ASTRAL MINING CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2006

Introduction

The following management discussion and analysis and financial review, prepared as at November 29, 2006, should be read in conjunction with the Company's unaudited interim consolidated financial statements and related notes for the six months ended September 30, 2006 and audited consolidated financial statements and related notes for the years ended March 31, 2006 and 2005. The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). Except as otherwise disclosed, all dollar figures in this report are stated in Canadian dollars. Additional information relevant to the Company can be found on the SEDAR website at www.sedar.com.

Forward Looking Statements

Certain of the statements made and information contained herein is "forward- looking information" within the meaning of the Ontario Securities Act. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation, risks and uncertainties relating to foreign currency fluctuations; risks inherent in mining including environmental hazards, industrial accidents, unusual or unexpected geological formations, risks associated with the estimation of mineral resources and reserves and the geology, grade and continuity of mineral deposits; the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; the potential for and effects of labour disputes or other unanticipated difficulties with or shortages of labour; the inherent uncertainty of future production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations; uncertain political and economic environments; changes in laws or policies, foreign taxation, delays or the inability to obtain necessary governmental permits; and other risks and uncertainties, including those described under Risk Factors Relating to the Company's Business in the Company's Prospectus that can be found on the SEDAR website and in each management discussion and analysis. Forward-looking information is in addition based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long-term price of gold; that the Company can access financing, appropriate equipment and sufficient labour. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements.

Company Overview

The Company was incorporated under the Company Act (British Columbia) on February 12, 2004 and was transitioned under the Business Corporations Act (British Columbia) on November 1, 2004. On June 6, 2005, the Company changed its name from Amanda Resources Corp. to Astral Mining Corporation. The Company completed its initial public offering and on March 1, 2006 commenced trading on the TSX Venture Exchange ("TSXV") under the symbol "AST".

The Company commenced operations in February 2004. The Company has entered into option agreements or acquired through direct staking, a number of properties located in Nevada, USA and British Columbia, Canada.

The Company is a junior mineral exploration company engaged in the business of acquiring, exploring and evaluating natural resource properties and either joint venturing or developing these properties further or disposing of them when the evaluation is completed. All of the Company's mineral property interests are located in Canada and USA.

The Company is currently reviewing other mineral property interests in North America. As of the date of this MD&A, the Company has not earned any production revenue, nor found any proved reserves on any of its properties. The Company is a reporting issuer in British Columbia, Alberta and Ontario.

Effective April 1, 2006 the Company engaged Grosso Group Management Ltd., ("Grosso Group") to provide services and facilities to the Company. See discussion in the Related Parties Transactions section below for further details.

Exploration Projects

Jumping Josephine Property

The Company has completed an option agreement with Kootenay Gold Inc. ("Kootenay Gold") to earn a 60% undivided interest in the 11,785 hectare Jumping Josephine Property ("JJ Property") located in the Nelson Mining Division of southern British Columbia. The JJ Property consists of mineral claims held 100% by Kootenay Gold and straddles Highway 3, north of the town of Rossland and west of Castlegar. New intrusive-hosted vein and shear-hosted gold showings were discovered in several areas of the JJ Property during 2003 by Kootenay Gold. They subsequently assembled a claim position in the area surrounding and including several small past-producers in the Granville Mountain (Bonanza Pass) area.

To fulfill the terms of the option agreement the Company must spend $2.1 million on exploration, issue 400,000 shares (75,000 shares were issued upon signing the option agreement) and make $100,000 in option payments over 5 years. Subsequent to exercise of the earn-in, the Company and Kootenay Gold will form a 60/40 joint venture. Funding of further work on the JJ Property will then be on a proportional basis under the direction of a management committee with voting rights proportional to ownership percentage. Either party may be diluted on the basis of a standard formula if they do not contribute to the planned programs. If either party is diluted to 5%, their interest will convert to a 2.5% NSR royalty, 2% of which can be purchased at any time for $2 million by the surviving partner.

The property area is primarily underlain by several phases of the Middle Jurassic-aged Nelson plutonic suite as well as the Eocene Coryell intrusive suite. These intrude Permo-Carboniferous metavolcanics and metasediments of the Mount Roberts Formation, which are exposed as large pendants. Gold mineralization is interpreted to be localized by several prominent north to north-northwest trending structural zones. Four main mineralized areas have been identified to date on the property within a 15 by 10 kilometre area and are referred to as: JJ Main; JJ West; Pb-Zn; and Granville Mountain.

JJ Main

At the JJ Main, northeast-trending brittle shears cut both Jurassic and Eocene intrusive rocks. The shear zones have been traced through a strike length of more than 600 meters and extend intermittently across a width of several tens of metres. Mineralization within the zone comprises quartz stockworks, vein-breccias, ladder-veining and a series of parallel, sheeted veins spaced 5 to 15 cm apart. Arsenopyrite, minor pyrite and galena are associated with the auriferous quartz-stockwork. Kootenay Gold has reported a maximum assay value of 19 g/t Au has been obtained from grab samples of vein material; values up to 2 g/t Au are more common. Shear-hosted vein showings occur over at least 2km of strike projection.

JJ West

The JJ West showing, located 3km northwest of the JJ Main, is manifested as a number of north-trending shear zones of silicified rock and quartz veins cutting coarse-grained Eocene Coryell syenite. The shear zones vary from 0.5 to several metres in width and include traces of disseminated, fine-grained grey sulphides cut by irregular quartz-limonite veinlets with trace pyrite and locally arsenopyrite. Kootenay Gold reports grab samples of up to 200 g/t gold although values between 100 ppb and 1 g/t gold characterize the sample results to date.

Pb-Zn Zone

The Pb-Zn Zone comprises a number of silicified zones of disseminated and stringer pyrite/pyrrhotite/galena/sphalerite within sericite-altered granitic rock approximately 1.5km further east of the JJ West showing. The silicified zones trend roughly north-south and vary between 0.5 and 2.0 metres in width. Breccia-hosted disseminated pyrite/galena/sphalerite have reportedly returned assays ranging up to 4,000 ppm Pb and 5,900 ppm Zn.

