

ASTRA EXPLORATION INC.

Condensed Interim Consolidated Financial Statements

For the three and six months ended September 30, 2023 and 2022

(Unaudited - Expressed in Canadian dollars)

Notice of Disclosure of Non-auditor Review of the Condensed Interim Consolidated Financial Statements for the Three and Six Months Ended September 30, 2023 and 2022

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*, part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators, if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of Astra Exploration Inc. for the interim periods ended September 30, 2023 and 2022, have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board, and are the responsibility of management.

The independent auditors, Davidson & Company LLP, have not performed a review of these unaudited condensed interim consolidated financial statements.

November 15, 2023

ASTRA EXPLORATION INC.**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**

(Unaudited - Expressed in Canadian dollars, except number of shares)

	Note	Three months ended September 30,		Six months ended September 30,	
		2023	2022	2023	2022
		\$	\$	\$	\$
Operating expenses					
Consulting fees		-	-	-	13,305
Exploration and evaluation expenditures	6	97,900	852,955	293,203	1,170,894
General and administrative		31,234	21,127	62,123	44,189
Management fees	8	100,522	99,970	200,761	173,739
Marketing		33,499	27,961	110,428	130,789
Professional fees	8	53,066	125,224	129,519	233,536
Share-based compensation	8	15,829	31,672	42,957	59,936
Transfer agent and regulatory fees		4,610	18,631	8,003	40,762
Travel		10,485	39,535	23,522	54,300
		347,145	1,217,075	870,516	1,921,450
Other income (expense)					
Foreign exchange gain (loss)		(2,992)	2,440	(4,829)	3,162
Loss and comprehensive loss		(350,137)	(1,214,635)	(875,345)	(1,918,288)
Loss attributable to:					
Shareholders of the Company		(350,137)	(1,032,137)	(875,345)	(1,695,254)
Non-controlling interest	9	-	(182,498)	-	(223,034)
Loss per share					
Basic and diluted		(0.01)	(0.03)	(0.02)	(0.05)
Weighted average number of common shares outstanding					
Basic and diluted		47,652,871	37,106,753	47,652,871	32,188,720

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

ASTRA EXPLORATION INC.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian dollars)

	Six months ended September 30,	
	2023	2022
	\$	\$
Operating activities:		
Loss for the period	(875,345)	(1,918,288)
Items not affecting cash:		
Share-based compensation	42,957	59,936
Changes in non-cash working capital:		
Receivables	15,781	5,371
Prepaid expenses	8,218	(30,362)
Accounts payable and accrued liabilities	(68,388)	(349,239)
Cash used in operating activities	(876,777)	(2,232,582)
Financing activities:		
Proceeds from issuance of units	-	2,400,000
Unit and share issuance costs	-	(124,398)
Cash provided by financing activities	-	2,275,602
Change in cash	(876,777)	43,020
Cash, beginning of period	1,165,529	906,356
Cash, end of period	288,752	949,376
Supplemental cash flow information:		
Cash interest paid	-	-
Cash income taxes paid	-	-

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

ASTRA EXPLORATION INC.**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity**

(Unaudited - Expressed in Canadian dollars, except number of shares)

	Common shares	Share capital	Reserves	Deficit	Non- controlling interest	Total shareholders' equity
	#	\$	\$	\$	\$	\$
Balance, March 31, 2022	25,106,753	4,832,185	186,648	(4,257,401)	(191,952)	569,480
Shares issued in private placement	12,000,000	909,091	1,490,909	-	-	2,400,000
Share issuance costs	-	(124,398)	-	-	-	(124,398)
Shares issued to acquire mineral property interest	-	-	59,936	-	-	59,936
Net loss and comprehensive loss for the period	-	-	-	(1,695,254)	(223,034)	(1,918,288)
Balance, September 30, 2022	37,106,753	5,616,878	1,737,493	(5,952,655)	(414,986)	986,730
Shares issued in private placement	9,090,910	2,490,909	(1,490,909)	-	-	1,000,000
Share issuance costs	-	(8,039)	-	-	-	(8,039)
Shares issued to acquire non-controlling interest	1,455,208	218,281	-	(837,787)	619,506	-
Share-based compensation	-	-	54,257	-	-	54,257
Net loss and comprehensive loss for the period	-	-	-	(727,996)	(204,520)	(932,516)
Balance, March 31, 2023	47,652,871	8,318,029	300,841	(7,518,438)	-	1,100,432
Share-based compensation	-	-	42,957	-	-	42,957
Net loss and comprehensive loss for the period	-	-	-	(875,345)	-	(875,345)
Balance, September 30, 2023	47,652,871	8,318,029	343,798	(8,393,783)	-	268,044

