

ASTRA EXPLORATION INC.

Consolidated Financial Statements

For the years ended March 31, 2024 and 2023

(Expressed in Canadian dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Astra Exploration Inc.

Opinion

We have audited the accompanying consolidated financial statements of Astra Exploration Inc. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity (deficiency) for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company has not generated any revenues from operations and has a deficit of \$8,721,798 as of March 31, 2024. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our auditor's report.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year ended and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Zachary Faure.

A handwritten signature in black ink that reads "Davidson & Caspary LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

July 10, 2024

ASTRA EXPLORATION INC.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Note	March 31, 2024	March 31, 2023
		\$	\$
ASSETS			
Current			
Cash		53,868	1,165,529
Receivables		18,784	26,165
Prepaid expenses		18,362	34,544
Deferred financing costs		1,958	-
Total assets		92,972	1,226,238
LIABILITIES			
Current			
Accounts payable and accrued liabilities	7	101,214	125,806
Subscription deposits	12	37,050	-
Total liabilities		138,264	125,806
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	6	8,318,029	8,318,029
Reserves		358,477	300,841
Deficit		(8,721,798)	(7,518,438)
Total shareholders' equity (deficiency)		(45,292)	1,100,432
Total liabilities and shareholders' equity (deficiency)		92,972	1,226,238

Nature of operations and going concern (Note 1)
Subsequent events (Note 12)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ "David Caulfield"
Director

/s/ "Brian Miller"
Director

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

ASTRA EXPLORATION INC.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars, except number of shares)

	Note	Years ended March 31,	
		2024	2023
		\$	\$
Expenses			
Consulting fees		4,281	18,747
Exploration and evaluation expenditures	5	327,192	1,378,838
General and administrative		77,645	79,660
Management fees	7	262,996	387,747
Marketing		189,424	267,981
Professional fees	7	199,657	383,607
Share-based compensation	7	57,636	114,193
Transfer agent and regulatory fees		32,450	73,274
Travel		45,266	149,888
		1,196,547	2,853,935
Other income (expense)			
Foreign exchange (loss) gain		(6,813)	3,131
Loss and comprehensive loss		(1,203,360)	(2,850,804)
Loss attributable to:			
Shareholders of the Company		(1,203,360)	(2,423,250)
Non-controlling interest	8	-	(427,554)
Loss per share			
Basic and diluted		(0.03)	(0.07)
Weighted average number of common shares outstanding			
Basic and diluted		47,652,871	35,955,319

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

ASTRA EXPLORATION INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Years ended March 31,	
	2024	2023
	\$	\$
Operating activities:		
Loss for the year	(1,203,360)	(2,850,804)
Adjustments for:		
Share-based compensation	57,636	114,193
Changes in non-cash working capital:		
Receivables	7,381	(4,801)
Prepaid expenses	16,182	15,226
Accounts payable and accrued liabilities	(20,093)	(288,661)
Cash used in operating activities	(1,142,254)	(3,014,847)
Financing activities:		
Proceeds from issuance of units	-	3,400,000
Unit subscription received	37,050	-
Unit issuance costs	(6,457)	(125,980)
Cash provided by financing activities	30,593	3,274,020
Change in cash	(1,111,661)	259,173
Cash, beginning of year	1,165,529	906,356
Cash, end of year	53,868	1,165,529
Supplemental cash flow information:		
Cash interest paid	-	-
Cash income tax paid	-	-
Deferred financing costs included in accounts payable	1,958	-
Fair value of shares issued for the acquisition of non-controlling interest	-	218,281
Share issuance costs included in accounts payable	-	6,457

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

ASTRA EXPLORATION INC.
Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian dollars, except number of shares)

