Condensed Consolidated Interim Financial Statements of

CONSTANTINE METAL RESOURCES LTD.

(Expressed in Canadian Dollars)

For the three months ended January 31, 2012 and 2011

Suite 320 - 800 West Pender St., Vancouver, B.C. Canada V6C 2V6
Phone (604) 629-2348 Fax (604) 608-3878

Notice to Reader:

These condensed consolidated interim financial statements of Constantine Metal Resources Ltd. have been prepared by management and approved by the Audit Committee on behalf of the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these condensed consolidated interim financial statements, notes to financial statements and the related quarterly Management Discussion and Analysis.

Condensed Consolidated Interim Statements of Financial Position
Unaudited – Prepared by Management
(Expressed in Canadian dollars)

	January 31 2012	October 31 2011 (Note 12)	November 1 2010 (Note 12)
Assets			
Current assets:			
Cash and cash equivalents	**$ 629,137**	$ 1,115,268	$ 193,082
Amounts receivable	**269,141**	279,654	78,424
Available-for-sale investments (Note 4)	**10,200**	31,200	-
Advances and prepaid expenses (Notes 5f and 7)	**89,760**	20,070	28,422
	998,238	1,446,192	299,928
Deposits	**40,855**	40,855	-
Exploration and evaluation properties (Note 5)	**16,049,382**	15,889,773	12,578,301
Equipment	**37,152**	39,763	44,384
	$ 17,125,627	$ 17,416,583	$ 12,922,613
Liabilities			
Current liabilities:			
Trade payables and accrued liabilities	**$ 56,410**	$ 149,963	$ 113,289
Amounts due to related parties (Note 7)	**8,694**	37,889	6,440
	65,104	187,852	119,729
Equity			
Share capital (Note 6)	**19,598,178**	19,598,178	14,577,852
Stock options reserve	**1,089,213**	1,089,213	1,071,194
Warrants reserve	**432,941**	432,941	192,084
Available-for-sale investments reserve	**(25,200)**	(4,200)	-
Deficit	**(4,034,609)**	(3,887,401)	(3,038,246)
	17,060,523	17,228,731	12,802,884
	$ 17,125,627	$ 17,416,583	$ 12,922,613

Nature of Operations and Going Concern (Note 1)
Commitments (Note 11)
Subsequent Events (Note 13)

On Behalf of the Board of Directors:

"J. Garfield MacVeigh"
Director

"G. Ross McDonald"
Director

See accompanying notes to condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
Unaudited – Prepared by Management
For the three months ended January 31, 2012 and 2011
(Expressed in Canadian dollars)

		January 31 2012		January 31 2011 (Note 12)
Expenses:				
Amortization	**$**	**2,611**	$	3,110
Consulting		**19,119**		26,910
Foreign exchange loss		**932**		111
General and administrative		**36,756**		75,806
Insurance		**6,008**		6,240
Investor relations		**10,383**		13,715
Management fees		**3,000**		3,000
Professional fees – audit		**7,850**		3,000
Payroll expenses		**47,778**		66,194
Rent		**12,695**		5,822
Shareholder communications		**140**		1,950
Travel		**3,885**		7,096
Loss before other items		**(151,157)**		(212,954)
Other Items:				
Gain on sale of exploration and evaluation properties		**-**		111,585
Interest income		**3,949**		279
Loss for the period	**$**	**(147,208)**	$	(101,090)
Other comprehensive income (loss)				
Unrealized income (loss) on available-for-sale investments (Note 4)		**(21,000)**		14,000
Comprehensive loss for the period	**$**	**(168,208)**	$	(87,090)
Basic and diluted loss per share	**$**	**(0.00)**	$	(0.00)
Weighted average number of common shares outstanding		**110,185,999**		91,934,363

See accompanying notes to condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Cash Flows
Unaudited – Prepared by Management
For the three months ended January 31, 2012 and 2011
(Expressed in Canadian dollars)

		January 31 2012		January 31 2011 (Note 12)
Cash and cash equivalents provided by (used in):				
Operations:				
Loss for the period	**$**	**(147,208)**	$	(101,090)
Amortization		**2,611**		3,110
Non-cash gain on sale of exploration and evaluation properties		**-**		(11,584)
Changes in non-cash working capital accounts:				
Amounts receivable		**10,513**		(27,747)
Trade payables and accrued liabilities		**(93,553)**		(34,231)
Amounts due to related parties		**(29,195)**		(3,080)
Advances and prepaid expenses		**(69,690)**		(41,129)
	$	**(326,522)**	$	(215,751)
Investing activities:				
Exploration and evaluation expenditures (Note 5)	**$**	**(159,609)**	$	(389,333)
Financing activities:				
Private placement proceeds	**$**	**-**	$	3,500,000
Share issuance costs		**-**		(342,770)
	$	**-**	$	3,157,230
Increase (decrease) in cash	**$**	**(486,131)**	$	2,552,146
Cash and cash equivalents, beginning of period		**1,115,268**		193,082
Cash and cash equivalents, end of period	**$**	**629,137**	$	2,745,228
Supplemental Disclosure of Non-Cash Investing and Financing Activities:				
Interest paid	**$**	**-**	$	-
Interest received	**$**	**3,949**	$	-
Income taxes paid	**$**	**-**	$	303
Warrants issued to agents and finders	**$**	**-**	$	166,018
Trade payables related to exploration and evaluation properties	**$**	**5,257**	$	48,312

See accompanying notes to condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Changes in Equity
Unaudited – Prepared by Management
For the three months ended January 31, 2012 and 2011
(Expressed in Canadian dollars)