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

ASTRA EXPLORATION INC.
Notes to the Condensed Interim Consolidated Financial Statements
For the three and six months ended September 30, 2023 and 2022
(Unaudited - Expressed in Canadian dollars, except where noted)

1. NATURE OF OPERATIONS AND GOING CONCERN

Astra Exploration Inc. (the "Company") was incorporated under the name Momentous Capital Corp. on July 31, 2020 under the Business Corporations Act (British Columbia). The head office, principal address, registered address, and records office of the Company is located at #700-1090 West Georgia Street, Vancouver, BC, V6E 3V7. The Company operates in one business segment, which is mineral property acquisition and exploration. All properties are located Chile.

On June 22, 2022, the Company qualified for trading on the OTCQB Venture Market and the Company's common shares commenced trading under the symbol "ATEPF".

On March 7, 2023, the Company was listed for trading on the Frankfurt Stock Exchange ("FSE") under the symbol "S31".

a) Reverse takeover

Astra Exploration Limited ("Astra") was incorporated under the Business Corporations Act in British Columbia on August 24, 2020.

On July 7, 2021, the Company announced that it entered into an amalgamation agreement (the "Amalgamation Agreement") with Astra. Pursuant to the Amalgamation Agreement, the Company acquired all of the issued and outstanding securities of Astra in exchange for securities of Momentous Capital Corp. (the "Transaction"), carried out by way of a three-cornered amalgamation. As a result of the Transaction, the Company continued with the business of Astra. Astra was arm's length to Momentous Capital Corp.

Effective January 18, 2022, the Transaction closed whereby Momentous Capital Corp. issued 21,906,752 common shares to former shareholders of Astra (Note 5(b)). Concurrent with the closing of the Transaction, Momentous Capital Corp. changed its name to Astra Exploration Inc. The Company's common shares were listed on the TSXV on January 26, 2022 under the symbol "ASTR".

Management determined that the Transaction constituted a reverse acquisition for accounting purposes whereby Astra acquired Momentous Capital Corp. For accounting purposes, Astra is treated as the accounting acquirer (legal subsidiary), and the Company is treated as the accounting acquiree (legal parent). As Astra was deemed to be the acquirer for accounting purposes, its assets, liabilities, and operations since incorporation are included in these condensed interim consolidated financial statements at their historical carrying values. Momentous Capital Corp.'s results of operations are included from the transaction date, January 18, 2022. The comparative figures are those of Astra prior to the reverse acquisition.

b) Going concern

These condensed interim consolidated financial statements for the three and six months ended September 30, 2023 and 2022 ("financial statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for at least the next twelve months. As at September 30, 2023, the Company has not generated any revenues from operations and has an accumulated deficit of \$8,393,783 (March 31, 2023 - \$7,518,438).

The Company's ability to continue as a going concern is dependent on the Company's ability to obtain additional debt or equity financing to successfully advance the exploration and development of mineral property interests in its exploration portfolio and to be able to derive material proceeds from the sale or divestiture of those properties and/or other assets, such as sale proceeds and equity interests. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. These factors present material uncertainties which may cast significant doubt as to the Company's ability to continue as a going concern.

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issuance on November 15, 2023.

