption of IFRS did not have any impact on the Company's equity and cash flows from operating, investing and financing activities as at July 1, 2010 and June 30, 2011 it has resulted in changes to the Company's reported results of operations.

In order to allow the users of the financial statements to better understand these changes, the Company's Canadian GAAP statements of loss and comprehensive loss for the year ended June 30, 2011 have been reconciled to IFRS in Note 12 of the Company's consolidated financial statements for the year ended June 30, 2012.

Recent Accounting Pronouncements

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the International Accounting Standards Board ("IASB") or International Financial Reporting Interpretations Committee ("IFRIC"). The Standards impacted that are applicable to the Company are as follows:

a) IFRS 7, Financial Instrument: Disclosures ("IFRS 7"), Offsetting Financial Assets and Financial Liabilities, was amended by the IASB in 2011 to require information about all recognized financial instruments that are set off in accordance with paragraph 42 of IAS 32 "Financial Instruments: Presentation".

The amendments also require disclosure of information about recognized financial instruments subject to enforceable master netting arrangements and similar agreements even if they are not set off under IAS 32. The IASB believes that these disclosures will allow financial statement users to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with an entity's recognized financial assets and recognized financial liabilities, on the entity's financial position. The amended standard is effective for annual periods beginning on or after January 1, 2013. The Company is currently evaluating the impact of this standard.

b) IFRS 9, Financial Instruments ("IFRS 9") was issued by IASB in October 2010 and will replace IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. There are two measurement categories: amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is at fair value through profit or loss.

In December 2011, the effective date of IFRS 9 was deferred to years beginning on or after January 1, 2015. The Company is currently evaluating the impact of this standard.

c) IFRS 10, Consolidated Financial Statements ("IFRS 10"), was issued in May 2011 and will supersede the consolidation requirements in SIC-12, Consolidation – Special Purpose Entities ("SIC-12"), and IAS 27 (2008), Consolidated and Separate Financial Statements ("IAS 27"), effective for annual periods beginning on or after January 1, 2013, with early application permitted. IFRS 10 builds on existing principles by identifying the concept of control as a determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard also provides additional guidance to assist in the determination of control where this is difficult to assess. The Standard is not expected to have an impact on the Company in its current form.

d) IFRS 11, Joint Arrangements ("IFRS 11"), was issued in May 2011 and will supersede existing IAS 31, Joint Ventures ("IAS 31") effective for annual periods beginning on or after January 1, 2013, with early application permitted. IFRS 11 provides for the accounting of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The Standard also eliminates the option to account for jointly controlled entities using the proportionate consolidation method. The Standard is not expected to have an impact on the Company in its current form.

e) IFRS 12, Disclosure of Interests in Other Entities ("IFRS 12"), was issued in May 2011 and is a new and comprehensive standard on disclosure requirements for all forms of interest in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. IFRS 12 is effective for annual periods beginning on or after January 1, 2013 with earlier application permitted. The Standard is not expected to have an impact on the Company in its current form.

f) IFRS 13, Fair Value Measurements ("IFRS 13") was issued in May 2011 and sets out, in a single IFRS, a framework for measuring fair value. IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This definition of fair value emphasizes that fair value is a market-based measurement, not an entity specific measurement. In addition, IFRS 13 also requires specific disclosures about fair value measurement. IFRS 13 is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted. The Company is currently assessing the impact of this Standard.

g) IAS 1, Presentation of Items of Other Comprehensive Income ("OCI") ("IAS 1"), was revised in June 2011 to change the disclosure of items presented in OCI, including a requirement to separate items presented in OCI into two groups based on whether or not they may be recycled to profit or loss in the future. The revision is effective for annual periods beginning on or after July 1, 2012 with early application permitted. The Standard is not expected to have an impact on the Company in its current form.

h) IAS 27, Separate Financial Statements ("IAS 27"), as amended in 2011, is the standard to be applied in accounting for investments in subsidiaries, joint ventures, and associates when an entity elects, or is required by local regulations, to present separate (non-consolidated) financial statements. IAS 27 (2011) supersedes IAS 27 (2008) and carries forward the existing accounting and disclosure requirements for separate financial statements, with some minor clarifications. The amended standard is effective for annual periods beginning on or after January 1, 2013. The Company is currently assessing the impact of this Standard.

i) IAS 28, Investments in Associates and Joint Ventures (“IAS 28”), as amended in 2011, supersedes IAS 28 “Investments in Associates” and prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The Standard defines 'significant influence' and provides guidance on how the equity method of accounting is to be applied (including exemptions from applying the equity method in some cases). It also prescribes how investments in associates and joint ventures should be tested for impairment. The amended standard is effective for annual periods beginning on or after January 1, 2013. The Company is currently assessing the impact of this Standard.

j) The IASB amended IAS 32, “Financial Instruments: Presentation” to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- the meaning of 'currently has a legally enforceable right of set-off;
- the application of simultaneous realization and settlement;
- the offsetting of collateral amounts; and
- the unit of account for applying the offsetting requirements.

The amended standard is effective for annual periods beginning on or after January 1, 2014. The standard is not expected to have an impact on the Company in its current form.

k) IFRIC 20, Stripping Costs in the Production Phase of a Mine (“IFRIC 20”) was issued in October 2011. This interpretation provides guidance on the accounting for the costs of stripping activity in the production phase when two benefits accrue to the entity: usable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods. IFRIC 20 is applicable for annual periods beginning on or after January 1, 2013 with early adoption permitted. The Standard is not expected to have an impact on the Company in its current form.

Management of Financial Risk

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

i. Currency risk

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

At June 30, 2012, the Company is exposed to currency risk through the following assets and liabilities denominated in US and Australian dollars and Argentine and Chilean Pesos:

	US Dollars	Australian Dollars	Argentine Peso	Chilean Peso
Cash and cash equivalents	750,356	-	4,140,902	21,004,358
Accounts receivable	19,680	-	698,257	9,386,930
Accounts payable and accrued liabilities	(92,449)	(51,582)	(2,613,593)	(45,707,389)

Based on the above net exposures as at June 30, 2012, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the US and Australian dollar would result in an increase/decrease of $69,053 and $5,381, respectively in the Company's net loss. Likewise, a 10% depreciation or appreciation of the Canadian dollar against the Argentine and Chilean Peso would result in an increase/decrease of $50,142 and $3,108, respectively in the Company's net loss.

ii. Credit risk

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

The Company's cash is held through large Canadian financial institutions. The Company's receivables consist of harmonized sales tax due from the Federal Government of Canada. Management believes that credit risk concentration with respect to receivable is remote.

iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as outlined above. As at June 30, 2012, the Company's financial liabilities consist of accounts payable and accrued liabilities totalling $985,207, which are expected to be paid within 90 days. Management believes the Company has sufficient funds to meet its liabilities as they become due.

iv. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments included in cash is limited because these investments are generally held to maturity.

v. 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 exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes the components of equity.

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

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

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

Additional Disclosure for Venture Issuers without Significant Revenue

Additional disclosure concerning Mirasol’s operating expenses and exploration and evaluation costs is provided in the Company’s Consolidated Statements of Loss and Comprehensive Loss and in Note 7 of the consolidated financial statements for the year ended June 30, 2012 that is available on Mirasol’s website at www.mirasolresources.com or on its SEDAR company page accessed through www.sedar.com.

Approval

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

Additional Information

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