	Share Capital		Reserves				
	Number of Shares	Capital Stock	Stock Options	Warrants	Available-for-Sale Investments	Deficit	Total Equity
Balance, November 1, 2010 (Note 12)	80,115,522	$14,577,852	$ 1,071,194	$ 192,084	$ -	$ (3,038,246)	$12,802,884
Net loss for the period	-	-	-	-	-	(101,090)	(101,090)
Unrealized gain on available-for-sale investments	-	-	-	-	14,000	-	14,000
Private placement	15,333,334	2,300,000	-	-	-	-	2,300,000
Flow-through private placement	6,857,143	1,200,000	-	-	-	-	1,200,000
Share issuance costs	-	(508,788)	-	166,018	-	-	(342,770)
Balance, January 31, 2011 (Note 12)	102,305,999	17,569,064	1,071,194	358,102	14,000	(3,139,336)	15,873,024
Net loss for the period	-	-	-	-	-	(748,065)	(748,065)
Unrealized loss on available-for-sale investments	-	-	-	-	(18,200)		(18,200)
Flow-through private placement	7,500,000	2,250,000	-		-	-	2,250,000
Share issuance costs	-	(281,236)		74,839	-	-	(206,397)
Share-based payments	-	-	18,019	-	-	-	18,019
Proceeds from exercise of warrants	50,000	15,000	-	-	-	-	15,000
Shares for exploration and evaluation properties	330,000	45,350	-	-	-	-	45,350
Balance, October 31, 2011 (Note 12)	110,185,999	19,598,178	1,089,213	432,941	(4,200)	(3,887,401)	17,228,731
Net loss for the period	-	-	-	-	-	(147,208)	(147,208)
Unrealized loss on available-for-sale investments	-	-	-	-	(21,000)	-	(21,000)
Balance, January 31, 2012	110,185,999	$19,598,178	$ 1,089,213	$ 432,941	$ (25,200)	$ (4,034,609)	$17,060,523

See accompanying notes to condensed consolidated interim financial statements.

1. Nature of Operations and Going Concern

The Company is in the business of acquiring interests in resource properties that are considered to be sites of potential economic mineralization, and then subsequently developing such assets with a view to enhancing their value and to bringing on a major mining partner for development of the assets. The Company may sell property for an enhanced value or seek a major mining partner to advance one of its projects on a joint venture basis. Currently the Company is principally engaged in the exploration of mineral properties which cannot be considered economic until a commercial feasibility study has been completed. The Company has no sources of operating revenue and is dependent upon equity financing to maintain current operations and to ultimately develop a mineral property interest or interests which can be profitably sold or further developed and placed into successful commercial production.

The Company has not generated any revenue since inception and has never paid any dividends and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. As at January 31, 2012, the Company has incurred losses since inception and has an accumulated operating deficit of $4,034,609. The continuation and long-term viability of the Company remains dependent upon its ability to obtain necessary equity financing to continue operations and to determine the existence, discovery and successful exploitation of economically recoverable reserves in its resource properties, confirmation of the Company's interests in the underlying properties, and the attainment of profitable operations.

To continue operations the Company will have to raise additional funds and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. These financial statements reflect no adjustments which may become necessary in the event that the Company is unable to continue as a going concern.

The head office and principal address of the Company is #320 – 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6.

2. Basis of Preparation

a) Basis of consolidation

These condensed consolidated interim financial statements are inclusive of the accounts of the Company and its wholly-owned Alaska subsidiary, Constantine North Inc. ("Constantine North").

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

b) Basis of presentation

The Company's condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in Note 9, and are presented in Canadian dollars except where otherwise indicated.

c) Statement of compliance

These condensed consolidated interim financial statements are a general purpose financial report for the Company and its subsidiary, prepared on a going concern basis, in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). Therefore, these condensed consolidated interim financial statements comply with International Accounting Standards ("IAS") 34, *Interim Financial Reporting*.

These condensed consolidated interim financial statements are the first interim financial statements prepared and presented in accordance with IFRS standards, amendments and interpretations the Company expects to adopt in its October 31, 2012 annual financial statements.

This interim report does not include all of the information required of full general purpose annual financial statements. The report is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these condensed consolidated interim financial statements be read in conjunction with the annual consolidated financial statements of the Company for the year ended October 31, 2011 prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP"). However, these condensed consolidated interim financial statements, being the first IFRS financial statements, include selected significant disclosures that may otherwise only be presented in the consolidated annual financial statements under IFRS.

The disclosures concerning the transition from Canadian GAAP to IFRS are provided in Note 12.

d) Approval of the financial statements

The condensed consolidated interim financial statements of the Company for the three months ended January 31, 2012 and 2011 were approved and authorized for issue by the Board of Directors on April 24, 2012.

3. Significant Accounting Policies

a) Significant accounting judgments, estimates and assumptions

The preparation of the Company's condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities' at the date of the financial statements, and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments and share-based payments, the recognition and valuation of provisions for restoration and environmental liabilities, the recoverability and measurement of deferred tax assets and liabilities, and ability to continue as a going concern. Actual results may differ from those estimates and judgments.

b) Cash and cash equivalents

The Company considers deposits that are highly liquid, readily convertible to known amounts of cash, redeemable on demand and have original maturities of less than three months from the date of purchase to be cash equivalents. Interest income is recorded as earned on the accrual basis at the stated rate of interest over the term of the investment.

c) Financial assets

Financial assets are classified as financial assets at fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition. Financial assets are recognized initially at fair value. The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at FVTPL

Financial assets are classified as held for trading and are included in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives, other than those designated as effective hedging instruments, are also categorized as held for trading. These assets are carried at fair value with gains or losses recognized in profit or loss. Transaction costs associated with financial assets at FVTPL are expensed as incurred. Cash and cash equivalents are included in this category of financial assets.

Held-to-maturity and loans and receivables

Held-to-maturity and loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortized cost using the effective interest method if the time value of money is significant. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process. Transaction costs are included in the initial carrying amount of the asset. Amounts receivables are classified as loans and receivables.

Available-for-sale

Available-for-sale financial assets are those non-derivative financial assets that are not classified as loans and receivables. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognized within other comprehensive income. Accumulated changes in fair value are recorded as a separate component of equity until the investment is derecognized or impaired. Transaction costs are included in the initial carrying amount of the asset. Available-for-sale assets include investment in equities of other entities.

The fair value is determined by reference to bid prices at the close of business on the reporting date. Where there is no active market, fair value is determined using valuation techniques. Where fair value cannot be reliably measured, assets are carried at cost.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

d) Financial liabilities

Financial liabilities are classified as financial liabilities at FVTPL, derivatives designated as hedging instruments in an effective hedge, or as financial liabilities measured at amortized cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. The measurement of financial liabilities depends on their classification, as follows:

Financial liabilities at FVTPL

Financial liabilities at FVTPL has two subcategories, including financial liabilities held for trading and those designated by management on initial recognition. Transaction costs on financial liabilities at FVTPL are expensed as incurred. These liabilities are carried at fair value with gains or losses recognized in profit or loss.