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2. BASIS OF PREPARATION (continued)

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee applicable to the preparation of interim financial statements including International Accounting Standard 34 *Interim Financial Reporting*. These financial statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company’s audited financial statements for the years ended March 31, 2023 and 2022 (the “Annual Financial Statements”).

b) Basis of presentation

These financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at their fair value as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting except cash flow information.

c) Basis of consolidation

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

A summary of the Company’s subsidiaries included in these financial statements as at September 30, 2023 is as follows:

Name of subsidiary	Abbreviation	Country of incorporation	Percentage ownership	Functional currency	Principal activity
Astra Exploration Limited	AEL	Canada	100%	CAD	Holding company and head office
Astra Exploration Chile SpA	AEC	Chile	100%	CAD	Holding company
Sociedad Contractual Minera Paciencia	SCM	Chile	100%	CAD	Mineral exploration

d) Functional and presentation currency

The Company’s presentation currency is the Canadian dollar (“\$” or “CAD”). The functional currency of the Company and its subsidiaries is CAD. References to “US\$” are to US dollars. References to “CLP” are to Chilean pesos.

e) Reclassification of prior amounts

The Company has reclassified certain comparative information on the consolidated statements of loss and comprehensive loss to conform with current period presentation.

3. SIGNIFICANT ACCOUNTING POLICIES

In preparing these financial statements, the Company used the same accounting policies as in the Annual Financial Statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities and expenses.

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4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION (continued)

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances and which form the basis of making 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 revision affects both current and future periods.

In the preparation of these financial statements, the Company used the same significant accounting judgments and was subject to the same key sources of estimation uncertainty as in the Annual Financial Statements.

5. TRANSACTIONS

a) Acquisition of Pampa Paciencia

On May 13, 2021, the Company, through its Chilean subsidiary AEC, closed the acquisition (“Acquisition”) of 100% of a subsidiary of Arena Minerals Inc., which held 80% of SCM, a company holding the mineral rights for the Pampa Paciencia gold property located in Chile for consideration of the issuance of 5,820,834 common shares, with a fair value of \$1,164,167.

The Company has accounted for the Acquisition as a purchase of assets. The acquisition did not qualify as a business combination under IFRS 3 *Business combinations*, as the significant inputs, processes and outputs, that together constitute a business, did not exist in these projects at the time of acquisition. As there were no assets or liabilities acquired, the purchase price was recognized in profit or loss as exploration and evaluation expenditures.

Pursuant to the Acquisition, AEC entered into a shareholder agreement whereby AEC was appointed as the operator of this property and will fund the operations until a pre-feasibility study has been prepared. After such study has been prepared, AEC will provide 80% of the funds required for operations and the other partner will provide the remaining 20%. Additionally, the 20% partner is entitled to a 3% net smelter royalty on any production from the property. AEC has the right to deduct the lesser of the following from the first net smelter royalty payment when it becomes due:

- US\$6,000,000; and
- 20% of the total operating expenses paid by AEC prior to the preparation of a pre-feasibility study.

A summary of the fair value of the purchase price as at the May 13, 2021 acquisition date is as follows:

	\$
Purchase price	
Fair value of 5,820,834 common shares issued	1,164,167
Non-controlling interest	291,042
	1,455,209
Exploration and evaluation expenditures	1,455,209

On November 15, 2022, the Company closed the acquisition of the remaining 20% of SCM for consideration of the issuance of 1,455,208 common shares, with a fair value of \$218,281 (Note 7(b)). As a result of this acquisition, SCM became a wholly-owned subsidiary which holds a 100% interest in the Pampa Paciencia property (Note 6(a)).

b) Reverse-takeover transaction

Upon the closing of the Transaction on January 18, 2022 the following occurred:

- Momentous Capital Corp. issued 21,906,752 common shares to former shareholders of Astra. The value of the shares was determined by the consideration retained by the shareholders of the Company.
- The Company’s 250,000 options expiring May 3, 2023, and 115,000 options expiring May 3, 2031 were revalued using the Black-Scholes option pricing model, at a fair value of \$86,850. The options were valued with the following assumptions: an exercise price of \$0.20 per option, a share price of \$0.30, an expected life of 1.29 and 9.29 years after issuance, 100% volatility, risk-free rate of 1.25% and 1.82%, and a dividend rate of nil.