Granville Mountain (Bonanza Pass)

The Granville Mountain area (Bonanza Pass) covers the contact of Mt Roberts volcanics and sediments with Coryell intrusives. Mineralized north-trending quartz-gold veins with variable lead, zinc and copper content

have been observed to cut both Mt Roberts and the intrusive units. Limited high-grade gold and silver production came from a number of these veins between 1912 and 1964. Grab samples collected by Kootenay Gold from these historic veins at surface have returned assays exceeding 100 g/t gold. The JJ Property surrounds remaining Crown granted claims and covers some of the historical producers in Granville Mountain Camp.

Recent prospecting by Kootenay Gold along newly-exposed logging cuts has identified numerous thin (several tens of centimetres) fracture-controlled quartz-pyrite-limonite veinlets mineralized with visible gold at the BTZ Zone which occurs along the contact of the Mount Roberts Formation volcanics and sediments with Coryell intrusive over a 400m stretch of logging road 2km to the south of the main Granville Mountain Camp. Kootenay Gold has reported assays ranging from anomalous up to 557 g/t gold from grab samples of these thin fracture-controlled veinlets. This newly discovered zone is believed to have potential for bulk-tonnage and/or high-grade lode gold mineralization.

2006 Exploration Program

The Company carried out an aggressive exploration program during the 2006 field season and has completed an airborne geophysical survey in early spring. The detailed surface work program included prospecting, geological mapping, gridding and soil sampling and backhoe trenching to evaluate geophysical and geochemical targets for subsequent trenching and/or drill-testing. The Company is using the proceeds from the flow-through private placement closed on May 15, 2006, to fund exploration on the JJ Property.

The airborne survey was flown by Aeroquest Limited of Mississauga, Ontario using a AeroTEM helicopter time-domain EM system. The survey was flown at a 100m-line spacing to produce a high definition product. The magnetic component of the airborne survey has assisted in delineating the structural controls on the numerous gold showings that have been identified in four main areas of the JJ Property. Maps and photos from the JJ Property are posted on the Company's website (www.astralmining.com).

First Phase Soil Sampling (JJ Main, JJ West, Bonanza Pass)

First phase soil sampling has identified several significant soil anomalies. Soil sampling comprised 1754 soil samples including 515 samples from JJ Main, 538 samples from JJ West and 701 samples from Granville Mountain (Bonanza Pass) area which includes the BZT zone previously identified as having numerous thin fracture-controlled quartz-pyrite-limonite veinlets containing visible gold. Three main anomalies; approximately 1000m x 150m, 1000m x 150m and 450m x 125m were identified over Bonanza Pass grid. Spot highs of 0.42g/t gold and 0.412g/t gold were returned from JJ Main and JJ West respectively but coherent anomalies were not identified.

Samples were collected at 25m intervals on 100m spaced lines in areas of known gold showings and 50m intervals on 200m spaced lines in areas away from known showings. Soil samples ranged from <0.001g/t gold (below detection) up to 1.48g/t gold. Values higher than 0.021g/t gold represent the 90th percentile and are considered anomalous.

The main Bonanza Pass grid covers an area 2000m long and 1200m wide. Three main anomalies were identified and follow a roughly north-south orientation similar to that measured in local mineralized quartz veins. All three anomalies encapsulate elevated grab sample results from earlier Kootenay Gold grab sampling. Several subsidiary anomalies were also identified. Anomaly 1 (1000m x 150m) is elongate, running along the hillside contour and contains soil values up to 0.89g/t gold.

Anomaly 2 (1000m x 150m) is a strong though anastamosing anomaly with values up to 0.561g/t gold and a 400m long multi-station core in excess of 0.046g/t. Anomaly 3 (450m x 125m) is open to the south and contains values up to 1.48g/t gold.

Given the strength and continuity of these anomalies, the Company is planning to extend the Bonanza Pass grid and infill identified anomalies with the aim of outlining trench and drill targets.

All soil samples were collected by an independent contractor from B-horizon soils and submitted to ALS Chemex, North Vancouver for analysis.

Albion and Bonanza Pass Sampling

The Bonanza and Albion prospects are located approximately 10km to the southwest of the JJ Main target. Gold mineralization in this southern portion of the Property is thought to be related to the intrusion of Eocene age Coryell Syenites into mid-Jurassic Nelson intrusives and older Permo-carboniferous Mount Roberts Formation metasediments and volcanics. Within the claims optioned by astral, the Albion prospect (Albion vein) and the Dubrovnik vein are both part of the historical Granville Mountain Mining Camp. The Bonanza Pass prospect is located to the south of the Granville Mountain Camp and was newly discovered by Kootenay Gold in 2003. Reconnaissance mapping and geochemical anomaly follow-up work on JJ during the 2006 field season included the collection of 56 grab, rock-chip and channel samples from the Bonanza Pass and Albion prospects.

The Albion vein is exposed today in trenches and cuttings on surface over 100m and varies up to 2.2m in width. The vein comprises iron stained, fractured quartz with cubic pyrite and lesser pyrrhotite mineralization. A total of 5 samples of quartz material in 3 continuous channel samples spaced roughly 25m apart were collected from the Albion vein. Results of individual samples ranged from 0.52 to 45.66 g/t gold; highlights of the sampling are provided in the table below. The Dubrovnik vein is obscured and was not sampled.

At the Bonanza Pass, a number of quartz-sulphide veins, spaced several centimetres to tens of metres to apart and ranging from 1 to 5cm in width, cut an altered diorite exposed along a new outcrop on the upslope side of a recently constructed forestry road. Visible gold is commonly observed in these veins and grab samples collected from them have returned assays of up to 558 g/t gold. To make a preliminary assessment of their significance, 40 representative 1.0m channel samples were taken in 6 locations across the thin quartz-sulphide veins and adjacent host rock. Given the friable nature of the rock material at Bonanza Pass, channel samples were collected using a geological pick rather than a rock saw. Significant results were returned from Channel #1 and #4 and are tabulated below.