Financial liabilities measured at amortized cost

All other financial liabilities are initially recognized at fair value, net of transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in interest, other revenues and finance costs. Trade payables are included in this category of financial liabilities.

Derivatives designated as hedging instruments in an effective hedge

The Company does not hold or have any exposure to derivative instruments.

e) Impairment of financial assets

Financial assets, other than financial assets at FVTPL, are assessed for indicators of impairment at each period end.

Assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost have been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced, with the amount of the loss recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

Available-for-sale

If an available-for-sale financial asset is impaired, the cumulative loss previously recognized in equity is transferred to profit or loss. Any subsequent recovery in the fair value of the asset is recognized within other comprehensive income

f) Share-based payments

Share-based payments to employees are measured at the fair value of the instruments issued and recognized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the stock options reserve. The fair value of options, as determined using the Black-Scholes Option Pricing Model which incorporates all market and vesting conditions, is expensed. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that will eventually vest.

g) Exploration and evaluation properties

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Exploration and evaluation assets are assessed for impairment if: (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

h) Farm outs

The Company does not record any expenditure made directly by third parties under farm out or option arrangements. Consideration or contributions received under farm out, participation or option arrangements are credited against carrying value and the Company does not recognize any gain or loss until all capitalized carrying amounts have been recovered.

i) Impairment of non-financial assets

The carrying amounts of the Company's exploration and evaluation assets are reviewed for indications of impairment at the end of each reporting period. If an indication of impairment exists, the Company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. Recoverable amount of an asset group is the higher of its fair value less costs to sell and its value in use. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in profit or loss. In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group and are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

j) Income taxes

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

k) Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The restoration asset will be depreciated on the same basis as other mining assets.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the period. The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to profit or loss in the period incurred. The costs of restoration projects that were included in the provision are recorded against the provision as incurred. The costs to prevent and control environmental impacts at specific properties are capitalized in accordance with the Company's accounting policy for exploration and evaluation assets.

Management has determined that it has no significant known or expected restoration or environmental obligations at this time, other than those amounts covered by existing reclamation bonds.

l) Flow-through Shares

Any premium paid for flow-through shares in excess of the market value of the shares without the flow-through features at the time of issue is initially recorded as a flow-through liability and included in trade payables and accrued liabilities. Upon renouncement by the Company of the tax benefits associated with the related expenditures, a deferred tax liability is recognized and the flow-through liability is reversed, with any difference charged to profit or loss as deferred tax expense. A portion of the deferred tax assets that were not recognized in previous years, due to the recording of a valuation allowance, will reduce the deferred tax liability and record a deferred tax recovery.

m) Foreign currency translation

The functional currency of each of the Company's entities is measured using the currency of the primary economic environment in which that entity operates. The Company determined that the functional and presentation currency for the Company and its subsidiary is the Canadian dollar.

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

n) New and revised standards and interpretations

At the date of authorization of these financial statements, the IASB and IFRIC has issued the following new and revised standards, amendments and interpretations which are not yet effective:

- IFRS 9, *Financial Instruments: Classification and Measurement*(1)
- IFRS 10, *Consolidated Financial Statements*(2)
- IFRS 11, *Joint Arrangements*(2)
- IFRS 12, *Disclosure of Interests in Other Entities*(2)
- IFRS 13, *Fair Value Measurement*(2)
- IAS 1 (Amendment), *Presentation of Financial Statements*(3)
- IAS 19 (Amendment), *Employee Benefits*(2)
- IAS 27 (Amendment), *Separate Financial Statements*(2)
- IAS 28 (Amendment), *Investments in Associates and Joint Ventures*(2)
- IFRIC 20, *Stripping Costs in the Production Phase of a Surface Mine*(2)

(1) Effective for annual periods beginning on or after January 1, 2015
(2) Effective for annual periods beginning on or after January 1, 2013
(3) Effective for annual periods beginning on or after July 1, 2012

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

3. Comparative Figures

Certain comparative figures have been reclassified to conform to current period's presentation.

4. Available-for-sale Investments

In December 2010, the Company received 100,000 shares of Ocean Park Ventures Corp., pursuant to an option agreement on the Trapper property (Note 5e). The Company sold 40,000 of the shares in 2011. The following table is a summary of the Company's available-for-sale investments:

	January 31, 2012			October 31, 2011			November 1, 2010		
	Number of Shares	Cost	Fair Value	Number of Shares	Cost	Fair Value	Number of Shares	Cost	Fair Value
Ocean Park Ventures Corp.	60,000	$ 35,400	$ 10,200	60,000	$ 35,400	$ 31,200	-	$ -	$ -

5. Exploration and Evaluation Properties

The following table is a summary of the Company's U.S. property interests:

	Balance, November 1 2010	For the year ended October 31 2011	Balance, October 31 2011	For the three months ended January 31 2012	**Balance January 31 2012**
Palmer Property, Alaska, USA					
Acquisition costs	$ 878,712	$ -	$ 878,712	$ -	**$ 878,712**
Advance royalty payments	207,939	43,091	251,030	10,846	**261,876**
Alaska labour	431,874	15,643	447,517	1,372	**448,889**
Property maintenance cost	18,714	-	18,714	-	**18,714**
Assaying and testing	185,721	2,031	187,752	6,744	**194,496**
Field transportation	2,517,673	10,007	2,527,680	-	**2,527,680**
Geophysics	334,616	1,051	335,667	-	**335,667**
Drilling	3,672,328	-	3,672,328	-	**3,672,328**
Property filing and maintenance fees	247,470	58,593	306,063	802	**306,865**
Geology and field support	1,500,107	37,426	1,537,533	2,542	**1,540,075**
Technical consulting	806,228	114,597	920,825	7,018	**927,843**
Travel	140,074	12,030	152,104	3,786	**155,890**
	10,941,456	294,469	11,235,925	33,110	**11,269,035**
Hornet Creek, Idaho, USA					
Acquisition costs	11,366	42,979	54,345	20,436	**74,781**
Assaying and testing	282	21,395	21,677	1,801	**23,478**
Field transportation	-	255	255	-	**255**
Geology and field support	-	-	-	159	**159**
Technical consulting	498	7,927	8,425	287	**8,712**
Travel	-	2,211	2,211	161	**2,372**
	12,146	74,767	86,913	22,844	**109,757**
Total	$ 10,953,602	$ 369,236	$ 11,322,838	$ 55,955	**$ 11,378,793**

