
ASTRAL MINING CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED

DECEMBER 31, 2010

(Unaudited - Prepared by Management)

**MANAGEMENT'S COMMENTS ON
UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

The accompanying unaudited interim consolidated financial statements of Astral Mining Corporation for the nine months ended December 31, 2010, have been prepared by and are the responsibility of the Company's management. These statements have not been reviewed by the Company's external auditors.

ASTRAL MINING CORPORATION
INTERIM CONSOLIDATED BALANCE SHEETS
(Unaudited - Prepared by Management)

	December 31, 2010	March 31, 2010
	\$	\$
A S S E T S		
CURRENT ASSETS		
Cash	400,455	38,843
Amounts receivable	27,646	10,097
Prepays	<u>14,981</u>	<u>5,648</u>
	443,082	54,588
RECLAMATION BONDS	39,055	39,295
EQUIPMENT	772	3,089
MINERAL PROPERTIES AND DEFERRED COSTS (Note 3)	5,081,326	3,741,171
DEFERRED OFFERING COSTS (Note 4(a))	<u>-</u>	<u>64,305</u>
	<u><u>5,564,235</u></u>	<u><u>3,902,448</u></u>
L I A B I L I T I E S		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	<u>106,008</u>	<u>238,079</u>
S H A R E H O L D E R S ' E Q U I T Y		
SHARE CAPITAL (Note 4)	9,625,310	7,609,532
CONTRIBUTED SURPLUS (Note 6)	888,132	635,844
DEFICIT	<u>(5,055,215)</u>	<u>(4,581,007)</u>
	<u>5,458,227</u>	<u>3,664,369</u>
	<u><u>5,564,235</u></u>	<u><u>3,902,448</u></u>

NATURE OF OPERATIONS (Note 1)

SUBSEQUENT EVENTS (Note 11)

APPROVED BY THE DIRECTORS

"Manfred Kurschner" , Director

"Nick DeMare" , Director

The accompanying notes and schedule are an integral part of these interim consolidated financial statements.

ASTRAL MINING CORPORATION
INTERIM CONSOLIDATED STATEMENTS OF
LOSS AND COMPREHENSIVE LOSS AND DEFICIT

(Unaudited - Prepared by Management)

	<u>Three Months Ended</u> <u>December 31</u>		<u>Nine Months Ended</u> <u>December 31</u>	
	<u>2010</u> \$	<u>2009</u> \$	<u>2010</u> \$	<u>2009</u> \$
EXPENSES				
Administrative, accounting and management	14,000	12,300	52,900	51,425
Amortization	773	772	2,317	2,317
Corporate development and investor relations	25,960	16,802	63,840	24,781
Directors' fees	12,000	8,000	33,000	25,000
General exploration	597	28,006	2,274	31,444
Management fees	27,500	27,500	82,500	82,500
Office and sundry	4,788	6,824	14,377	12,324
Professional fees	29,469	2,658	62,003	38,187
Rent	7,947	9,517	22,564	27,854
Stock-based compensation (Note 5)	4,917	79,299	111,505	152,187
Transfer agent and regulatory fees	3,214	9,944	17,652	23,619
Travel and accommodation	7,258	1,327	8,960	3,068
	<u>138,423</u>	<u>202,949</u>	<u>473,892</u>	<u>474,706</u>
LOSS BEFORE OTHER ITEMS	<u>138,423</u>	<u>(202,949)</u>	<u>(473,892)</u>	<u>(474,706)</u>
OTHER ITEMS				
Interest and other income	86	3,537	103	19,000
Foreign exchange (loss) gain	(1,012)	50	(419)	1,186
Part XII.6 tax	-	-	-	(8,100)
	<u>(926)</u>	<u>3,587</u>	<u>(316)</u>	<u>12,086</u>
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	(139,349)	(199,362)	(474,208)	(462,620)
DEFICIT - BEGINNING OF PERIOD	<u>(4,915,866)</u>	<u>(4,276,041)</u>	<u>(4,581,007)</u>	<u>(4,012,783)</u>
DEFICIT - END OF PERIOD	<u>(5,055,215)</u>	<u>(4,475,403)</u>	<u>(5,055,215)</u>	<u>(4,475,403)</u>
LOSS PER COMMON SHARE				
- BASIC AND DILUTED	<u>(\$0.01)</u>	<u>(\$0.04)</u>	<u>\$(0.04)</u>	<u>(\$0.14)</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING				
- BASIC AND DILUTED	<u>17,429,922</u>	<u>5,116,273</u>	<u>13,543,958</u>	<u>3,413,597</u>

The accompanying notes and schedule are an integral part of these interim consolidated financial statements.