	Common shares	Share capital	Reserves	Deficit	Non- controlling interest	Total shareholders' equity (deficiency)
	#	\$	\$	\$	\$	\$
Balance, March 31, 2022	25,106,753	4,832,185	186,648	(4,257,401)	(191,952)	569,480
Units issued in private placement	21,090,910	3,400,000	-	-	-	3,400,000
Unit issuance costs	-	(132,437)	-	-	-	(132,437)
Share-based compensation	-	-	114,193	-	-	114,193
Shares issued to acquire non-controlling interest	1,455,208	218,281	-	(837,787)	619,506	-
Loss and comprehensive loss for the year	-	-	-	(2,423,250)	(427,554)	(2,850,804)
Balance, March 31, 2023	47,652,871	8,318,029	300,841	(7,518,438)	-	1,100,432
Share-based compensation	-	-	57,636	-	-	57,636
Loss and comprehensive loss for the year	-	-	-	(1,203,360)	-	(1,203,360)
Balance, March 31, 2024	47,652,871	8,318,029	358,477	(8,721,798)	-	(45,292)

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

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). On January 18, 2022, Momentous Capital Corp. changed its name to Astra Exploration Inc. The head office, principal address, registered address, and records office of the Company is located at #1723-595 Burrard Street, Vancouver, BC, V7X1J1. The Company operates in one business segment, which is mineral property acquisition and exploration. All properties are located Chile.

On January 26, 2022, the Company's common shares were listed on the TSX Venture Exchange under the symbol "ASTR".

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".

These audited consolidated financial statements for the years ended March 31, 2024 and 2023 ("financial statements") have been prepared in accordance with IFRS Accounting Standards 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 March 31, 2024, the Company has not generated any revenues from operations and has a deficit of \$8,721,798.

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 July 10, 2024.

These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board effective as of March 31, 2024.

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) 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.

d) 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.

ASTRA EXPLORATION INC.
Notes to the Consolidated Financial Statements
For the years ended March 31, 2024 and 2023
(Expressed in Canadian dollars, except where noted)

2. BASIS OF PREPARATION (continued)

A summary of the Company's subsidiaries included in these financial statements as at March 31, 2024 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

3. MATERIAL ACCOUNTING POLICIES

a) Foreign currency translation

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each consolidated statement of financial position date, monetary assets and liabilities are translated using the period-end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical exchange rate on the date of the transaction.

Non-monetary assets and liabilities that are stated at fair value are translated using the historical exchange rate on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in profit or loss.

b) Financial instruments

Classification

Financial assets are classified at initial recognition as either: measured at amortized cost, fair value through profit or loss ("FVTPL"), or fair value through other comprehensive income (loss) ("FVTOCI"). The classification depends on the Company's business model for managing the financial assets and the contractual cash flow characteristics. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

Fair value through profit or loss ("FVTPL") - Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in profit or loss in the period in which they arise.

Fair value through other comprehensive income ("FVTOCI") - Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income (loss). There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost - A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL or the Company has opted to measure at FVTPL.

3. MATERIAL ACCOUNTING POLICIES (continued)

Impairment

The Company assesses on a forward-looking basis the expected credit loss ("ECL") associated with financial assets measured at amortized cost, contract assets and debt instruments carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

c) Mineral property interests

The Company's mineral property interests are comprised of mineral properties owned by the Company and rights to ownership of mineral properties. The Company accounts for its mineral property interests by charging all acquisition and exploration costs to profit or loss as incurred. When the existence of a mineral reserve on a property has been established, future acquisition, exploration and development costs will be capitalized for that property, then amortized using the unit of-production method following commencement of production.

d) Decommissioning and restoration provision

The Company recognizes a provision for statutory, contractual, constructive, or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of mineral properties. Provisions for decommissioning and restoration are recognized in the period in which the obligation is incurred or acquired and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate is a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the liability.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset. These costs are depreciated on a basis consistent with the depreciation, depletion, and amortization of the underlying assets.

The obligation is accreted over time for the change in its present value, with this accretion charge recognized as a finance expense in profit or loss. The obligation is adjusted for changes in the estimated amount and timing of expected future cash flows and changes in the discount rate. Such changes in estimates are added to or deducted from the related asset except where deductions are greater than the carrying value of the related asset, in which case the amount of the excess is recognized in profit or loss.

e) Share capital and units

The Company records proceeds from share issuances net of issue costs and any tax effects. Professional, consulting, regulatory, and other costs directly attributable to equity transactions are recorded as share issuance costs.