The following table is a summary of the Company's Canadian property interests:

	Balance, November 1 2010	For the year ended October 31 2011	Balance, October 31 2011	For the three months ended January 31 2012	**Balance January 31 2012**
Munro-Croesus Property, ON, Canada					
Acquisition costs	$ 436,841	$ 35,359	$ 472,200	$ 1,451	**$ 473,651**
Assaying and testing	26,549	79,568	106,117	(1)	**106,116**
Drilling	424,201	699,279	1,123,480	4,260	**1,127,740**
Field transportation	9,308	6,031	15,339	1,353	**16,692**
Geophysics	95,129	54,317	149,446	-	**149,446**
Travel	26,972	23,285	50,257	2,876	**53,133**
Geology and field support	106,076	43,611	149,687	18,049	**167,736**
Technical consulting	184,579	94,492	279,071	9,945	**289,016**
	1,309,655	1,035,942	2,345,597	37,933	**2,383,530**
Four Corners Property, ON, Canada					
Acquisition costs	68,431	36,250	104,681	-	**104,681**
Assaying and testing	-	23,367	23,367	-	**23,367**
Drilling	34,235	208,686	242,921	550	**243,471**
Geophysics	46,030	10,863	56,893	-	**56,893**
Field Transportation	130	816	946	-	**946**
Travel	252	6,805	7,057	-	**7,057**
Technical consulting	24,744	41,775	66,519	8,484	**75,003**
Geology and field support	12,367	18,880	31,247	1,860	**33,107**
	186,189	347,442	533,631	10,894	**544,525**
Phoenix Gold Property, ON, Canada					
Acquisition costs	80,975	-	80,975	-	**80,975**
Technical consulting	-	144	144	1,150	**1,294**
	80,975	144	81,119	1,150	**82,269**
Balance carried forward	$ 1,576,819	$ 1,383,528	$ 2,960,347	$ 49,977	**$ 3,010,324**

	Balance, November 1 2010	For the year ended October 31 2011	Balance, October 31 2011	For the three months ended January 31 2012	**Balance January 31 2012**
Balance forward	$ 1,576,819	$ 1,383,528	$ 2,960,347	$ 49,977	**$ 3,010,324**
Trapper Gold Property, B.C., Canada					
Acquisition costs	16,981	23,800	40,781	-	**40,781**
Assaying and testing	3,809	(585)	3,224	-	**3,224**
Field transportation	3,439	2,616	6,055	-	**6,055**
Geology and field support	11,439	745	12,184	-	**12,184**
Technical consulting	5,750	17,229	22,979	1,726	**24,705**
Travel	4,712	317	5,029	525	**5,554**
Cost recovery	-	(90,252)	(90,252)	-	**(90,252)**
	46,130	(46,130)	-	2,251	**2,251**
Golden Mile Property, ON, Canada					
Project and exploration costs	-	-	-	1,067	**1,067**
Yukon, Canada					
Acquisition costs	-	15,300	15,300	-	**15,300**
Assaying and testing	-	184,795	184,795	12,222	**197,017**
Field transportation	-	470,388	470,388	2,453	**472,841**
Geology	-	151,196	151,196	12,765	**163,961**
Geochemisty	-	285,593	285,593	-	**285,593**
Technical consulting	-	50,399	50,399	3,163	**53,562**
Other	1,750	537,587	539,337	19,757	**559,094**
Write-off of property costs	-	(90,420)	(90,420)	-	**(90,420)**
	1,750	1,604,838	1,606,588	50,360	**1,656,948**
Total	$ 1,624,699	$ 2,942,236	$ 4,566,935	$ 103,655	**$ 4,670,590**
Total U.S. and Canadian exploration and evaluation properties					**$ 16,049,383**

a) Palmer Property, Alaska, USA

The Palmer property is comprised of 340 federal mining claims subject to a 99 year mining lease, dated December 19, 1997, and 63 state mining claims located near Haines, Alaska. To maintain the lease, the Company is required to make annual advance royalty payments of US $42,500 and pay Federal claim maintenance fees, which were US$47,600 in 2011.

The lease is subject to a 2.5% net smelter return ("NSR") royalty. The Company has a right of first refusal to purchase the NSR or any portion thereof at any time during the term of the lease. The advance royalty payments are deductible from the NSR royalty.

b) Munro-Croesus Property, Ontario

On October 26, 2007, the Company completed an agreement to acquire 100% of the Munro-Croesus gold mineral property, including the former Munro-Croesus gold mine, consisting of 22 patented mining claims and leases (416 hectares), located 90 kilometers east of Timmins, Ontario.

The Company initially paid $40,000 in cash and issued 500,000 shares at a value of $0.70 in consideration of the property assets acquired. A further 250,000 shares were issued to the vendor on October 26, 2011, following confirmation of certain environmental conditions that were met, pursuant to the acquisition agreement. The vendor retains a 2% NSR production royalty of which 0.5% can be purchased by the Company for $1,000,000, with a right of first refusal on the remaining 1.5% royalty.

c) Four Corners Property, Ontario

In February 2008, the Company entered into an option agreement to acquire a 100% interest in the 63 claim Four Corners property located east of Timmins, Ontario. In order to acquire the 100% interest, the Company agreed to make payments totaling $75,000 (paid) and agreed to issue 100,000 shares over a 3 year period (issued). The vendors will retain a 2.5% NSR royalty of which 1.0% can be purchased by the Company at any time for $500,000, with a right of first refusal on the remaining 1.5% NSR royalty.

d) Phoenix Gold Property, Ontario

In May 2010, the Company signed an agreement to acquire an undivided 100% interest in 35 claims (519 units comprising approximately 8,304 hectares) located 75 kilometers south of the Timmins gold district. In order to acquire a 100% interest in the project, the Company must make cash payments totaling $75,000 ($15,000 paid on signing the agreement) and issue 90,000 shares or pay $90,000 in cash, at the Company's election, over a 4 year period. The vendor will retain a 2.5% NSR royalty of which 1.0% can be purchased by the Company at any time for $500,000 with the Company retaining a right of first refusal on the remaining 1.5%.

e) Trapper Gold Property, B.C.