ASTRAL MINING CORPORATION
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited - Prepared by Management)

	<u>Three Months Ended</u> <u>December 31</u>		<u>Nine Months Ended</u> <u>December 31</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	\$	\$	\$	\$
CASH PROVIDED FROM (USED FOR)				
OPERATING ACTIVITIES				
Net loss for the period	(139,349)	(199,362)	(474,208)	(462,620)
Adjustment for item not involving cash				
Amortization	773	772	2,317	2,317
Stock-based compensation	4,917	79,299	111,505	152,187
Unrealized foreign exchange loss (gain)	820	686	255	(571)
Accrued interest on reclamation bonds	(6)	(36)	(15)	(137)
	<u>(132,845)</u>	<u>(118,641)</u>	<u>(360,146)</u>	<u>(308,824)</u>
Decrease (increase) in amounts receivable	55,247	(2,407)	(17,549)	(15,172)
Decrease (increase) in prepaids	3,682	(4,520)	(9,333)	(7,603)
(Decrease) increase in accounts payable and accrued liabilities	<u>(13,585)</u>	<u>(26,534)</u>	<u>(226,484)</u>	<u>43,611</u>
	<u>(87,501)</u>	<u>(152,102)</u>	<u>(613,512)</u>	<u>(287,988)</u>
INVESTING ACTIVITIES				
Expenditures on mineral properties and deferred costs	(118,362)	(384,847)	(784,942)	(603,186)
Recovery on mineral properties and deferred costs	-	35,535	-	187,756
	<u>(118,362)</u>	<u>(349,312)</u>	<u>(784,942)</u>	<u>(415,430)</u>
FINANCING ACTIVITIES				
Issuance of common shares	55,600	696,237	2,000,000	696,237
Share issuance costs	(248)	(74,747)	(239,934)	(99,401)
Repayment of advances	-	(100,000)	-	-
	<u>55,352</u>	<u>521,490</u>	<u>1,760,066</u>	<u>596,836</u>
INCREASE (DECREASE) IN CASH - DURING THE PERIOD	(150,511)	20,076	361,612	(106,582)
CASH - BEGINNING OF PERIOD	<u>550,966</u>	<u>60,507</u>	<u>38,843</u>	<u>187,165</u>
CASH - END OF PERIOD	<u><u>400,455</u></u>	<u><u>80,583</u></u>	<u><u>400,455</u></u>	<u><u>80,583</u></u>

SUPPLEMENTAL CASH FLOW INFORMATION - Note 8

The accompanying notes and schedule are an integral part of these interim consolidated financial statements.

ASTRAL MINING CORPORATION
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED DECEMBER 31, 2010
(Unaudited - Prepared by Management)

1. NATURE OF OPERATIONS

The Company is a junior resource company engaged in the acquisition and exploration of unproven mineral interests in Canada. As at December 31, 2010 the Company has not earned any production revenue, nor found proved reserves on any of its mineral interests. Consequently the Company considers itself to be an exploration stage company. The amounts shown as mineral properties and deferred costs represent expenditures incurred to date, less amounts recovered, amortized and/or written off, and do not necessarily represent present or future values. The underlying value of the mineral properties and deferred costs are entirely dependent on the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain the necessary financing to complete development, and future profitable production.

As at December 31, 2010 the Company had not yet achieved profitable operations, has accumulated losses of \$5,055,215, had working capital of \$337,074, and expects to incur further losses in the development of its business. The Company will continue to require additional funding to maintain its ongoing exploration programs, option payment commitments, property maintenance payments and operations and administration for the next fiscal year. However, there can be no assurances that the Company will be successful in its efforts, in which case the Company may be unable to meet its obligations.