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5. TRANSACTIONS (continued)

As a result of the Transaction, Astra obtained control of the Company and is considered to have acquired the Company for accounting purposes. The Transaction constitutes a reverse takeover acquisition (“RTO”) of the Company by Astra and has been accounted for as a reverse acquisition transaction in accordance with the guidance provided in IFRS 2 *Share-based payment* and IFRS 3 *Business combinations*. As the Company did not qualify as a business in accordance with the definition of IFRS 3, the RTO does not constitute a business combination. Rather, it is treated as an issuance of common shares by Astra for the net assets of the Company and its public listing, with Astra as the continuing entity. Accordingly, no goodwill or intangible assets were recorded with respect to the Transaction.

For accounting purposes, Astra is treated as the accounting parent (legal subsidiary) and the Company as the accounting subsidiary (legal parent). The fair value of the consideration paid by Astra, net of transaction costs, less the fair value of net assets of the Company acquired by Astra constitutes the listing expense and has been recorded in the consolidated statement of loss and comprehensive loss. These financial statements reflect the assets, liabilities, and operations of Astra since its incorporation and the Company from January 18, 2022.

A summary of the fair values of the purchase price and the assets acquired as at the January 18, 2022 acquisition date is as follows:

	\$
Purchase price	
21,906,752 common shares issued	795,000
Replacement stock options	86,850
Transaction costs	191,221
Finder’s shares issued	150,000
	1,223,071
Fair value of acquired assets:	
Cash	166,818
Accounts payable and accrued liabilities	(5,530)
	161,288
Listing expense	1,061,783

The consideration was measured at the fair value of the shares that Astra would have had to issue to the shareholders of the Company (2,650,001 common shares) to give the shareholders of the Company the same percentage equity interest in the combined entity that results from the RTO had it taken the legal form of Astra acquiring the Company.

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6. EXPLORATION AND EVALUATION EXPENDITURES

A summary of the Company's exploration and evaluation expenditures is as follows:

	Three months ended September 30,		Six months ended September 30,	
	2023	2022	2023	2022
	\$	\$	\$	\$
Pampa Paciencia Property				
General	34,154	805,024	138,729	920,491
Geological consulting	33,832	33,706	67,822	68,568
Record and title fees	9,079	107	9,079	107
	77,065	838,837	215,630	989,166
Don Mario - Cerro Bayo Property				
Record and title fees	-	-	46,955	156,167
General exploration				
Geological consulting	20,835	14,118	30,618	25,561
	97,900	852,955	293,203	1,170,894

a) Pampa Paciencia Property

On May 13, 2021, the Company, through its Chilean subsidiary, AEC, acquired an 80% interest in SCM, a company holding a 100% interest in certain mineral rights comprising the Pampa Paciencia gold property located in Chile. On November 15, 2022, the Company closed the acquisition of the remaining 20% and now holds 100% of SCM (Note 5(a)).

b) Don Mario Property - Cerro Bayo

On March 9, 2021, the Company, through its Chilean subsidiary, AEC, closed an Asset Transfer Agreement for 100% of the mining claims located in the Cerro Bayo Mining District, Maricunga Belt, Northern Chile for purchase consideration paid of US\$102 and a 3% of net smelter returns from all minerals produced on the property.

7. SHAREHOLDERS' EQUITY

a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

b) Issued

As at September 30, 2023, there were 47,652,871 issued and fully paid common shares outstanding (March 31, 2023 - 47,652,871).

During the six months ended September 30, 2023, the Company had no share capital transactions.