In May 2010 the Company signed an option agreement to acquire an undivided 100% interest in 9 contiguous mining claims (3,756 hectares) that comprise the Trapper gold property, located in the Atlin Mining Division in northern British Columbia. In order to acquire a 100% interest in the project, the Company must make cash payments totaling $135,000 ($15,000 paid on signing the agreement) and issue 155,000 common shares (20,000 common shares issued) or pay $155,000 in cash, at the Company's election, over a 4 year period. The vendor will retain a 2.5% NSR royalty of which 1.0% can be purchased by the Company at any time for $500,000, with a right of first refusal on the remaining 1.5%.

In November, 2010 the Company granted an option to Ocean Park Ventures Corp. ("Ocean Park") on the Trapper gold property. Pursuant to the terms of the option agreement, Ocean Park paid $100,000 and issued 100,000 common shares of its common stock to Constantine (Note 4). In order to maintain the option and earn a 50% interest in the property, Ocean Park must make cumulative exploration expenditures on the property totaling $4,750,000 as follows: $750,000 by December 15, 2011 (incurred), $1,250,000 by second anniversary of the agreement, $2,250,000 by the third anniversary and $4,750,000 by December 15, 2014. In addition, Ocean Park must issue an additional 900,000 common shares to the Company as follows: 200,000 shares by the second anniversary, 300,000 shares by third anniversary and 400,000 shares by December 15, 2014.

After completing $4,750,000 in exploration expenditures and issuing the share consideration to the Company to earn the 50% interest, Ocean Park may elect to extend the option and earn an additional 20% interest, for a total interest of 70%. To earn the additional 20% interest, Ocean Park must issue an additional 500,000 common shares by December 15, 2015 and incur an additional $5,000,000 in exploration expenditures on the property by December 15, 2017, with a minimum annual expenditure of $1,000,000.

In the event that the Ocean Park exercises the option, Ocean Park and the Company will enter into a joint venture to further develop the property, with each party contributing to their pro rata portion of the approved exploration program. If, at any time, a party's interest in the joint venture is reduced to below 10%, it shall be deemed to have conveyed its remaining interest to the other party in consideration of the right to receive a 2% NSR on gold below US$1,000/oz, and 3% if above. One-half of the NSR can be repurchased by the other party for $2,500,000, and that party would also retain a right of first refusal over the remaining portion of the NSR.

f) Yukon Land Position and Joint Venture

Effective September 20, 2010, the Company entered into a joint venture agreement with Carlin Gold Corporation (“Carlin”). The Company and Carlin have staked an aggregate of 4,619 mineral claims in Yukon as part of a 50/50 joint venture. The Company’s share of joint venture costs to January 31, 2012 was $1,656,948. As at January 31, 2012, the Company had a balance of $75,628 in advances made to the joint venture (Note 7).

g) Hornet Creek Property, Idaho, U.S.A.

In January 2011, the Company entered into a 99 year lease agreement on a precious metals prospect in Adams County, Idaho, USA. The property consists of 44 federal lode claims totaling approximately 909 acres.

In order to acquire a 100% leasehold right to the 44 claims that comprise the property, the Company must make cash payments totaling US$155,000 (US$35,000 paid) over a four year period. Under the terms of the agreement, the Company may elect to pay half of the remaining US$120,000 cash payments in common shares of the Company. The lessor will retain a 2% NSR, half of which can be purchased by the Company at any time for US$1,000,000, with a right of first refusal on the remaining 1% NSR.

During the term of the agreement, the Company will be responsible for annual land holding costs, currently estimated at $6,600 per year.

Under the terms of the agreement, the Company must make a one-time $500,000 cash payment upon a making commercial production decision.

6. Share Capital

Authorized: unlimited common shares without par value

Issued and outstanding: 110,185,999 common shares

a) Warrants

As at January 31, 2012, the following share purchase warrants and agent warrants were outstanding:

	Three months ended Januray 31, 2012			Year ended October 31, 2011		
	Number of warrants		**Weighted average exercise price**	Number of warrants		Weighted average exercise price
Balance, beginning of period	**16,598,066**	**$**	**0.22**	3,826,250	$	0.30
Exercised	**-**		**-**	(50,000)		0.30
Expired	**(3,558,750)**		**0.22**	(217,500)		0.30
Granted	**-**		**-**	13,039,316		0.20
Balance, end of period	**13,039,316**	**$**	**0.22**	16,598,066	$	0.22
Weighted average fair value of warrants and agent warrants granted		**$**	**-**		$	0.12

Weighted average remaining life of warrants outstanding, January 31, 2012	**0.7 years**
Weighted average remaining life of warrants outstanding, October 31, 2011	0.9 years

The fair value cost of warrants and agent warrants included in private placement issuance costs was estimated using the Black-Scholes Pricing Model using the following range of assumptions:

	January 31, 2012	October 31, 2011
Risk-free interest rate	**-**	1.69%
Expected life (in days)	**-**	730
Annualized volatility	**-**	106%
Dividend rate	**-**	-

b) Stock Options

The Company has established a stock option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised no later than five years from the date of grant or such lesser period as determined by the Company's board of directors. The exercise price of an option is not less than the closing price on the Exchange on the last trading day preceding the grant date. Options begin vesting on the grant date based on a schedule outlined in the share purchase option plan. The maximum number of options to be granted under the plan is 10% of the Company's issued capital.

A summary of the Company's options outstanding as at January 31, 2012 is as follows:

	Three months ended January 31, 2012			Year ended October 31, 2011		
	Number of options		**Weighted average exercise price**	Number of options		Weighted average exercise price
Balance, beginning of period	**3,515,000**	**$**	**0.24**	5,190,000	$	0.28
Granted	**-**		**-**	250,000		0.27
Exercised	**-**		**-**	-		-
Expired	**-**		**-**	(1,425,000)		0.40
Cancelled	**-**		**-**	(500,000)		0.24
Balance, end of period	**3,515,000**	**$**	**0.24**	3,515,000	$	0.24
Weighted average fair value of options granted		**$**	**-**		$	0.10

Weighted average remaining life of options outstanding, January 31, 2012	**2.3 years**
Weighted average remaining life of options outstanding, October 31, 2011	2.5 years

A total of 3,515,000 stock options were exercisable at January 31, 2012.