These interim consolidated financial statements have been prepared on a going concern basis in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). The going concern basis of presentation assumes the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These interim consolidated financial statements do not reflect adjustments to the carrying value of assets and liabilities, the reported income and expenses and balance sheet classifications used that would be necessary if the going concern assumption were not appropriate. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

These interim consolidated financial statements of the Company have been prepared by management in accordance with Canadian GAAP. The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the amounts reported in the interim consolidated financial statements and accompanying notes. Actual results could differ from those estimates. The interim consolidated financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality. These interim consolidated financial statements should be read in conjunction with the most recent annual consolidated financial statements. The significant accounting policies follow that of the most recently reported annual consolidated financial statements.

Future Accounting Policies

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, *Business Combinations*, Section 1601, *Consolidated Financial Statements*, and Section 1602, *Non-Controlling Interests*. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Company is in the process of evaluating the requirements of the new standards.

ASTRAL MINING CORPORATION
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Section 1582 replaces Section 1581, *Business Combinations*, and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to International Financial Reporting Standards (“IFRS”) 3, *Business Combinations*. The section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Sections 1601 and 1602 together replace Section 1600, *Consolidated Financial Statements*. Section 1601, establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS IAS 27, *Consolidated and Separate Financial Statements*, and applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

The Company does not anticipate the above new standards to have an impact on the Company’s financial position and results of operations.

3. MINERAL PROPERTIES AND DEFERRED COSTS

	December 31, 2010			March 31, 2010		
	Acquisition Costs \$	Exploration Costs \$	Total Costs \$	Acquisition Costs \$	Exploration Costs \$	Total Costs \$
Jumping Josephine	913,042	4,136,333	5,049,375	421,968	3,319,203	3,741,171
Honeymoon	17,080	4,691	21,771	-	-	-
Los Crestones	10,180	-	10,180	-	-	-
	940,302	4,141,024	5,081,326	421,968	3,319,203	3,741,171

(a) The Jumping Josephine Project comprises the following four claim groups:

Jumping Josephine Claims

The Jumping Josephine Claims are comprised of a 60% undivided interest in 24 unpatented mining claims covering approximately 11,667 hectares located in the West Kootenay Mining District, British Columbia.

On December 14, 2009 the Company entered into an option agreement with Kootenay Gold whereby the Company could acquire the remaining 40% interest in the Jumping Josephine Claims. To fully earn this additional interest the Company was required to issue a total of 4,000,000 common shares (1,500,000 common shares issued). On November 25, 2010 the Company notified Kootenay Gold that it was terminating its option to earn the remaining 40% interest in the Jumping Josephine Claims.

ASTRAL MINING CORPORATION
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(Unaudited - Prepared by Management)

3. MINERAL PROPERTIES AND DEFERRED COSTS (continued)

Blueberry Claims

On July 4, 2007, as amended June 8, 2009, the Company entered into an option agreement with Mineworks Ventures Inc. ("Mineworks"), a private Canadian company, to acquire a 100% undivided interest in 19 unpatented mining claims (the "Blueberry Claims") covering approximately 7,147 hectares located in the Rossland Mining District, British Columbia, immediately east of the Company's Jumping Josephine Claims. To earn the interest in the Blueberry Claims the Company has now issued a total of 40,000 common shares and made cash payments totaling \$45,000 and is required to make a further \$15,000 cash payment and issue 4,000 common shares by June 1, 2011. Upon exercise of the option Mineworks will retain a 2.5% net smelter return royalty ("NSR"). The Company has the right to purchase a 2.0% NSR for \$2 million.

Columbia - Rossland Claims

On June 20, 2008 the Company entered into an option agreement with Mineworks to acquire a 100% undivided interest in 33 unpatented mining claims (the "Columbia-Rossland Claims") covering approximately 15,452 hectares located in the Rossland Mining District, British Columbia. The Company has earned its interest in the Columbia-Rossland Claims through the issuance of 45,000 common shares at an assigned value of \$32,200. Mineworks retains a 2.5% NSR. The Company has the right to purchase a 2.0% NSR for \$2 million.

