

AD ASTRA ROCKET COMPANY
Corporate Governance – Annual Compliance Report for Calendar Year 2012

Element of the code (summary)	Element Adopted (yes/no)	Issuer's comments
1. Manager and Chairman are different individuals.	No	Dr. Franklin Chang Diaz currently holds both positions. This is the usual case for small US companies.
2. Directors designated for a certain time.	Yes	Directors are elected at annual Shareholders' meeting to one year terms.
3. Two independent directors	No	Mr. Abbey is the sole independent director. In April 2013 an additional independent director, Dr. Jose Zaglul was elected to the Board.
4. Directors are identified in the annual report.	No	Directors are identified in the company's prospectus, which is updated annually.
5. Minimum contents of the Internal Regulations of the Board	No	The Board follows the rules established in the company's bylaws and abides by generally accepted rules of corporate governance. Risk and Compliance are managed by the company's executives, based upon the advice of its Senior Accountant, its Contracts Manager, and independent external legal counsel.
6. Each new director formally inducted	Yes	
7. Regular, scheduled board meetings	Yes	Minimum of four Board meetings, scheduled in advance. Agendas distributed at least 5 days before. For special meetings, notices distributed at least 2 days in advance
8. Only the directors who participate in the meeting vote.	Yes	
9. Directors control the agenda	Yes	
10. Clear minutes for each meeting.	Yes	
11. Directors can withhold their votes	Yes	
12. Audit Committee consisting of 2 independent directors and one Fiscal	No	The committee does not include the Chairman. Audit Committee of the Board of Directors: George Abbey (independent), Edelmiro Muniz, Tim Glover and Mariano Alvarez (independent, Fiscal).
13. Minimum responsibilities of the Audit Committee	No	In 2010, the Audit Committee was established and met the requirements. In 2012, the Audit committee did not meet. The Committee will reconvene, review the 2012 data and perform the minimum responsibilities for 2013.
14. Compensation Committee	No	Compensation of officers and employees is determined by three members of executive management who also serve on the Board (Dr. Chang Díaz, Dr. Squire and Dr. Glover). Though not elected by the Board as such, they perform the functions of a Compensation Committee. As the Company grows, a full compensation committee can be established.
15. Minimum responsibilities of the Compensation Committee	Not applicable	(see number 14)
16. Internal regulations of the Board stress that the directors are responsible for the internal controls	Yes	As a US Delaware Corporation, the Ad Astra Board is responsible in general for the integrity of the company's internal controls.
17. Annual review of the efficacy of the internal controls	Yes	The annual audit performed by an independent, external auditor includes examination of the company's internal processes to ensure that

		adequate controls are in place.
18. Internal control on stock purchases and sales by key personnel	Yes	Ad Astra Bylaws, Article 3.11, part IV provides this control.
19. Investor relations policy	Yes	We do not follow the specific procedures of the Bolsa, However, the President provides an annual written report on the company's progress and status to the investors. He also sends periodic informal letters on major events and activities. The company has an annual shareholders meeting. The President of the company periodically invites shareholders to informational briefings about the company.
20. Annual Report	Yes	The company sends an annual report to investors and the company prospectus is updated annually. The company also publishes its annual audit report.

Note: The users of the Annual Compliance Reports should understand that the fact that the company does not comply with some of the practices that it has adopted does not mean automatic non-compliance with the Code, because it is recognized that particular circumstances may arise that justify this situation, which the company should explain.