The fair value cost of share purchase options was estimated using the Black-Scholes Pricing Model using the following range of assumptions:

	January 31, 2012	October 31, 2011
Risk-free interest rate	**-**	1.24% - 2.15%
Expected life (in days)	**-**	730 - 1,095
Annualized volatility	**-**	86% - 117%
Dividend rate	**-**	-

The fair value computed using the Black-Scholes model is only an estimate of the potential value of the individual options and the Company is not required to make payments for such transactions.

For the three month period ended January 31, 2012, the Company recorded $Nil (2011 - $Nil) of share-based payments related to stock options granted during a prior period.

7. Related Party Transactions

The following represents the details of related party transactions paid or accrued for the three months ended January 31, 2012 and 2011:

For the three months ended January 31,		2012		2011
Management and technical fees paid or accrued to companies owned by directors	$	**3,000**	$	42,113
Consulting fees paid to officers		**8,694**		-
Accounting and administration fees paid or accrued to a company 50% owned by an officer		**18,000**		18,000
	$	**29,694**	$	60,113

The above amounts represent short-term benefits to key management personnel for the three months ended January 31, 2012 and 2011. There were no share-based payments to key management personnel for the period.

At January 31, 2012, the unpaid portion of the above amounts was $8,694 (2011 – $3,360).

At January 31, 2012, included in advances and prepaid expenses was $75,624 (October 31, 2011 – $Nil, November 1, 2010 – $Nil) advanced to Carlin, a company related by common directors and officers, for the Company's portion of mineral property expenditures relating to the Yukon joint venture (Note 5f).

8. Management of Capital

The Company manages its cash, common shares, stock options and warrants (Note 6) as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its exploration and evaluation properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Company does not have any externally imposed capital requirements to which it is subject. There were no significant changes in the Company's approach or the Company's objectives and policies for managing its capital.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

9. Financial Instruments

a) Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash and cash equivalents, amounts receivable, available-for-sale investments, trade payables and amounts due to related parties.

The fair values of cash and cash equivalent, amounts receivable, available-for-sale investments, trade payables and amounts due to related parties approximate their book values because of the short-term nature of these instruments.

b) Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes.

Credit Risk

The Company's only exposure to credit risk is on its cash and cash equivalents. Cash and cash equivalents are with a Canadian Schedule 1 bank and a US bank for its subsidiary. The Company has no asset-backed commercial paper.

Liquidity Risk

The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. A portion of the Company's cash is invested in business accounts which are available on demand.

As at January 31, 2012, the Company has Canadian Exploration Expenditure obligations of approximately $375,000, which the Company has agreed to incur by December 31, 2012. There is a risk that the Company will be unable to raise the funds necessary to meet its operational requirements.

Market Risk

The only significant market risk exposure to which the Company is exposed is interest rate risk. The Company's bank account earns interest income at variable rates. The fair value of its marketable securities portfolio is relatively unaffected by changes in short-term interest rates. The Company's future interest income is exposed to short-term rates and fluctuations.

Exchange Risk

As at January 31, 2012, the majority of the Company's cash was held in Canada in Canadian dollars. The Company's significant operations are carried out in Canada and in Alaska, USA. As a result a portion of the Company's cash and cash equivalents, amounts receivable, and trade payables are denominated in United States dollars and are therefore subject to fluctuations in exchange rates.

c) Fair Value Measurements

The carrying value of financial assets and financial liabilities at January 31, 2012, October 31, 2011 and November 1, 2010 are as follows:

As at	**January 31, 2012**	October 31, 2011	November 1, 2010
Financial Assets			
FVTPL, measured at fair value			
Cash and cash equivalents	**$ 629,137**	$ 1,115,268	$ 193,082
Loans and receivables, measured at amortized cost			
Amounts receivable	**$ 2,240**	$ -	$ -
Available-for-sale, measured at fair value			
Available-for-sale investments	**$ 10,200**	$ 31,200	$ -
Financial Liabilities			
Other liabilities, measured at amortized cost			
Trade payables	**$ 56,410**	$ 149,963	$ 113,289
Amounts due to related parties	**$ 8,694**	$ 37,889	$ 6,440

The fair value hierarchy of financial instruments measured at fair value is as follows:

As at	**January 31, 2012**	October 31, 2011	November 1, 2010
	Level 1	Level 1	Level 1
Cash and cash equivalents	**$ 629,137**	$ 1,115,268	$ 193,082
Available-for-sale investments	**$ 10,200**	$ 31,200	$ -

The Company does not use Level 2 or Level 3 valuation inputs.

10. Segmented Information

The Company has one operating segment, which is exploration and evaluation of its mining properties.

At January 31, 2012, the Company operates in two geological areas, being Canada and the United States. The following is an analysis of net loss, current assets and non-current assets by geographical area:

		Canada		United States		Total
Net Loss						
For the three months ended January 31, 2012	**$**	**146,371**	**$**	**837**	**$**	**147,208**
For the three months ended January 31, 2011	$	101,090	$	-	$	101,090
Current Assets						
As at January 31, 2012	**$**	**974,745**	**$**	**23,493**	**$**	**998,238**
As at October 31, 2011	$	1,444,801	$	1,391	$	1,446,192
As at November 1, 2010	$	299,928	$	-	$	299,928
Deposits						
As at January 31, 2012	**$**	**40,855**	**$**	**-**	**$**	**40,855**
As at October 31, 2011	$	40,855	$	-	$	40,855
As at November 1, 2010	$	-	$	-	$	-
Exploration and Evaluation Properties						
As at January 31, 2012	**$**	**4,670,590**	**$**	**11,378,792**	**$**	**16,049,382**
As at October 31, 2011	$	4,566,935	$	11,322,838	$	15,889,773
As at November 1, 2010	$	1,624,699	$	10,953,602	$	12,578,301
Equipment						
As at January 31, 2012	**$**	**37,152**	**$**	**-**	**$**	**37,152**
As at October 31, 2011	$	39,763	$	-	$	39,763
As at November 1, 2010	$	44,384	$	-	$	44,384

11. Commitments

The Company has a lease agreement for the rental of office space, which expires on May 31, 2016. The remaining 2012 minimum lease obligation for the lease is $30,571.

The future minimum lease obligations under the lease are as follows:

		Amount
2012 fiscal year	$	30,571
2013 fiscal year		42,469
2014 fiscal year		44,452
2015 fiscal year		46,435
2016 fiscal year		27,762
	$	191,689

The Company currently rents a portion of its office space on a month-to-month basis for $2,000 per month.