Ridge Claims

On March 11, 2010 the Company entered into a transfer agreement with Mineworks whereby the Company purchased a 100% undivided interest in six claims (the "Ridge Claims"), covering 2,739 hectares located in the West Kootenay Mining District, British Columbia, through the issuance of 50,000 common shares at an assigned value of \$15,500. Mineworks retains a 2.5% NSR. The Company has the right to purchase a 1.5% NSR for \$2 million.

(b) **Honeymoon Claims**

On November 12, 2010 the Company entered into an option agreement whereby the Company has been granted an option to acquire a 100% undivided interest in 41 mining claims (the "Honeymoon Claims"), covering approximately 18,761 hectares located in the Kamloops Mining District, British Columbia. In order to earn the interest in the Honeymoon Claims the Company must make cash payments totalling \$135,000, issue a total of 300,000 common shares and incur a total of \$1,000,000 in exploration expenditures, as follows:

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3. MINERAL PROPERTIES AND DEFERRED COSTS (continued)

Date	Cash Amounts \$	Share Issuances #	Expenditure Commitments \$
On signing (paid)	5,000	-	-
On TSXV approval (issued)	-	50,000	-
November 12, 2011	20,000	50,000	100,000
November 12, 2012	20,000	50,000	200,000
November 12, 2013	25,000	50,000	300,000
November 12, 2014	30,000	50,000	400,000
November 12, 2015	<u>35,000</u>	<u>50,000</u>	-
	<u>135,000</u>	<u>300,000</u>	<u>1,000,000</u>

Upon exercise of the option the vendor will retain a 0.5% NSR. The Company has the right to purchase the 0.5% NSR for \$1,500,000.

(c) Los Crestones Property

Pursuant to agreements entered into on October 12, 2010 and formalized on January 11, 2011, the Company has been granted options to acquire 100% interests in three concessions (the "Los Crestones Property"), comprising approximately 4,168 hectares located in Sinaloa State, Mexico.

In order to earn the interest in the Los Crestones Property the Company will make payments totalling US \$750,000 as follows:

Date	US \$
October 12, 2010 (paid)	10,000
January 12, 2011	40,000
July 12, 2011	45,000
January 12, 2012	45,000
July 12, 2012	52,500
January 12, 2013	52,500
July 12, 2013	60,000
January 12, 2014	60,000
July 12, 2014	192,500
January 12, 2015	<u>192,500</u>
	<u>750,000</u>

Upon exercise of the options the vendors will retain a 0.5% NSR. The Company has the right to purchase the 0.5% NSR for US \$400,000.

Subsequent to December 31, 2010 the Company paid the US \$40,000 payment due on January 12, 2011.

ASTRAL MINING CORPORATION
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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(Unaudited - Prepared by Management)

4. SHARE CAPITAL

Authorized: unlimited common shares with no par value

Issued:	<u>December 31, 2010</u>		<u>March 31, 2010</u>	
	Shares	Amount \$	Shares	Amount \$
Balance, beginning of period	<u>6,047,900</u>	<u>7,609,532</u>	<u>2,504,451</u>	<u>6,799,246</u>
Issued during the period				
For cash				
rights offering	-	-	2,576,949	644,237
private placements	10,000,000	2,000,000	200,000	52,000
exercise of guarantors' warrants	-	-	644,000	161,000
Reallocation from contributed surplus on exercise of guarantors' warrants and stock options	-	-	-	73,725
For mineral properties	1,557,500	460,800	122,500	52,450
Less share issue costs	<u>-</u>	<u>(445,022)</u>	<u>-</u>	<u>(173,126)</u>
	<u>11,557,500</u>	<u>2,015,778</u>	<u>3,543,449</u>	<u>810,286</u>
Balance, end of period	<u><u>17,605,400</u></u>	<u><u>9,625,310</u></u>	<u><u>6,047,900</u></u>	<u><u>7,609,532</u></u>

(a) During the nine months ended December 31, 2010 the Company:

- i) completed a short form prospectus offering (the "Offering") of 3,000,000 units (the "Units") at a price of \$0.20 per Unit, and 2,000,000 flow-through units (the "FT Units") at a price of \$0.20 per FT Unit, for total gross proceeds of \$1,000,000. Each Unit comprised one common share and one share purchase warrant (a "Warrant"). Each FT Unit comprised of one flow-through common share and one Warrant. Each Warrant entitles the holder to acquire one additional common share exercisable at a price of \$0.25 before May 31, 2011 and thereafter at a price of \$0.35 until May 31, 2012.