During the year ended March 31, 2023, the Company completed the following share capital transactions:

- On February 28, 2023, pursuant to a private placement, the Company issued 9,090,910 units for gross proceeds of \$1,000,000 at a price of \$0.11 per unit. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share at an exercise price of \$0.15 for a period of 24 months from the date of closing. On initial recognition, the warrants had a fair value of \$nil. The Company incurred total unit issuance costs of \$8,039.

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(Unaudited - Expressed in Canadian dollars, except where noted)

7. SHAREHOLDERS' EQUITY (continued)

- On November 15, 2022, the Company closed the acquisition of the remaining 20% of SCM for consideration of the issuance of 1,455,208 common shares, with a fair value of \$218,281 (Note 5(a)).
- On June 14, 2022, pursuant to a private placement, the Company issued 12,000,000 units for gross proceeds of \$2,400,000 at a price of \$0.20 per unit. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share at an exercise price of \$0.26 for a period of 24 months from the date of closing. On initial recognition, the warrants had a fair value of \$nil. The Company incurred total share issuance costs of \$124,398.

c) Escrow shares

The Company entered into two escrow agreements in connection with closing the Transaction on January 18, 2022, with terms as follows:

- Pursuant to the escrow agreement for 1,500,000 escrowed common shares, the shares are subject to a timed release in equal tranches over a period of 24 months with 25% having been released on January 18, 2022. The remaining escrowed shares will be released in equal tranches of 25% every six months thereafter.
- Pursuant to the escrow agreement for 12,265,836 escrowed common shares, the shares are subject to a timed release in equal tranches over a period of 36 months with 10% having been released on January 18, 2022. The remaining escrowed shares will be released in equal tranches of 15% every six months thereafter.

As at September 30, 2023, 5,519,626 common shares were held in escrow (March 31, 2023 - 7,734,502).

d) Stock options

The Company established a stock option plan (the "Plan") for the benefit of full-time and part-time employees, officers, directors, and consultants of the Company and its affiliates. The maximum number of shares available under the Plan is limited to 10% of the issued common shares of the Company and are exercisable within a maximum of ten years. The Board of Directors has the exclusive power over the granting of stock options, the exercise price, the term, and their vesting and cancellation provisions.

A summary of the Company's stock option activity is as follows:

	Number of stock options	Weighted average exercise price
	#	\$
Balance, March 31, 2022	1,900,000	0.33
Granted	150,000	0.25
Balance, March 31, 2023	2,050,000	0.32
Expired	(115,000)	0.20
Balance, September 30, 2023	1,935,000	0.33

A summary of the Company's stock options outstanding and exercisable as at September 30, 2023 is as follows:

Date of expiry	Number of options outstanding	Number of options exercisable	Weighted average exercise price	Weighted average remaining life
	#	#	\$	Years
February 17, 2027	1,585,000	1,056,664	0.35	3.39
May 30, 2027	150,000	50,000	0.25	3.67
May 3, 2031	200,000	200,000	0.20	7.59
	1,935,000	1,306,664	0.33	3.84

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7. SHAREHOLDERS' EQUITY (continued)

A summary of the Company's assumptions used in the Black-Scholes option pricing model for stock options granted during the year ended March 31, 2023 is as follows:

	2023
Expected life (years)	5.00
Stock price on date of grant	\$0.19
Dividend yield	0%
Volatility rate	100%
Risk-free interest rate	2.63%
Fair value	\$0.14

e) Warrants

A summary of the Company's warrant activity is as follows:

	Number of warrants #	Weighted average exercise price \$
Balance, March 31, 2022	-	-
Issued	21,090,910	0.21
Balance, September 30, 2023 and March 31, 2023	21,090,910	0.21

A summary of the Company's warrants outstanding and exercisable as at September 30, 2023 is as follows:

Date of expiry	Number of warrants #	Weighted average exercise price \$	Weighted average remaining life Years
June 14, 2024	12,000,000	0.26	0.71
February 28, 2025	9,090,910	0.15	1.41
	21,090,910	0.21	1.01

8. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Unless otherwise noted, related party transactions were incurred in the normal course of operations and are measured at the exchange amount, being the amount established and agreed upon by the related parties.