The Company is committed to incur, on a best-efforts basis $2,250,000 in qualifying Canadian exploration expenditures by December 31, 2012 pursuant to a flow-through private placement, of which approximately $1,887,522 has been incurred as at January 31, 2012.

12. Transition to International Financial Reporting Standards

IFRS 1, *First-time Adoption of International Financial Reporting Standards*, establishes guidance for the initial adoption of IFRS. The accounting policies in Note 3 have been applied in preparing the condensed consolidated interim financial statements for the three months ended January 31, 2012 and the comparative information for the three months ended January 31, 2011. The consolidated financial statements for the year ended October 31, 2011 were prepared applying available standards under Canadian GAAP. For the first time adoption of IFRS the comparative figures for the year ended and as at October 31, 2011 and the opening IFRS statement of financial position on November 1, 2010 (the "Transition Date") have been revised where appropriate to conform with IFRS using the various exemptions and options available under IFRS 1, as set out below:

a) Share-based Payment Transactions

IFRS 1 encourages, but does not require, first-time adopters to apply IFRS 2, *Share-based Payment* to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before the Transition Date. The Company elected not to apply IFRS 2 to equity instruments that vested prior to the Transition Date.

b) Business Combinations

IFRS 1 provides the option to apply IFRS 3, *Business Combinations*, retrospectively or prospectively from the Transition Date. The Company elected not to retrospectively apply IFRS 3 to business combinations that occurred prior to its Transition Date.

c) Consolidated and Separate Financial Statements

In accordance with IFRS 1, if a company elects to apply IFRS 3 retrospectively, IAS 27, *Consolidated and Separate Financial Statements* must also be applied retrospectively. As the Company elected to apply IFRS 3 prospectively, the Company has also elected to apply IAS 27 prospectively.

d) IFRS Mandatory Exceptions

In accordance with IFRS 1, the Company's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under Canadian GAAP unless there is objective evidence that those estimates were in error. The estimates previously made by the Company under Canadian GAAP were not revised for application of IFRS.

Other differences between Canadian GAAP and IFRS are noted as follows:

e) Flow-through Shares

Flow-through shares are a unique Canadian tax incentive which is the subject of specific guidance under Canadian GAAP. Under Canadian GAAP, the Company accounted for the issue of flow-through shares in accordance with the provisions of CICA Emerging Issues Committee Abstract 146, *Flow-through Shares*. At the time of issue, the funds received are recorded as share capital. At the time of the filing of the renunciation of the qualifying flow-through expenditures to investors, the Company recorded a deferred tax liability with a charge directly to shareholders' equity. Also under Canadian GAAP, a portion of the deferred tax assets that were not recognized in previous years, due to the recording of a valuation allowance, are recognized as a recovery of income taxes in profit or loss.

IFRS does not contain explicit guidance pertaining to this tax incentive. Therefore, the Company has adopted a policy whereby the premium paid for flow-through shares in excess of the market value of the shares without the flow-through features at the time of issue is initially recorded as a flow-through liability and included in trade payables and accrued liabilities. Upon renouncement by the Company of the tax benefits associated with the related expenditures, a deferred tax liability is recognized and the flow-through liability is reversed, with any difference charged to profit or loss as deferred tax expense. A portion of the deferred tax assets that were not recognized in previous years, due to the recording of a valuation allowance, will reduce the deferred tax liability and record a deferred tax recovery.

The change in accounting policy related to flow-through shares resulted in an increase in share capital and a corresponding increase in deficit of $155,500 as at the Transition Date and a further increase in share capital and a corresponding increase in deferred tax expense of $300,000 for the year ended October 31, 2011.

f) Reclassification within Equity sections

Under Canadian GAAP, "Contributed surplus" was used to record the issuance of stock options and share purchase warrants. Upon adoption of IFRS, the balances in "Contributed surplus" have been reclassified to "Stock option reserve" and "Warrants reserve". In addition, the Company reclassified the balance of the "Accumulated other comprehensive income" that existed under Canadian GAAP into "Available-for-sale investments reserve".

IFRS 1 requires an entity to reconcile its equity, comprehensive loss and cash flows for prior periods. The reconciliations between the previously reported financial results under Canadian GAAP and the current reported financial results under IFRS are provided as follows:

Reconciliation of Consolidated Statement of Financial Position as at November 1, 2010

As at November 1, 2010	Note	Canadian GAAP	IFRS Adjustments	IFRS
Assets				
Current assets				
Cash and cash equivalents		$ 193,082	$ -	$ 193,082
Amounts receivable		78,424	-	78,424
Advances and prepaid expenses		28,422	-	28,422
		299,928	-	299,928
Non-current assets				
Exploration and evaluation properties		12,578,301	-	12,578,301
Equipment		44,384	-	44,384
Total assets		$ 12,922,613	$ -	$ 12,922,613
Liabilities				
Current liabilities				
Trade payables and accrued liabilities		$ 113,289	$ -	$ 113,289
Amounts due to related parties		6,440	-	6,440
Total liabilities		119,729	-	119,729
Equity				
Share capital	12(e)	14,422,352	155,500	14,577,852
Contributed surplus	12(f)	1,263,278	(1,263,278)	-
Stock options reserve	12(f)	-	1,071,194	1,071,194
Warrants reserve	12(f)	-	192,084	192,084
Deficit	12(e)	(2,882,746)	(155,500)	(3,038,246)
Total equity		12,802,884	-	12,802,884
Total liabilities and equity		$ 12,922,613	$ -	$ 12,922,613

Reconciliation of Consolidated Statement of Financial Position as at October 31, 2011