The Company paid the agent a cash fee of \$100,000 and a corporate finance fee of \$25,000. The agent also received 500,000 warrants (the "Agent's Warrants"). The terms of the Agent's Warrants are the same as the Warrants. The fair value of the Agent's Warrants has been estimated using the Black-Scholes option pricing model. The assumptions used were: dividend yield - 0%; expected volatility - 147.11%; a risk-free interest rate of 1.78%; and an expected life of two years. The value assigned to the underlying Agent's Warrants was \$84,120. As at December 31, 2010 the Agent's Warrants remained outstanding.

The Company also incurred a total of \$97,446 for legal costs (including \$43,709 paid to a law firm of which the spouse of the President of the Company is a partner) and filing fees, of which \$64,305 had been incurred as at March 31, 2010.

Directors of the Company and the spouse of the President of the Company purchased 875,000 FT Units for \$175,000;

ASTRAL MINING CORPORATION
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4. SHARE CAPITAL (continued)

- (ii) completed a non-brokered private placement of 1,075,000 units, at a price of \$0.20 per unit, and 175,000 flow-through units, at a price of \$0.20 per flow-through unit, for aggregate gross proceeds of \$250,000. Each unit comprised one common share and one share purchase warrant. Each flow-through unit comprised of one flow-through common share and one share purchase warrant. Each warrant entitles the holder to acquire an additional common share exercisable for two years at a price of \$0.25 in year one and \$0.35 in year two.

The Company incurred \$1,250 for filing fees.

The President of the Company purchased 105,000 flow-through units for \$21,000; and

- (iii) completed a non-brokered private placement of 3,272,000 flow-through units and 478,000 non-flow-through units at a price of \$0.20 per unit for total gross proceeds of \$750,000. Each flow-through unit comprised one flow-through common share and one share purchase warrant which entitles the holder to purchase an additional non-flow-through share for a period of two years, at a price of \$0.25 per share in year one and \$0.35 per share in year two. Each non-flow-through unit comprised one common share and one share purchase warrant which entitles the holder to purchase one additional common share for a period of two years, at a price of \$0.25 per share in year one and \$0.35 per share in year two.

The Company paid the finder a cash commission and due diligence fees totalling \$65,440, issued 77,200 finder's warrants and 250,000 finder's options. Each finder's warrant entitles the holder to purchase one common share at a price of \$0.25 per share in year one and \$0.35 per share in year two. Each finder's option entitles the holder to purchase a finder's unit at an exercise price of \$0.20 per finder's unit for a two year period. Each finders unit has the same terms as the non-flow-through units issued under the private placement.

The fair value of the finder's warrants and finder's options has been estimated using the Black-Scholes option pricing model. The assumptions used were: dividend yield - 0%; expected volatility - 145.10%; a risk-free interest rate of 1.85%; and an expected life of two years. The value assigned to the finder's warrants and finder's options was \$12,868 and \$43,795, respectively.

The Company incurred a total of \$15,103 for legal and filing fees.

The President of the Company purchased 228,000 non-flow-through units for \$45,600.

ASTRAL MINING CORPORATION
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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(Unaudited - Prepared by Management)

4. SHARE CAPITAL (continued)

- (b) A summary of the number of common shares reserved pursuant to the Company's outstanding warrants at December 31, 2010 and 2009 and the changes for the nine months ended on those dates is as follows:

	<u>2010</u>		<u>2009</u>	
	Number	Weighted Average Exercise Price \$	Number	Weighted Average Exercise Price \$
Balance, beginning of period	2,926,744	0.94	553,395	6.40
Issued	10,577,200	0.22	3,420,949	0.66
Expired	<u>(149,795)</u>	4.50	<u>(403,600)</u>	7.10
Balance, end of period	<u>13,354,149</u>	0.33	<u>3,570,744</u>	0.82

The following table summarizes information about the number of common shares reserved pursuant to the Company's warrants outstanding at December 31, 2010:

Number	Exercise Price \$	Expiry Date
5,500,000	0.25 / 0.35	May 31, 2011 / 2012
575,000	0.25 / 0.35	June 8, 2011 / 2012
675,000	0.25 / 0.35	June 21, 2011 / 2012
2,576,949	0.75	October 7, 2014
200,000	0.75	November 2, 2014
2,500,000	0.25 / 0.35	August 27, 2011 / 2012
849,200	0.25 / 0.35	September 16, 2011 / 2012
200,000	0.25 / 0.35	September 27, 2011 / 2012
<u>278,000</u>	0.25 / 0.35	November 18, 2011 / 2012
<u>13,354,149</u>		

- (c) See also Note 11(a).