Prospect	ID	Interval (m)	Grade Gold (g/t)	Sample Type
Bonanza	Channel #1	2.0	2.23	Channel
Including		1.0	4.17	
Bonanza	Channel #4	2.0	2.52	Channel
Including		1.0	4.74	
Bonanza	JJD047	0.8	2.17	Rock chip
Albion	JJD578-580	1.4	10.80	Rock chip
Including		0.3	45.66	
Albion	JJD581	0.7	5.77	Rock chip

The above sampling of the Albion and Bonanza Pass prospects was carried out during initial reconnaissance, orientation mapping and soil anomaly investigation and does not represent a comprehensive sampling program.
Further detailed sampling will be required to fully evaluate the potential of the Albion and Bonanza Pass prospects. Planned follow up work includes extended geochemical soil sample grids, further geological mapping, channel sampling, trenching and diamond drilling at Albion, Dubrovnik and Bonanza Pass.

JJ Main Trenching

Astral's Phase I trenching program has identified significant gold mineralization in the JJ Main Zone that extends over 150m in strike length and is open to the north and south.
A second quartz-stockwork zone located 18m southeast of the ladder has also been identified. The eastern zone may represent either a separate parallel zone of auriferous quartz-stockwork mineralization or a repeat of the western zone along a dextral steeply-dipping northerly-trending fault.

A total of six trenches (T01-06) totaling 560m were completed at the JJ Main prospect. Trenches 01-05 were dug at 50m intervals across the strike of the main zone and Trench 06 tested quartz veining exposed in a road cut 200m further north. Quartz stockwork was encountered in all four southern trenches (T01-04). The quartz stockwork has been traced in the trenches for 150m. Mineralization was not exposed in T05 as thick forest prevented backhoe access to excavate the projected strike extension. The significant fire assays from JJ Main are summarized in the table below under Original fire Assay.

In order to address the possibility that coarse gold is a factor at the JJ main, fifty-four one-metre samples comprising six mineralized intervals and adjacent wallrock were re-assayed using the 500g 'metallic gold assay' technique at Acme Analytical Laboratories, Vancouver, B.C. Overall the metallic gold assay results significantly enhance the JJ Main Zone channel samples. Four of the six intervals re-assayed returned higher averaged results and two returned slightly lower values. The metallic gold assay results are summarized and compared to original fire assay results in the table below. This data indicates that coarse gold is likely a factor in the JJ Main stockwork zone and as such potentially mineralized material will be submitted directly for metallic gold assay in future programs.

Trench	From (m)	To (m)	Interval (m)	Original fire Assay (g/t gold)	Screen Fire Assay (g/t gold)
T01	41	43	2	1.86	0.99
T01	32	35	3	3.99	**6.84**
T02	20	25	5	21.43	19.20
including	21	24	3	34.67	30.64
T03	16	26	10	5.01	**5.05**
including	25	26	1	28.70	*
T03	44	52	8	3.18	**7.38**
including	48	50	2	10.55	**27.14**
T04	38	41	3	0.51	**0.82**

*this interval not reported with Screen Fire assay

An expanded Phase I trenching program on the JJ Main Project was completed in October 2006. The exploration program employed a backhoe to excavate the gold-bearing quartz stockwork zone and expose the mineralized structure along strike between existing trenches. Additionally a number of step-out trenches were excavated to expose the JJ Main structure along strike to the north and south. Samples from the trenching programs were collected by the Company's staff and submitted to Acme Analytical Laboratories Ltd, Vancouver for analysis.

Currently the Company is waiting for results from further trenching and channel sampling completed on the JJ Main target in October. The Company is planning further trenching and preliminary drill-testing of the JJ Main prospect for the spring of 2007 and will be carrying out an extensive exploration program to advance a number of other prospects on the JJ Property during the balance of the 2007 field season.

The 2006 Exploration work was completed under the supervision of the Company's Project Geologist Dale Brittliffe B.Sc.. Technical information contained in this release has been reviewed by Dr. David Terry, P.Geo., Director and Vice President Exploration, a Qualified Person as defined in National Instrument 43-101.

Gold Springs Project

By agreement dated March 17, 2004, and amended November 17, 2004, the Company agreed to option an undivided 100% interest in 127 claims located within the Stateline Mining District along the Nevada-Utah border (collectively the "Gold Springs Project").

The Gold Springs Project ("Gold Springs") will be subject to a 3% net smelter royalty ("NSR").

Upon earning the 100% interest, the Company will be required to pay US $75,000 annually, commencing March 5, 2009, as an advance on the NSR. The Company has the right to purchase 1.5% NSR (the "NSR Buyback") for US $1,500,000, less any advances paid by the Company.

The property comprises 127 claims and covers an area approximately three kilometres in an east-west direction by six kilometres in a north-south direction. The property is located within the Stateline Mining District along the Nevada-Utah border which had small-scale production from at least 13 high-grade narrow veins from the late 1800s through to the mid 1900s. Gold Springs is underlain by Tertiary-aged intermediate to felsic volcanic rocks that have demonstrated potential to host both precious metal deposits in high-grade narrow vein zones and quartz stockwork/disseminated bulk tonnage targets; the three main target areas are described below.

Jumbo

The Jumbo zone is dominated by a prominent steeply east-dipping north-striking vein which is up to 7.5 metres wide, and in places splits into a double vein zone up to 20m wide, and can be traced on surface for 760 metres. The vein is primarily white and massive quartz with crystalline, crustiform, colloform, sucrosic, comb, and quartz pseudomorphs of calcite textures. Less abundant adularia and carbonate material are also present; numerous clasts of the volcanic host occur in the vein.

In 1988 Energex Minerals Ltd. ("Energex") was active on the property and drilled 8 holes totalling 701m along 250m strike of the southern Jumbo vein. Highlights included: 2.34 g/t gold over 24.4m and 17 g/t gold over 3.0m. These results have not been followed up on and mineralization is open to depth and along strike. Twenty-three samples were collected from the Jumbo vein during August and September 2004 by the Company ranging up to 3.1 g/t gold with 17 samples containing >100 ppb gold. The CSAMT survey detected a resistive zone associated with the Jumbo vein system measuring approximately 1500m north-south and up to 500m wide. The width of the resistive area suggests that there are multiple north-south striking structures in the Jumbo area. To the south the zone narrows and is offset by a right lateral fault. At depth the resistive rock cuts the layered andesites and connects to a larger resistive body at approximately 300m depth interpreted as a possible zone of silicification related to the overlying epithermal system.