Proceeds from the issuance of units are allocated between common shares and share purchase warrants on a residual value basis, wherein the fair value of the common shares is based on the market value on the date of the placement and the balance, if any, is allocated to the attached warrants.

f) Share-based payments

The Company has a stock option plan, which grants options to purchase common shares to the Company's directors, officers, employees, and consultants. The Company accounts for the stock options at their fair value and recognizes the cost as compensation expense over the vesting period, with the offset recorded to stock options reserve. The amount recognized as share-based compensation expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service conditions at the vesting date.

3. MATERIAL ACCOUNTING POLICIES (continued)

The fair value of options granted to directors and employees is measured using the Black-Scholes option pricing model on the date of issuance. Share-based compensation to non-employees are measured at the fair value of the goods or services received, or at the fair value of the equity instruments issued if it is determined that the fair value of the goods or services received cannot be reliably measured, and are recorded at the date the goods or services are received.

Consideration received on the exercise of stock options is recorded as share capital, and the amount previously recognized in reserves is transferred to share capital. For options that expire unexercised, the initial fair value recorded remains in reserves.

g) Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year. Diluted loss per share is calculated by adjusting the loss attributable to equity shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive instruments. The calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the year. In years where a loss is reported, diluted loss per share is the same as basic loss per share because the effects of potentially dilutive common shares would be anti-dilutive.

h) Income taxes

Provision for income taxes consists of current and deferred tax expense. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized either in other comprehensive income (loss) or directly in equity, in which case it is recognized in other comprehensive income (loss) or in equity, respectively.

Current tax expense is tax payable on the taxable income for the year, using tax rates and the expected tax laws enacted or substantively enacted at the reporting date, adjusted for amendments to tax payable or recoverable with regards to previous years.

Deferred tax expense is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax expense is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

i) New accounting standard and interpretations adopted

The Company adopted the following amendments to accounting standards, which are effective for annual periods beginning on or after January 1, 2023:

Disclosure of accounting policies - IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 *Presentation of financial statements* and IFRS Practice Statement 2 *Making materiality judgements* provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

Definition of accounting estimates - amendments to IAS 8

The amendments to IAS 8 *Accounting policies, changes in accounting estimates and errors* clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Company's financial statements.

Deferred tax related to assets and liabilities arising from a single transaction - amendments to IAS 12

The amendments to IAS 12 *Income Taxes* narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

3. MATERIAL ACCOUNTING POLICIES (continued)

The amendments had no impact on the Company's financial statements.

The Company has not early adopted any other new accounting standard, interpretation or amendment that has been issued but is not yet effective.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's financial statements and applying its accounting policies requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these judgments, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The judgements, key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

a) Deferred tax assets and liabilities

The measurement of a deferred tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities. The estimation of taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future tax provisions or recoveries could be affected.

b) Valuation of share-based compensation

The Company determines the fair value of share-based compensation granted using the Black-Scholes option pricing model. This option pricing model requires the development of market-based subjective inputs, including the risk-free interest rate, expected price volatility and expected life of the option. Changes in these inputs and underlying assumption used to develop them can materially affect the fair value estimate.

c) Going concern presentation

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating and property investigation expenditures and meet its liabilities for the ensuing year as they fall due involves judgment based on historical experience and other factors including the expectation of future events that are believed to be reasonable under the circumstances. Management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions exist that may cast significant doubt upon the Company's ability to continue as a going concern.

d) Determination of functional currency

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of functional currency involves certain judgements to determine the primary economic environment of an entity. The Company re-evaluates the functional currency of its entities when there is a change in events and conditions which previously determined the primary economic environment of an entity.