5. STOCK OPTIONS AND STOCK-BASED COMPENSATION

The Company has established a rolling stock option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts in accordance with the policies of the TSXV. Options granted may be subject to vesting provisions as determined by the Board of Directors and have a maximum term of five years.

During the nine months ended December 31, 2010 the Company granted 738,500 (2009 - 535,195) stock options to its directors, employees and consultants and recorded compensation expense of \$111,505 (2009 - \$152,187).

ASTRAL MINING CORPORATION
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5. STOCK OPTIONS AND STOCK-BASED COMPENSATION (continued)

The fair value of stock options granted and vested during the nine months ended December 31, 2010 is estimated using the Black-Scholes option pricing model using the following assumptions:

	<u>2010</u>	<u>2009</u>
Risk-free interest rate	0.98 % - 2.31%	0.59% - 2.00%
Estimated volatility	108.76% - 129.26%	127.80% - 129.20%
Expected life	1 year - 3 years	1 year - 3 years
Expected dividend yield	0%	0%

The weighted average fair value of all stock options granted during the nine months ended December 31, 2010 was \$0.17 (2009 - \$0.28) per option.

A summary of the Company's outstanding stock options at December 31, 2010 and 2009 and the changes for the nine months ending on those dates is as follows:

	<u>2010</u>		<u>2009</u>	
	Options Outstanding	Weighted Average Exercise Price \$	Options Outstanding	Weighted Average Exercise Price \$
Balance, beginning of period	535,195	0.34	73,500	4.84
Granted	738,500	0.25	535,195	0.34
Expired	<u>(83,000)</u>	0.40	<u>(73,500)</u>	4.84
Balance, end of period	<u>1,190,695</u>	0.28	<u>535,195</u>	0.34

The following table summarizes information about the stock options outstanding and exercisable at December 31, 2010:

Number Outstanding	Number Exercisable	Exercise Price \$	Expiry Date
200,000	100,000	0.23	June 8, 2011
187,195	187,195	0.38	September 4, 2012
265,000	265,000	0.30	November 4, 2012
52,000	52,000	0.30	June 25, 2013
<u>486,500</u>	<u>486,500</u>	0.25	August 6, 2013
<u>1,190,695</u>	<u>1,090,695</u>		

See also Note 11(a).

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6. CONTRIBUTED SURPLUS

Contributed surplus for the nine months ended December 31, 2010 and 2009 is comprised of the following:

	2010	2009
	\$	\$
Balance, beginning of period	635,844	483,507
Stock-based compensation on stock options	111,505	152,187
Stock-based compensation on agents' warrants	140,783	-
Stock-based compensation on guarantors' warrants	<u>-</u>	<u>98,246</u>
Balance, end of period	<u><u>888,132</u></u>	<u><u>733,940</u></u>

7. RELATED PARTY TRANSACTIONS

- (a) The President of the Company provides his services on a full-time basis under a contract with a private company controlled by the President of the Company for a current annual fee of \$110,000. During the nine months ended December 31, 2010 the Company was billed a total of \$82,500 (2009 - \$82,500) by the President. The contract also provides that, in the event the services are terminated without cause or upon a change in control of the Company, a termination payment would include three months or eighteen months, respectively, of compensation plus a bonus amount agreed to by the parties. As at December 31, 2010, \$18,333 (2009 - \$nil) remained outstanding and is included in accounts payable and accrued liabilities.
- (b) Chase Management Ltd. ("Chase"), a private company owned by a director of the Company, provides accounting, administrative and management services to the Company at a rate of \$3,000 per month plus disbursements. Chase also provides additional services as required. During the nine months ended December 31, 2010 the Company was billed a total of \$52,900 (2009 - \$51,425) by Chase. As at December 31, 2010, \$7,000 (2009 - \$5,500) remained outstanding and is included in accounts payable and accrued liabilities.
- (c) During the nine months ended December 31, 2010 the Company was billed \$12,600 (2009 - \$12,000) for geological services provided by a director of the Company. As at December 31, 2010, \$6,300 (2009 - \$9,250) remained outstanding and is included in accounts payable and accrued liabilities.
- (d) See also Note 4(a).