Jennie North

The Jennie Mine was one of the more significant historical producers in the Stateline district and lies just south of the central Gold Springs boundary. The vein system that was exploited by the Jennie Mine was reportedly cut off to the north by an east-west oriented fault. The CSAMT survey carried out over the Gold Springs indicates that a large area of resistive rocks occurs at depth below the hill capped by rhyolite ash-flow tuff that is located to the north-northeast of the Jennie Mine. The Jennie Mine area shows up in the CSAMT data as a small nose of resistive rock that is connected to this larger body. The Jennie North resistive zone is 800 metres north-south, up to 500 metres wide and occurs at approximately 150m depth. The zone of resistive rock under the hill is unexplored, but it has been speculated that the northern extension of the Jennie vein occurs under this hill as far back as 1928.

Etna

The Etna zone ("Etna") is covered by a separate group of 12 claims in the south-eastern portion of the Gold Springs Project area. Mineralization at Etna occurs primarily as quartz stockwork in brecciated andesite which dips 60 degrees to the west and forms a broad prominent north-south ridge 1200 metres long. The Etna zone varies from 30-75 metres in width with the larger widths towards the north.
Individual quartz veins are normally less than 0.6 metres. Silicification associated with breccia and stockwork zones grades into variably-argillized andesite to the west.

Previous drilling on Etna was carried out by Energex in 1988 (2 holes) and North American Gold Inc. in 2003 (3 holes). Highlights of the Energex drilling include 38.0 metres grading 0.3 g/t Au and 8.8 g/t Au over 3.0 metres. Thirty-eight rock chip samples were collected from the Etna zone during mapping in August and September 2004; 25 samples contained greater than 100 ppb gold, and the highest sample contained 9.4 g/t gold. The CSAMT data shows that high resistivities correspond to the mapped stockwork zone, abruptly ending to the south. Cross-sections of the CSAMT data through the Etna zone shows that the resistive rocks cut-through the layered andesites and are connected to a larger resistive body that is in the range of 300-365m deep.

2006 Drill Program

In August 2006 the Company completed an initial ten-hole 1,760m reverse circulation drill program testing the three main geological/geophysical targets: the Jumbo vein and stockwork zone, the Jennie North anomaly, and the Etna stockwork zone. Of the 10 RC holes completed, 8 were drilled in the Jumbo area, one hole in the Jennie North area, and one hole in the Etna area. Drilling in the Jumbo area has focused on testing the northern half of the zone which had not been previously drilled and to cutting the vein zone at greater depths. High water flow rates and the limitation of RC drill rig being utilized prevented testing of the deep (>300m) geophysical resistivity anomaly below the Jumbo zone. The drill program has intersected narrow high-grade structures and wide zones of anomalous gold mineralization

demonstrating that Gold Springs hosts several large mineralizing systems. For a summary of the highlights to the Gold Springs 2006 drill program see the table below.

Drill Hole	Area	Azimuth	Inclination	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)
GS-06-1	Jumbo	270	-75	25.9	68.6	**42.7**	**1.47**	**9.9**
	including			25.9	32.0	**6.1**	**7.24**	**28.9**
	and			27.5	30.5	3.0	12.87	35.6
	and			27.5	29.0	**1.5**	**20.74**	**53.4**
GS-06-2	Jumbo	275	-65	131.1	135.6	**4.5**	**1.22**	**34.8**
	including			131.1	134.1	3.0	1.59	37.4
	and			132.6	134.1	1.5	2.13	46.8
				150.9	157.0	6.1	0.55	3.8
GS-06-3	Jumbo	270	-50	123.4	173.7	50.3	0.14	5.4
GS-06-4	Jennie	90	-60	143.3	161.6	**18.3**	**0.40**	3.2
	including			149.4	152.4	3.0	1.39	13.0
				214.9	222.6	**7.7**	**1.24**	**6.6**
	including			214.9	216.4	**1.5**	**4.60**	**21.6**
GS-06-5	Jumbo	270	-60	92.0	140.2	48.2	0.20	2.9
GS-06-6	Jumbo	120	-50	108.8	137.2	28.4	0.24	7.9
	including			131.1	137.2	6.1	0.73	20.1
	including			131.1	132.6	**1.5**	**1.99**	**5.7**
	including			134.1	137.2	3.1	0.37	33.9
				201.2	202.7	**1.5**	**4.00**	**9.7**
GS-06-7	Jumbo	265	-55	7.6	10.6	3.0	0.36	19.3
				44.2	85.4	**41.2**	**0.39**	3.2
	including			44.2	47.2	**3.0**	**1.33**	**11.1**
	including			61.0	65.5	4.5	0.89	1.9
	including			83.8	85.3	**1.5**	**1.95**	**11.6**
GS-06-8	Jumbo	290	-50	50.3	137.2	**86.9**	**0.33**	**10.5**
	including			50.3	57.9	7.6	0.45	14.6
	including			76.2	108.2	32.0	0.44	17.4
	including			135.7	137.2	**1.5**	**2.14**	**9.6**
GS-06-9	Jumbo	85	-50	96.0	105.2	9.2	0.37	28.8
GS-06-10	Etna	90	-60	65.5	70.0	4.5	0.60	2.2

Hole GS-06-1 was collared to the east of the Jumbo vein and was drilled west at -75 degrees to a depth of 161.5m. The hole intersected a north-northeast striking quartz vein over an interval of 9m from 24.5m to 33.5m on the east side of the main Jumbo vein which assayed 7.24 g/t gold and 28.9 g/t silver over 6.1m, including a 1.5m interval which assayed 20.74 g/t gold and 53.4 g/t silver. Stockwork veinlets and silica flooding occurred between the hangingwall vein and the main Jumbo vein. This zone from 25.9m to 68.6m averaged 1.47 g/t gold and 9.9 g/t silver over 42.7m (including the hangingwall vein). The Jumbo vein was weakly anomalous in gold and silver.