A summary of the Company's key management remuneration is as follows:

	Three months ended September 30,		Six months ended September 30,	
	2023	2022	2023	2022
	\$	\$	\$	\$
Management fees	65,272	64,720	130,261	131,544
Professional fees	6,000	6,000	12,000	12,000
Share-based compensation	9,714	17,485	27,199	34,970
	80,986	88,205	169,460	178,514

During the six months ended September 30, 2023, the Company incurred \$12,000 (2022 - \$12,000) of professional fees with a related party for bookkeeping services.

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8. RELATED PARTY TRANSACTIONS (continued)

As at September 30, 2023, \$26,491 (March 31, 2023 - \$30,752) included in accounts payable and accrued liabilities were due to related parties. The amount due to related parties has no specific terms of repayment, is unsecured, non-interest-bearing and have no fixed term of repayment.

9. NON-CONTROLLING INTEREST

On May 13, 2021, the Company closed its acquisition of 80% of SCM, a company holding the mineral rights for the Pampa Paciencia property (Note 5(a)). On November 15, 2022, the Company closed its acquisition of the remaining 20% of SCM for consideration of the issuance of 1,455,208 common shares, with a fair value of \$218,281. After this acquisition, the Company holds 100% of SCM, resulting in the 100% interest in the Pampa Paciencia property (Note 6(a)).

A summary of the Company's non-controlling interest activity is as follows:

Balance, March 31, 2022	\$ (191,952)
Acquisition of remaining 20% of SCM	619,506
Loss attributable to non-controlling interest	(427,554)
Balance, September 30, 2023 and March 31, 2023	-

During the six months ended September 30, 2023, the Company incurred \$nil (2022 - \$223,034) of net loss attributable to non-controlling interest.

10. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. The management of the capital structure (share capital) is based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties and to maintain the Company in good standing with the various regulatory authorities. In order to maintain or adjust its capital structure, the Company may issue new shares, issue debt instruments or return capital to its shareholders. The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company is not subject to any externally imposed capital requirements. There were no changes in management's approach to capital management during the three and six months ended September 30, 2023.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value information

The Company's cash and accounts payable and accrued liabilities are classified as and measured at amortized cost. The fair value approximates their carrying values due to the relatively short term to maturity of these instruments.

b) Management of financial risks

The Company's financial instruments expose the Company to certain financial risks, including, liquidity risk, credit risk, and foreign currency risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At September 30, 2023, the Company had cash of \$288,752 (March 31, 2023 - \$1,165,529) and accounts payable and accrued liabilities of \$57,418 (March 31, 2023 - \$125,806) with contractual maturities of less than one year. The Company had sufficient cash to meet its current liabilities as at September 30, 2023. The Company assessed its liquidity risk as low as at September 30, 2023.

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11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet an obligation under contract. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with financial institutions of high credit worthiness. The Company believes its exposure to credit risk is equal to the carrying value of this balance.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies (US\$ and CLP).

A summary of the Company's financial assets and liabilities that are denominated in US\$ is as follows:

	September 30, 2023	March 31, 2023
	\$	\$
Cash	123,534	689,505
Accounts payable and accrued liabilities	38,276	40,280

A summary of the Company's financial assets and liabilities that are denominated in CLP is as follows:

	September 30, 2023	March 31, 2023
	\$	\$
Cash	14,656	120,973
Accounts payable and accrued liabilities	633	47,483

As at September 30, 2023, the Company had exposure to foreign currency risk, as cash of \$123,534 and \$14,656, as well as accounts payable and accrued liabilities of \$38,276 and \$633 were denominated in US\$ and CLP, respectively. A 5% change in the foreign exchange rates would result in an impact of approximately \$4,964 to the Company's net loss.