ASTRA EXPLORATION INC.
Notes to the Consolidated Financial Statements
For the years ended March 31, 2024 and 2023
(Expressed in Canadian dollars, except where noted)

5. EXPLORATION AND EVALUATION EXPENDITURES

A summary of the Company's exploration and evaluation expenditures for the years ended March 31, 2024 and 2023 is as follows:

	2024	2023
	\$	\$
Pampa Paciencia Property		
General	154,209	1,017,070
Geological consulting	81,470	145,835
Record and title fees	10,528	11,983
	246,207	1,174,888
Don Mario - Cerro Bayo Property		
Record and title fees	46,955	156,167
General exploration		
Geological consulting	34,030	47,783
	327,192	1,378,838

a) Pampa Paciencia Property

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

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 6(b)). As a result of this acquisition, SCM became a wholly-owned subsidiary.

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 (the "Don Mario Property - Cerro Bayo") for purchase consideration paid of US\$102 and a 3% of net smelter returns from all minerals produced on the property.

6. 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 March 31, 2024, there were 47,652,871 issued and fully paid common shares outstanding (March 31, 2023 - 47,652,871).

During the year ended March 31, 2024, 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.

ASTRA EXPLORATION INC.
Notes to the Consolidated Financial Statements
For the years ended March 31, 2024 and 2023
(Expressed in Canadian dollars, except where noted)

6. 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.
- 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 March 31, 2024, 3,679,751 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	(215,000)	0.22
Forfeited	(50,000)	0.25
Balance, March 31, 2024	1,785,000	0.33

A summary of the Company's stock options outstanding and exercisable as at March 31, 2024 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	2.88
May 3, 2031	200,000	200,000	0.20	7.09
	1,785,000	1,256,664	0.33	3.36

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6. SHAREHOLDERS' EQUITY (continued)

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

Share price	\$0.19
Exercise price	\$0.25
Expected life	5 years
Risk-free interest rate	2.63%
Expected volatility rate	100%
Expected annual dividend yield	0%
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, March 31, 2024 and 2023	21,090,910	0.21

A summary of the Company's warrants outstanding and exercisable as at March 31, 2024 is as follows:

Date of expiry	Number of warrants	Weighted average exercise price	Weighted average remaining life
	#	\$	Years
June 14, 2024 (Note 12)	12,000,000	0.26	0.21
February 28, 2025	9,090,910	0.15	0.91
	21,090,910	0.21	0.51

7. RELATED PARTY TRANSACTIONS

Key management personnel include those persons that have 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 for the years ended March 31, 2024 and 2023 is as follows:

	2024	2023
	\$	\$
Management fees	151,996	261,747
Share-based compensation	38,855	69,939
	190,851	331,686

During the year ended March 31, 2024, the Company incurred \$24,000 (2023 - \$30,000) of professional fees with a related party for bookkeeping services.

As at March 31, 2024, \$38,488 (March 31, 2023 - \$30,752) is 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.

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8. 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. 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 5(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, March 31, 2024 and 2023	-

9. 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 year ended March 31, 2024.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value information

The Company's cash, accounts payable and accrued liabilities as well as subscription deposits 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 March 31, 2024, the Company had cash of \$53,868 (March 31, 2023 - \$1,165,529) as well as accounts payable and accrued liabilities of \$101,214 (March 31, 2023 - \$125,806) with contractual maturities of less than one year. The Company does not have sufficient cash to meet its current liabilities as at March 31, 2024. Subsequent to March 31, 2024, the Company completed a private placement of units for gross proceeds of \$403,659 (Note 12).

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 creditworthiness. The Company's exposure to credit risk is equal to the carrying value of this balance.

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10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

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:

	March 31, 2024	March 31, 2023
	\$	\$
Cash	29,857	689,505
Accounts payable and accrued liabilities	45,027	40,280

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

	March 31, 2024	March 31, 2023
	\$	\$
Cash	9,967	120,973
Accounts payable and accrued liabilities	77	47,483

A 5% change in the foreign exchange rates would result in a recovery of approximately \$264 to the Company's net loss.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company is not exposed to significant price risk as at March 31, 2024.