Hole GS-06-1 lies along one of the northernmost drill sections tested by previous operators along with holes J-74-1 and J-88-6 (PD) drilled to the west at -50 degrees and -65 degrees, respectively. It is unclear where exactly the collars of these holes were with respect to hole GS-06-1 but they are believed to be relatively close.
Apparently neither of these holes encountered a high-grade vein up-dip from where it was encountered in GS-06-1; both had gold-silver intercepts related to the Jumbo vein at lower depths. More drilling will be required to determine the grade distribution and continuity of these veins in the poorly-tested hangingwall to the Jumbo vein.

Hole GS-06-01 and the mineralization from hole J88-4 collared 90m to the south (17.1 g/t gold and 41.8 g/t silver over 3.0m) highlight the significant potential of the hangingwall of the Jumbo vein to host high-grade mineralization. One of the primary targets for future drilling on the project will be the testing for extensions to mineralization intersected in this area.

Hole GS-06-2 was collared 45m east of hole J-88-7 on the east side of the Jumbo vein and was drilled to the west at an angle of -65 degrees to a depth of 158.5m. The drill hole encountered mineralization in the Jumbo vein from 131.1m to 134.1m that averaged 1.59 g/t gold and 37.4 g/t silver over 3.0m. Hole J-88-71 (PD) was drilled at -65 degrees to a depth of 73.2m and intersected 8 g/t gold and 43.0 g/t silver over 1.5m at the end of the hole, 50m up-dip from the Jumbo intercept in GS-06-2. A zone of footwall stockwork veins between 150.9m and 157.0m in GS-06-2 averaged 0.55 g/t gold and 3.8 g/t silver over 6.1m.

Hole GS-06-3 was collared to the east of the Jumbo vein and drilled due west at an angle of -50 degrees to a depth of 176.8m. This hole contained anomalous values of gold and silver with results ranging from <3 ppb to 386 ppb gold and 0.2 to 23.7 g/t silver. The interval between 123.4 and 173.7m averaged 0.14 g/t gold and 5.42 g/t silver over 50m. Holes J-88-4 and J-88-5 (PD) where collared 75m to the west along the same section and were drilled to the west at -50 and -64 degrees, respectively. J-88-4 intersected 17.1 g/t gold and 42 g/t silver over 3.0m and J-88-5 intersected 12.5 g/t gold and 31 g/t silver over 1.5m from in a hangingwall quartz vein in the upper part of the holes1. This vein was not identified in GS-06-3 which cut approximately 70m down-dip of the vein intercept in holes J-88-5 (PD); the closest GS-06-3 came to J-88-5 was 45m.

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Hole GS-06-4 was collared north of the Jennie Mine and was drilled due east at a -60 degree angle. It was drilled to test a high resistivity CSAMT anomaly that occurs beneath a thick layer of rhyolite tuff that caps the andesite units which hosts epithermal precious metal mineralization elsewhere on the property. A 3.0m interval of weak quartz-vein stockwork and silica flooding from 149.4m to 152.4m assayed 1.39 g/t gold and 13.0 g/t silver. A 7.7m interval from 214.9 to 222.6 assayed 1.24 g/t gold 6.6 g/t silver, including a 1.5m interval assaying 4.6 g/t gold and 21.6 g/t silver. This important blind discovery in an area with no previous drilling is a priority target for follow-up testing.

Hole GS-06-5 was drilled in the northern portion of the Jumbo zone and was the farthest north test of the Jumbo vein to date, 423m north of hole GS-06-1. A 48.2m zone of strongly silicified andesite with quartz minor stockwork veinlets was encountered from 92.0 to 140.2m. Assays from 1.5m samples collected from this interval ranged from 0.04 to 0.58 g/t gold and from 0.4 to 17.0 g/t silver.

GS-06-6 was the first hole collared in the footwall of the Jumbo vein and drilled to the east-southeast at an angle of -50 degrees. A 28.4m zone of weakly silicified andesite from 108.0m to 137.2m assayed 0.24 g/t gold and 7.9 g/t silver. Assays from 1.5m samples in this interval ranged from 0.04 to 1.99 g/t gold and 1.2 to 43.4 g/t silver. A quartz vein stockwork zone at 201.2m assayed 4.00 g/t gold over 1.5m.

Hole GS-06-7 was drilled in the northern part of the Jumbo zone 314m north of hole GS-06-1; it was collared 23m to the east of the Jumbo vein. The hole was drilled to the west at an angle of -55 degrees. The hangingwall of the Jumbo contained abundant quartz stockwork veins and veinlets with locally strong silica flooding. This zone from 7.6m to 44.2m assayed 0.11 g/t gold. The Jumbo vein assayed 1.33 g/t gold 11.1 g/t silver over 3.0m. The footwall of the Jumbo was also characterized by quartz veinlet stockwork with intervals from 61.0m–65.5m that assayed 0.89 g/t gold and a 1.5 m interval from 83.8m to 85.3m that assayed 1.95 g/t gold. Anomalous gold in this hole over an interval of 77.7m between 7.6m and 85.3m averaged 0.26 g/t gold.

Hole GS-06-8 was drilled from the same pad as GS-06-1. The hole was drilled to the west-northwest. A stockwork zone was encountered starting at 16.8m and continuing to 152.4m, a distance of 135.6m. Overall this stockwork zone averaged 0.26 g/t gold and 8.1 g/t silver. This zone includes 7.6m of the Jumbo vein from 50.3m–57.9m that assayed 0.45g/t gold and 14.6 g/t silver, 32.0m from 76.2m to 108.2m that assayed 0.44 g/t gold and 17.4 g/t silver, and 1.5 m from 135.7m to 137.2m that assayed 2.14 g/t gold and 9.6 g/t silver.

Hole GS-06-9 was the second hole collared in the footwall zone of the Jumbo vein and drilled to the east at an angle of -50 degrees.
A quartz veinlet stockwork zone from 96.0m to 105.2m assayed 0.37 g/t gold and 28.8 g//t silver over the 9.2m interval.

