

## **Three Gold/Silver Projects in Proven Gold Districts, in Politically Stable North America, an Experienced Technical Team, Well Financed and a Low Market Cap, has Astral Mining Corporation Well Positioned for Success**



**Resources**  
**Gold and Silver Exploration**  
**(AA-TSXV)**



**Manfred Kurschner**  
**President, CEO and Director**

**BIO:**

Mr. Kurschner is a venture capitalist with 35 years of business experience in managing and financing both private and public companies. Highly regarded for his management skills, network of contacts and attention to detail, Mr. Kurschner has successfully owned, managed, directed and advised private and public companies in financings, mergers and acquisitions, corporate restructurings and investor relations since 1973. He has been a director or officer of a number of public companies listed on the TSX Ven-

ture Exchange and its predecessor stock exchanges.

**Company Profile:**

Astral Mining Corporation (AA.V) is a Canadian company engaged in the exploration and development of precious metal properties in the Americas. By focusing on exploration in mining-friendly districts, the Company minimizes the political and social risks encountered in many other parts of the world. Astral has interests in a new gold discovery at the Jumping Josephine Gold Project in Southern British Columbia, a new highly prospective silver/gold prospect in the Sierra Madre belt in Sinaloa State, Mexico, and two gold, silver and VMS properties in Kamloops, British Columbia. With these projects, an experienced technical team and seasoned management, Astral is leveraging this expertise into exploration success.

**Interview conducted by:**  
**Lynn Fosse, Senior Editor**  
**CEOCFOinterviews.com**

**CEOCFO:** Mr. Kurschner, you have a long history in business; what attracted you to the mining industry?

**Mr. Kurschner:** I started in the mining industry in the mid-1980's exploring for precious metals in British Columbia, which was right after the stock market crash in 1987. However, shortly thereafter, British Columbia changed its mining laws and made it much more difficult to bring a discovery to production. A more of socialist government came into power and they made it very difficult to get projects through. It essentially killed the

mining business in British Columbia Canada. At that point, I left the industry and I began to concentrate in other areas of business, waiting for the climate to change. Then in the early 2000s, when the price of gold began to rise from the bottom price, which was around \$250, I decided to re-enter that industry. I still had a great love for mineral exploration and had many contacts in the industry, so I began doing business in that area again. In the early 2000s, Astral explored in British Columbia, North and South Carolina, and Nevada.

**CEOCFO:** What is the focus of Astral Mining today?

**Mr. Kurschner:** Currently we have three projects in North America. We try to explore in countries that are politically stable, and we concentrate on areas that have infrastructure close by. I believe that really enhances any potential discovery in terms of commercializing it, so that is a very important factor. Many discoveries are in countries where they can change the laws, steal your property, and if you are too far away from infrastructure, it becomes very difficult to finance unless you have made a very large discovery. We are concentrating primarily in North America and we have three properties that we are currently working on. First is Jumping Josephine, which is our flagship gold property. It covers approximately 40,000 hectares, which is a very large property. It is in a proven gold district in British Columbia where there have been about 8 or 9 million ounces extracted over the past century. It is very close to the U.S. border, which is about 25 kilometers from the border.

A second property that we have is an 18,000 hectares property in south-central British Columbia near the city of Kamloops. It is prospective for silver and gold, with potential for base metals. It is in close proximity to the pre-feasibility Yellowhead mining project, which may be the largest undeveloped copper/gold in Canada with approximately 4 billion pounds of Copper. This property is a relatively new acquisition for us and we will start exploring it in spring 2011 with a view to drilling in late summer or fall. The most exciting property, which we announced in late 2010, is the Los Crestones property located in the very prolific Sierra Madre Gold Belt, in the Sinaloa Province of Mexico. It is an early stage gold/silver property of about 4,200 hectares. This property has never been drilled and we are currently on the property preparing for a summer drill program. All early indications are positive and we are very excited about the prospects of making a discovery on that property.

**CEOCFO:** Was there a deliberate plan to diversify geographically within North America or was it opportunistic?

**Mr. Kurschner:** We really want to be in Canada in particular because Canada has currently one of the best mining climates in the world. There are many government and tax incentives for mining exploration companies in Canada. There is a tax credit called flow-through shares, which are very popular in Canada. Therefore, it is quite easy to raise money to fund exploration and drill programs by offering flow-through shares, which gives exploration companies a very big incentive and advantage to explore in Canada. Canada also has a stable, well-known political system. It is very mining friendly. Being in a stable area is a big consideration for investors today. The U.S. of course is very stable as well and we have worked in areas in the U.S. but after the financial crisis in 2008, we had to divest ourselves of our non-core U.S. properties. For example, in Nevada, it is very expensive to hold properties, so regrettably we let those properties go. We wanted to be in Mexico because

we could work year-round and it is very mining-friendly. In our particular area of the Sierra Madre, there are a number of excellent discoveries and numerous producing mines. The Sierra Madre has been a very successful area in terms of the discovery of new gold and silver projects, so that was foremost in our mind when we went into that area. Our specific area is underexplored, which gives us an opportunity to make an economical discovery.