Unless otherwise stated, related party transactions are measured at the exchange amount, being the amount of consideration established and agreed to by the related parties.

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(Unaudited - Prepared by Management)

8. SUPPLEMENTAL CASH FLOW INFORMATION

Non-cash activities were conducted by the Company during the nine months ended December 31, 2010 and 2009, as follows:

	2010	2009
	\$	\$
Investing activities		
Accounts payable for mineral properties and deferred costs	94,413	105,362
Expenditures on mineral properties and deferred costs	(94,413)	(142,312)
Shares issued for mineral properties and deferred costs	<u>460,800</u>	<u>36,950</u>
	<u><u>460,800</u></u>	<u><u>-</u></u>
Financing activities		
Shares issued for mineral properties and deferred costs	(460,800)	-
Common share issue costs	140,783	98,246
Contributed surplus	<u>(140,783)</u>	<u>(98,246)</u>
	<u><u>(460,800)</u></u>	<u><u>-</u></u>

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of cash, amounts receivable, reclamation bonds, accounts payable and accrued liabilities approximate their fair value.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is remote.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that it will have sufficient liquidity to meet its obligations. All of the Company's liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its existing working capital and future equity financings.

ASTRAL MINING CORPORATION
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9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT *(continued)*

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

Interest Rate Risk

The Company is exposed to interest rate risk to the extent that the cash bears floating rates of interest. The interest rate risk on cash and on the Company's obligations are not considered significant.

10. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard its ability to continue as a going concern. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital, cash equivalents and short-term investments. The properties in which the Company currently has an interest are in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company does not expect its current capital resources will be sufficient to meet all of its future exploration plans, option payments and operating requirements and is dependant upon future equity or debt transactions to meet these obligations.

11. SUBSEQUENT EVENTS

- (a) Subsequent to December 31, 2010 the Company granted stock options to a consultant to purchase 100,000 common shares of the Company at a price of \$0.15 per share for a period of four years. The options were subsequently exercised and the Company issued 100,000 common shares for cash proceeds of \$15,000.
- (b) See also Note 3(c).

SCHEDULE I

ASTRAL MINING CORPORATION
CONSOLIDATED SCHEDULE OF MINERAL PROPERTIES AND DEFERRED COSTS

(Unaudited - Prepared by Management)

	Nine Months Ended December 31 2010			Year Ended
	Jumping Josephine Project \$	Honeymoon Claims \$	Los Crestones Property \$	March 31, 2010 \$
BALANCE - BEGINNING OF PERIOD	3,741,171	-	-	3,115,889
EXPENDITURES DURING THE PERIOD				
EXPLORATION COSTS				
Assays	114,469	-	-	116,164
Drilling	408,520	-	-	-
Geophysics	15,760	-	-	357,502
Metallurgy	-	-	-	18,015
Office and other	15,447	-	-	19,224
Reclamation work/environmental	23,550	-	-	11,518
Road building and trenching	14,240	-	-	8,600
Salaries and contractors	174,186	4,691	-	64,100
Soil sampling	-	-	-	120,279
Supplies and equipment	8,325	-	-	1,528
Surveying	-	-	-	6,943
Transportation	42,633	-	-	7,194
Recoveries	-	-	-	(202,197)
	817,130	4,691	-	528,870
ACQUISITION COSTS				
Option payments	466,800	14,000	10,180	80,650
Claim maintenance fees	24,274	3,080	-	15,762
	491,074	17,080	10,180	96,412
BALANCE BEFORE WRITE-OFF	5,049,375	21,771	10,180	3,741,171
WRITE-OFF OF MINERAL PROPERTIES	-	-	-	-
BALANCE - END OF PERIOD	5,049,375	21,771	10,180	3,741,171