11. INCOME TAXES

A summary of the Company's reconciliation of income taxes at statutory rates for the years ended March 31, 2024 and 2023, is as follows:

	2024	2023
	\$	\$
Loss before income taxes	(1,203,360)	(2,850,804)
Combined federal and provincial income tax rates	27%	27%
Expected income tax recovery	(325,000)	(770,000)
Non-deductible expenditures and non-taxable revenues	50,000	98,000
Change in statutory, foreign tax, foreign exchange rates and other	382,000	(71,000)
Share issuance costs	-	(36,000)
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	(1,259,000)	(121,000)
Temporary differences originated in the year	(1,000)	-
Change in unrecognized deferred tax assets	1,153,000	900,000
Income tax expense (recovery)	-	-

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11. INCOME TAXES (continued)

A summary of the Company's significant components of unrecognized deferred tax assets is as follows:

	March 31, 2024	March 31, 2023
	\$	\$
Deferred income tax assets:		
Share issuance costs and financing fees	38,000	54,000
Intangibles assets	39,000	39,000
Non-capital losses	1,904,000	659,000
Mineral resource properties	491,000	567,000
Unrecognized deferred tax assets	2,472,000	1,319,000

A summary of the Company's significant components of unrecognized deductible temporary differences and unused non-capital losses for which no deferred tax asset is recognized is as follows:

	March 31, 2024	Expiry date range	March 31, 2023	Expiry date range
	\$		\$	
Share issuance costs and financing fees	142,000	2045 to 2047	202,000	2044 to 2047
Intangibles assets	144,000	No expiry date	144,000	No expiry date
Non-capital losses	7,053,000	2041 to 2044	2,439,000	2040 to 2043
Mineral resource properties	1,819,000	No expiry date	2,100,000	No expiry date
Non-capital losses by country:				
Canada	2,774,212		2,091,915	
Chile	4,278,622		347,085	

12. SUBSEQUENT EVENTS

On April 2, 2024, the Company closed a non-brokered private placement ("Offering") for proceeds of \$403,659. In connection with the Offering, the Company issued 3,105,076 units priced at \$0.13 per unit, with each unit consisting of one common share and one-half common share purchase warrant (each whole warrant a "Warrant"). Each Warrant entitles the holder to purchase one additional common share for \$0.18 for a period of two years from the Offering closing date. In connection with the private placement, the Company paid a cash finders' fee of \$5,174 and issued 39,803 finder's warrants with an aggregate fair value of \$2,676. As at March 31, 2024, the Company received unit subscription deposits of \$37,050 and incurred \$1,958 of unit issuance costs.

On June 14, 2024, 12,000,000 warrants with an exercise price of \$0.26 expired unexercised.

On July 8, 2024, the Company has signed a binding letter agreement, granting the option to acquire up to a 90% interest in the Manchuria epithermal gold-silver Project ("Manchuria Project") from Patagonia Gold Corp ("Patagonia") located in the prolific Deseado Massif of Santa Cruz, Argentina. The Company has the option to acquire an initial 80% interest in the Manchuria Project by fulfilling the following project expenditures, subject to the Company's right to extend the earn-in timeframe:

- US\$150,000 in non-discretionary expenditures in the first year.
- US\$350,000 expenditures in the second year.
- US\$1,500,000 expenditures in the third year.
- US\$1,000,000 expenditures in the fourth year.

Upon earning 80%, the Company may then elect to purchase an additional 10%, for 90% total ownership, by making a cash payment of USD \$5,000,000 to Patagonia by the end of the sixth year, subject to the Company's right to extend this period. Patagonia's interest will be carried until the publication of a 43-101 compliant resource totaling at least 1 million ounces of gold-equivalent in the indicated + inferred categories. Upon publication of the resource, each party will contribute their pro-rata amounts of expenditures from that point forward. If either the Company's or Patagonia's ownership is reduced to less than 10%, such ownership will automatically convert to a 1% NSR. Upon signing of the Agreement, the Company will have a period of 45 days to conduct due diligence with the exclusive option to proceed with the transaction. Further, the due diligence period will only commence upon both of: (i) approval from the existing royalty holder; and (ii) approval from the Santa Cruz Provincial authorities of the work plan which has been agreed to by the Company and Patagonia.