**CEOCFO:** How did you find an area that has not been touched yet?

**Mr. Kurschner:** We have a team that was searching for exploration properties; they were in the right place at the right time. Our team related very well to the locals and that is very important for a project in Mexico, or for that matter anywhere in the world. Without obtaining local support early, it may prove difficult to advance a project in later stages of exploration and devel-

**Currently we have three projects in North America. We try to explore in countries that are politically stable, and we concentrate on areas that have infrastructure close by. I believe that really enhances any potential discovery in terms of commercializing it, so that is a very important factor. - Manfred Kurschner**

opment. Therefore, for Astral, it is one of the most important steps, ensuring that the local stakeholders support the project and us. It is very important to me that the locals benefit and participate if we are fortunate enough to make a discovery.

**CFO:** What is the financial picture like for Astral Mining today?

**Mr. Kurschner:** We are currently in the process of fundraising. Being a junior explorer, we do not have any revenues, and our only funding comes from brokers, private placements, and stock options. There is a constant requirement to replenish our treasury and currently we are closing a recently announced financing. Once you have a significant discovery then it becomes much easier to raise money. I am a believer in keeping our issued shares low, until we are ready to do a big financing. I hope that by then our share price will be higher and we will have less dilution. That is one

of the things that as a CEO I look for, that is providing shareholders with a low number of issued and outstanding shares.

**CEOCFO:** Are there newer techniques that you are able to take advantage of today?

**Mr. Kurschner:** Definitely, the industry has changed over the last decade because of new technologies. Through more sophisticated and advanced computer software, it is much easier for our technical team to compile vast amounts of geological, geophysical, geochemical and drilling data for analysis. In the area of drilling, however, nothing has really changed too much. But finding gold, silver and other minerals is becoming more and more difficult, so having more advanced technologies, will hopefully make it easier to find the remaining deposits, and help to fulfill the current high demand for these products.

**CEOCFO:** What is the timetable for your projects for the next year?

**Mr. Kurschner:** We will be drilling on all of our projects. The Los Crestones is our earliest focus in terms of drilling this year, and we

plan to drill there sometime in May/June. We have already drilled many holes on our Jumping Josephine property and are now preparing and budgeting for our 2011 drill program, which we expect to begin in June or July when the snow is gone. The Honeymoon Property is more early stage and we need to do some groundwork to generate drilling targets for fall drilling program.

**CEOCFO:** You mentioned that BC was a bit unfriendly; how has that changed?

**Mr. Kurschner:** It is the government. The government has been very mining-friendly recently. I believe BC currently employs more people in the mining sector than any other industry. I believe the mining industry generates the most in terms of government taxes than any other industry. The change that came about in the late 1990's with a liberal government was very positive and because of the gov-

ernment support and initiatives, we have some huge projects that are going into production. Therefore, government has made all the difference and B.C. as a result is one of the better jurisdictions in the world to explore in.

**CEO CFO:** What is your two-minute take on the price of gold, commodity cycle, and world economy?

**Mr. Kurschner:** People in our industry realize that gold and other metals have been in a major uptrend. There is high demand for base metals and gold because of the developing nations in the world. For precious metals and in particular gold, it is also being viewed more like a currency or money, a store of value, not just as a commodity for jewelry and industrial use. Individuals, central bankers, and countries are all looking for a way to protect themselves from the debase-

ment of paper currencies. Whether you are talking about the Chinese, the Americans, or the Europeans, everybody is printing money to stimulate their economies in some form or another. The inflation that will result from all this money printing is going to be especially good for the price of gold and bodes well for the exploration and mining companies. That has put a decent floor underneath the price of gold, but I cannot really predict the price of gold. Of all the factors that I have mentioned, the printing of trillions of dollars by the U.S. for their Quantitative Easing Programs is going to underpin the price of gold.

**CEO CFO:** In closing, why should potential investors pick Astral Mining out of the crowd?

**Mr. Kurschner:** First and foremost, Astral needs to have high quality ex-

ploration projects. With an early stage high-grade gold discovery on the Jumping Josephine project, the excellent prospects of our newly acquired Mexico gold and silver property and our strategically located Honeymoon and Barrier Ridge claims, I believe gives excellent exposure to potential discoveries for our shareholders. Secondly, Astral has the technical team and the management to advance those projects and the ability to raise the funding necessary to carry out the company's objectives. Finally, having a small number of shares outstanding for an early stage company is desirable. Astral, as opposed to having 100 million outstanding shares trading at a nickel, has 20 million shares issued and trading at about \$0.30. This capital structure is more desirable for most small investors.



**Astral Mining Corporation**  
**Suite 818, 475 Howe Street**  
**Vancouver BC Canada V6C 2B3**  
**Phone: 604-569-0800**