Hole GS-06-10 was drilled on the Etna quartz vein stockwork zone. Strongly broken ground was encountered throughout the hole, eventually resulting in its abandonment at 94.5m. Between 65.5m–70.0m a quartz stockwork zone with minor silica flooding was intersected which averaged 0.603 g/t gold over 4.5m.

In order to address the possibility that coarse gold is a factor at the Gold Springs project, as minor amounts were noted during logging, 20 samples were re-analyzed using screen fire analyses, which gave similar results to the original fire assays. As a secondary measure 6 subsequent analyses were preformed on selected samples using an alternate sample

prep technique whereby, to obtain as representative a sample of the collected drill sample as possible, the entire drill sample was crushed and pulverized to 30 mesh. This was followed by blending the sample before taking the 30g split for the fire assay. Subsequently a 1kg split for a 24 hour bottle roll test was made. Results from these preparation and analytical methods increased in four out of the six samples; per cent changes are given in the table below.

Drill Hole	Depth (m)	Original FA(ppm)	Alternate Prep Assay (ppm)	% change from original FA	Bottle Roll Assay (ppm)	% change from original FA
GS-06-6	122-123.5	0.081	0.032	-60	0.01	-88
GS-06-9	175.3-176.8	0.026	0.113	+335	0.14	+438
GS-06-9	176.8-178.3	0.167	0.084	-50	0.04	-76
GS-06-9	178.3-179.8	0.024	0.069	+188	0.12	+400
GS-06-9	207.3-208.8	0.014	0.045	+221	0.030	+114
GS-06-9	208.8-210.3	0.012	0.018	+50	0.03	+150

These results indicated as large a sample as possible is preferred. The overall increase in the gold assays indicates that the intermediate pulverizing method is a realistic and cost effective method of obtaining a more representative split from the drill sample.

At this stage the following priorities for continued testing of the large gold zones on the Gold Springs property include: 1) Testing for extensions in the hangingwall area of the Jumbo Zone, particularly north of the high grade intercepts in GS-06-1 and J88-4 described above, 2) Further drilling in the hangingwall and footwall of the Jumbo structure in the vicinity of GS-06-7 , 3) Testing of the deep CSAMT anomaly below the Jumbo zone with a diamond drill and 4) Further testing of the Jennie North anomaly.

A National Instrument 43-101 report on the Gold Springs Project authored by Gregory Smith, a Qualified Person as defined by National Instrument 43-101, has been filed on the SEDAR website at www.sedar.com.

The 2006 drilling program was carried out under the supervision of Qualified Person John Rice, C.P.G. and all technical information has been reviewed by Dr. David A. Terry, P.Geo., Vice President Exploration and a Qualified Person as defined in National Instrument 43-101.

Scraper Springs Property

On November 5, 2004, the Company entered into a letter agreement (the "Scraper Springs Agreement") with Nevada Eagle Resources and Sedi-met, Inc. ("Sedi-met"), pursuant to which the Company was granted a lease respecting the Scraper Springs claims 1-33 located in Elko Co., Nevada (the "Scraper Springs Property").
Subject to a 3% NSR, the Company has the right to retain the proceeds from the disposition of any minerals produced on the Scraper Springs Property during the term of the Scraper Springs Agreement.

The Scraper Springs Property is located on the northern extension of the prolific Carlin Gold Trend in northwestern Elko County and is located 16.5 kilometres northeast of the high-grade Midas gold deposit which had a pre-mining resource of 3 million ounces gold and 35 million ounces of silver. The property covers an area 2.4 kilometers by 1.6 kilometers. Preliminary surface mapping, rock and soil sampling has been carried out on the property. No work was carried out on the property during 2006. One or more deep holes to test for buried Carlin Trend type deposits is planned for the property in 2007.

Emmy Property

On October 11, 2004, the Company acquired through staking, 30 claims located in the Burner Hill area, Elko County, Nevada (the "Emmy Property"). The claims were staked by J. Rice Development Corporation ("JRD") on behalf of the Company. JRD was reimbursed for time and expenses incurred in staking the claims. Should the Emmy Property advance to production, JRD will maintain an underlying 1.5% net smelter royalty on the Emmy Property payable on a monthly basis on any gold or silver produced. Ownership of the claims will revert to JRD in the event the Company elects not to maintain the claims. The Company is required to pay all expenses associated with claim maintenance such as filing fees, annual assessment fees and notice of intent fees. Any contiguous claims staked will become part of the Emmy Property and will be subject to the same terms and conditions as the existing claims.

The Emmy Property lies 11 kilometres north of the Scraper Springs Property and 25 kilometres north-northwest of the Midas gold deposit. Emmy occurs in the same general geological environment as Scraper Springs and also has potential to host buried Carlin-type mineralization. No work was carried out on the property during 2006. Surface work comprising geological mapping, rock and soil sampling and possibly ground geophysics will be carried out on the Emmy Property during the 2007 field season.

REF Property

On October 16, 2004, the Company acquired, through staking, 34 claims located on the southern end of Battle Mountain - Eureka Trend. The REF Property is located on the south end of the Battle Mountain - Eureka trend, south of Eureka, and covers an area 3km by 1km. Anomalous gold-bearing calcite veins are found in the Nevada Formation in a geologic setting similar to that which hosted the Gold Bar deposit to the north. Surface work programs comprising ground magnetics and soil sampling was carried out on the REF Property during the summer of 2006 and results are currently being compiled.

Roy and Hills Properties

On June 11, 2006 the Company announced signing of a Letter of Intent to option from Amera the Roy and Hills properties, located in the prolific Walker Lane Mineral Belt of West Central Nevada, where past production has yielded more than 35 million gold equivalent ounces. Under the terms of this Letter of Intent, the Company may earn up to an 80% undivided interest in the Roy and Hills properties. An initial 65% interest in the project may be earned by incurring US$2,500,000 in work expenditures over four years and issuing 500,000 common shares (100,000 shares were issued upon TSXV approval) to Amera. Upon earning the initial 65%, the Company may then elect to earn an additional 15% interest, by issuing a further 500,000 shares and completing a bankable feasibility study, within three years.

The Roy and Hills properties are situated midway between the historic mining district of Tonopah (3.5 million ounces gold equivalent) and the more recently mined Paradise Peak deposit (1.5 million ounces gold). These claim blocks are underlain by Oligocene and Miocene-age volcanic rocks that consist of latites, quartz latites and dacite flows that have undergone epithermal alteration and mineralization prior to being covered by lacustrian volcanic sediments and Quaternary gravels.

The 478 hectare (1,180 acre) Roy and the 227 ha (560 acre) Hills properties have been previously sampled by Amera with several rock samples containing significant gold and silver grades. Detailed surface sampling, mapping and ground magnetics have identified drill targets on both the Roy and Hills properties.

On the Roy property a gold-silver epithermal system is hosted within an alteration zone that outcrops over a 2.25 square kilometre area.
One sample of float material collected from the central portion of the claim group assayed 41.5 g/t gold (1.2 oz/ton); gold values from additional surface rock sampling to date range between 0.03 to 0.60 g/t gold. The Hills property is located 7km to the northwest of the Roy property and hosts a prospective silver-gold epithermal system within a 1km by 500m alteration area. Rock chip sampling has returned values ranging from 0.2-70.0 g/t silver and 0.1-0.2 g/t gold.

A preliminary drill program to test geological-geophysical targets on the Roy and Hills properties is permitted and the Company intends to commence work in either late 2006 or early 2007 depending on drill rig availability. David A. Terry, Ph.D., P.Geo., Director and Vice President Exploration is the Qualified Person for the Roy and Hills properties.

JAG Properties

By agreement dated September 21, 2006, the Company agreed to option an undivided 100% interest in 90 claims located on the Nechako Plateau in North Central British Columbia (collectively the "JAG Properties"). The JAG properties are grass roots exploration properties and the Company will carry out a preliminary exploration program in 2007. The Company must make payments to the optionor of $1,000,000 and expend $2,000,000 on the property over a period of 5 years.

Selected Quarterly Financial Information

The following selected financial information is derived from the unaudited interim consolidated financial statements of the Company prepared in accordance with Canadian GAAP.

	Fiscal 2007		Fiscal 2006				Fiscal 2005	
	Sep. 30 $	Jun. 30 $	Mar. 31 $	Dec. 31 $	Sep. 30 $	Jun. 30 $	Mar. 31 $	Dec. 31 $
Revenues	-	-	-	-	-	-	-	-
Net loss	(203,943)	(275,535)	(241,440)	(40,181)	(48,399)	(38,509)	(82,869)	(35,265)
Net loss per common share - basic and diluted	(0.01)	(0.02)	(0.03)	(0.02)	(0.02)	(0.02)	(0.04)	(0.02)

Results of Operations

For the six months ended September 30, 2006, the Company reported a net loss of $479,478 ($0.04 per share), an increase in loss of $392,570 from the $86,908 loss ($0.01 per share) for the six months ended September 30, 2005.

A total of $504,038 of general and administrative costs were incurred for the period ended September 30, 2006 compared to $85,177 for the period ended September 30, 2005. The overall increase in activities during the period ended September 30, 2006 is mainly due to the Company becoming more active after the completion of its initial public offering in March of 2006. Significant expenditures were incurred in the following categories:

- Pursuant to an agreement, management fees of $42,500 were paid to the President of the Company during the period ended September 30, 2006, compared to $30,000 during the period ended September 30, 2005. Commencing May 1, 2006, the President's annual fee was increased from $60,000 to $90,000.
- Office expenses were $46,826 during the 2006 period compared to $4,120 during the 2005 period as a result of the increase in activity in fiscal 2006. The office expense in 2006 includes allocation of fees from the Grosso Group.
- Rent expense of $44,201 during the period ended September 30, 2006 compared to $Nil during the 2005 period. The rent expense in 2006 period represents allocation of fees from the Grosso Group.
- Salaries and benefits of $83,100 during the 2006 period compared to $Nil salaries and benefits during the 2005 period. 2006 salaries and benefits represent allocation of fees paid to the Grosso Group. The Company had no employees during the 2005 period. Office, rent and salaries include the allocation of fees paid to the Grosso Group during the period ended September 30, 2006. Total fees of $163,643 were incurred by the Company from the Grosso Group during the six months ended September 30, 2006.
- Stock based compensation expense of $68,338 is the estimated fair value of stock options granted to employees, directors and consultants during the period ended September 30, 2006. Stock-based compensation expense is accounted for at fair value as determined by the Black-Scholes option pricing model using estimates that are believed to approximate the volatility of the trading price of the Company's stock, the expected lives of awards of stock-based compensation, the fair value of the Company's stock and risk-free interest rate.
- Corporate development, investor relations and advertising amounted to $148,438 during the 2006 period and consisted mainly of fees paid for public relations advisory services and attendance of conferences for completing a comprehensive communications program to introduce the Company to German-speaking financial audiences of Europe.

During the period ended September 30, 2006 the Company capitalized $276,300 of expenditures on the Gold Springs Project, $36,106 on the Scraper Springs Claims, $352,685 on the JJ Property, $49,762 on the Roy & Hills Properties, $20,000 on the JAG Properties and $29,956 on the other properties. See "Exploration Projects" for further discussion.

Liquidity and Capital Resources

The Company's cash position at September 30, 2006 was $1,352,511, a decrease of $70,391 from March 31, 2006. Total assets increased to $2,729,792 at September 30, 2006 from $2,000,114 at March 31, 2006. This increase is mainly due to the increase in capitalized mineral property expenditures incurred in the six months ending September 30, 2006.
As the Company is an exploration stage company, revenues are limited to interest earned on cash held with the Company's financial institutions. The Company has financed its operations through the sale of its equity securities.

During the 2006 period the Company completed the private placement of 2,400,000 flow-through units, at $0.45 per unit, for proceeds of $1,010,123 net of $48,600 agent's commission and $21,277 of related issuance costs. Each unit was comprised of one flow-through common share of the Company and one-half non-transferable share purchase warrant. Each whole warrant entitles the holder to purchase one additional non-flow-through common share at a price of $0.60 per share on or before November 26, 2007. The Company intends to use the proceeds from the private placement to fund exploration of the 11,785 hectare JJ Property.

The Company considers that it has adequate resources to maintain its ongoing operations and current property commitments for the current year but may not have sufficient working capital to fund all of its planned exploration work. The Company will continue to rely on successfully completing additional equity financing to further exploration of its existing and new properties in North America. There can be no assurance that the Company will be successful in obtaining the required financing. The failure to obtain such financing could result in the loss of the Company's interest in one or more of its mineral claims.

The Company does not know of any trends, demand, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, its liquidity either materially increasing or decreasing at present or in the foreseeable future. Material increases or decreases in liquidity are substantially determined by the success or failure of the exploration programs. The Company does not have any loans or bank debt and there are no restrictions on the use of its cash resources.

Operating Cash Flow

Cash outflow from operating activities was $397,671 for the period ended September 30, 2006 compared to a cash inflow of $7,164 for the period ended September 30, 2005, primarily as a result of increases in activities.

Financing Activities

For the period ended September 30, 2006, the Company received $1,145,350 from the sale of common shares less share issue costs of $86,261 compared to $4,500 less share issue costs of $83,703 for the period ended September 30, 2005.

Investing Activities

Investing activities required cash of $731,809 for the period ended September 30, 2006, compared to $72,847 in the 2005 period, for expenditures on its mineral resource interests.

Related Parties Transactions

The President of the Company provides his services on a full-time basis under a contract with a private company controlled by the President. Effective May 1, 2006, the President's annual fee was increased to $90,000. During the period ended September 30, 2006, the President was paid an amount of $42,500 (2005 - $30,000).

Effective April 1, 2006, an Administration Services Agreement among the Company and the Grosso Group was executed. The Company engaged the Grosso Group to provide services and facilities to the Company. The Grosso Group is a private company owned by the Company, IMA, Golden Arrow, Amera and Gold Point, each of which owns one share of the Grosso Group. The Grosso Group provides its shareholder companies with geological, corporate development, administrative and management services. The shareholder companies pay monthly fees to the Grosso Group.

The fee is based upon a reasonable pro-rating of the Grosso Group's costs including its staff and overhead costs among each shareholder company with regard to the mutually agreed average annual level of services provided to each shareholder company.

During the six months ended September 30, 2006, the Company incurred fees of $163,643 to the Grosso Group: $112,127 was paid in monthly payments and $51,516 is included in accounts payable as a result of the allocation of the Grosso Group costs to member companies. The Grosso Group fees are allocated to rent, salaries, telephone, and office expenses.

Certain directors of the company purchased a total of 120,167 units of the private placement completed during the period ended September 30, 2006.

Contractual Commitments

During the period ended September 30, 2006 the Company fulfilled its current contractual obligation on Gold Springs and Scraper Springs properties and intends to maintain its option requirements on the properties. In addition, the Company entered into the following option agreements:

i) Agreement with Kootenay Gold to acquire an interest in the Jumping Josephine property located in British Columbia.

ii) Agreement with Amera to acquire an interest in the Roy and Hills properties in Nevada.

iii) Agreement to acquire a 100% interest in the JAG properties in British Columbia.

Details of the Company's option payments and expenditure commitments are disclosed in Note 3 to the Company's September 30, 2006 interim consolidated financial statements. The Company also has commitments for monthly fees for administrative and management services to be provided by the Grosso Group. Grosso Group fees include geological, corporate development, administrative and management services and allocated to the Company based on the actual time spent by the Grosso Group employees for the services provided to the Company.

Critical Accounting Policies

Reference should be made to the Company's significant accounting policies contained in Note 2 of the Company's consolidated financial statements for the year ended March 31, 2006. These accounting policies can have a significant impact on the financial performance and financial position of the Company.

Use of Estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Significant areas requiring the use of management estimates relate to the determination of environmental obligations and assessment of carrying values of mineral properties and deferred costs. Actual results may differ from these estimates.

Mineral Properties and Deferred Costs

Consistent with the Company's accounting policy disclosed in Note 2 of the annual consolidated financial statements, direct costs related to the acquisition and exploration of mineral properties held or controlled by the Company have been capitalized on an individual property basis. It is the Company's policy to expense any exploration-associated costs not related to specific projects or properties. Management of the Company periodically reviews the recoverability of the capitalized mineral properties. Management takes into consideration various information including, but not limited to, results of exploration activities conducted to date, estimated future metal prices, and reports and opinions of outside geologists, mine engineers and consultants. When it is determined that a project or property will be abandoned or its carrying value has been impaired, a provision is made for any expected loss on the project or property.

Financial Instruments

The Company's financial instruments consisting of cash, accounts receivable and accounts payable and accrued liabilities approximate their carrying values due to the short-term nature of those instruments.

Risk Factors

The Company's operations and results are subject to a number of different risks at any given time. These factors, include but are not limited to disclosure regarding exploration, additional financing, project delay, titles to properties, price fluctuations and share price volatility, operating hazards, insurable risks and limitations of insurance, management, foreign country and regulatory requirements, currency fluctuations and environmental regulations risks. Exploration for mineral resources involves a high degree of risk. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. For a more complete discussion of these risks and others, reference should be made to the March 31, 2006 Management Discussion and Analysis.

Investor Relations Activities

Mr. Manfred Kurschner is the Company's President and coordinates investor relation's activities. On April 5, 2006, the Company announced that it also entered into an Investor Relations contract with Value Relations of Frankfurt, Germany. The term of the contract is for 5 months for a sum of 36,000 Euros. Value Relations, acting as the Company's European strategic investor relations consultant, assists in fostering investor awareness throughout Europe. During the six months ended September 30, 2006, the Company paid $78,483 to Value Relations in respect of the contract and other related services. The Company also maintains a web site at www.astralmining.com .

Outstanding Share Data

As at November 29, 2006 there were 13,678,444 common shares, 1,254,000 stock options and 4,054,500 warrants outstanding.