As at October 31, 2011	Note	Canadian GAAP	IFRS Adjustments	IFRS
Assets				
Current assets				
Cash and cash equivalents		$ 1,115,268	$ -	$ 1,115,268
Amounts receivable		279,654	-	279,654
Available-for-sale investments		31,200	-	31,200
Advances and prepaid expenses		20,070	-	20,070
		1,446,192	-	1,446,192
Non-current assets				
Deposits		40,855	-	40,855
Exploration and evaluation properties		15,889,773	-	15,889,773
Equipment		39,763	-	39,763
Total assets		$ 17,416,583	$ -	$ 17,416,583
Liabilities				
Current liabilities				
Trade payables and accrued liabilities		$ 149,963	$ -	$ 149,963
Amounts due to related parties		37,889	-	37,889
Total liabilities		187,852	-	187,852
Equity				
Share capital	12(e)	19,142,678	455,500	19,598,178
Contributed surplus	12(f)	1,522,154	(1,522,154)	-
Accumulated other comprehensive income	12(f)	(4,200)	4,200	-
Stock options reserve	12(f)	-	1,089,213	1,089,213
Warrants reserve	12(f)	-	432,941	432,941
Available-for-sale investments reserve	12(f)	-	(4,200)	(4,200)
Deficit	12(e)	(3,431,901)	(455,500)	(3,887,401)
Total equity		17,228,731	-	17,228,731
Total liabilities and equity		$ 17,416,583	$ -	$ 17,416,583

Reconciliation of Consolidated Statement of Financial Position as at January 31, 2011

As at January 31, 2011	Note	Canadian GAAP	IFRS Adjustments	IFRS
Assets				
Current assets				
Cash and cash equivalents		$ 2,745,228	$ -	$ 2,745,228
Amounts receivable		106,171	-	106,171
Available-for-sale investments		73,000	-	73,000
Advances and prepaid expenses		69,551	-	69,551
		2,993,950	-	2,993,950
Non-current assets				
Exploration and evaluation properties		12,920,218	-	12,920,218
Equipment		41,274	-	41,274
Total assets		$ 15,955,442	$ -	$ 15,955,442
Liabilities				
Current liabilities				
Trade payables and accrued liabilities		$ 79,058	$ -	$ 79,058
Amounts due to related parties		3,360	-	3,360
Total liabilities		82,418	-	82,418
Equity				
Share capital	12(e)	17,413,564	155,500	17,569,064
Contributed surplus	12(f)	1,429,296	(1,429,296)	-
Accumulated other comprehensive income	12(f)	14,000	(14,000)	-
Stock options reserve	12(f)	-	1,071,194	1,071,194
Warrants reserve	12(f)	-	358,102	358,102
Available-for-sale investments reserve	12(f)	-	14,000	14,000
Deficit	12(e)	(2,983,836)	(155,500)	(3,139,336)
Total equity		15,873,024	-	15,873,024
Total liabilities and equity		$ 15,955,442	$ -	$ 15,955,442

Reconciliation of Consolidated Statement of Loss and Comprehensive Loss
For the year ended October 31, 2011

For the year ended October 31, 2011	Note	Canadian GAAP	IFRS Adjustments	IFRS
Expenses				
Amortization		$ 13,082	$ -	$ 13,082
Consulting		59,066	-	59,066
Foreign exchange (gain)		(1,484)	-	(1,484)
General and administrative		303,876	-	303,876
Insurance		27,859	-	27,859
Investor relations (Note 8c)		144,018	-	144,018
Legal		44,509	-	44,509
Management fees		12,000	-	12,000
Professional fees – audit		31,900	-	31,900
Payroll expenses		157,006	-	157,006
Rent		30,574	-	30,574
Shareholder communications		4,256	-	4,256
Travel		32,732	-	32,732
Loss before other items		(859,394)	-	(859,394)
Other items				
Deferred income tax recovery	12(e)	300,000	(300,000)	-
Interest income		5,341	-	5,341
Flow-through share tax expense		(6,370)	-	(6,370)
Gain on sale of exploration and evaluation property		92,548	-	92,548
Gain on sale of available-for-sale investments		9,140	-	9,140
Write-off of exploration and evaluation property costs		(90,420)	-	(90,420)
		310,239	(300,000)	10,239
Net loss		(549,155)	(300,000)	(849,155)
Other comprehensive loss				
Unrealized loss on disposition of available-for-sale investments		(4,200)	-	(4,200)
Total comprehensive loss for year		(553,355)	(300,000)	(853,355)

Reconciliation of Consolidated Statement of Loss and Comprehensive Loss
For the three months ended January 31, 2011

The Company did not identify any differences from Canadian GAAP to IFRS. As a result, the consolidated statement of loss and comprehensive loss for the three months ended January 31, 2011 represents IFRS standards.

Reconciliation of Consolidated Statement of Cash Flows
For the three months ended January 31, 2011

The Company did not identify any differences from Canadian GAAP to IFRS. As a result, the consolidated statement of cash flows for the three months ended January 31, 2011 represents IFRS standards.

13. Subsequent Events

On February 27, 2012, the Company announced the signing of a letter of intent to spin-out the Yukon properties into a new company. Pursuant to the terms of the letter of intent, the parties agreed to enter into a definitive agreement no later than April 15, 2012. As of the date of this report discussions to finalize the transaction are still on-going, however a definitive agreement has not been signed.

In March 2012 the Company announced that it had entered into an option agreement to acquire the Golden Mile property in northern Ontario, Canada. Under the terms of the agreement, which has an effective date of December 10, 2010, the Company must make payments of $175,000 and issue 180,000 of the Company over a four year period commencing on December 10, 2012. The first payment will consist of $15,000 and 36,000 shares of the Company.

On March 5, 2012, the Company announced the issuance of 1,925,000 stock options to purchase 1,925,000 shares of the Company at an exercise price of $0.11 per share, expiring March 5, 2017. The stock options were being issued to directors, officers and employees of the Company and are subject to approval by regulatory authorities.

On April 13, 2012, the Company paid $20,000 and issued 20,000 shares of the Company in connection with a property option payment on the Trapper Gold property.

On April 20, 2012, the Company paid $20,000 and issued 30,000 shares of the Company in connection with a property option payment on the Phoenix Gold property.

Management Discussion and Analysis
For the three months ended January 31, 2012
(Expressed in Canadian dollars)

General

The information in this Management's Discussion and Analysis, or MD&A, is intended to assist the reader in the understanding and assessment of the trends and significant changes in the results of operations and financial conditions of Constantine Metal Resources Ltd. (the "Company" or "Constantine"). This MD&A should be read in conjunction with the unaudited interim financial statements of the Company, including the notes thereto, for the three months ended January 31, 2012 and 2011, the audited financial statements of the Company for the year ended October 31, 2011 and 2010 and the MD&A of such financial statements, and other information relating to the Company on file with the Canadian provincial securities regulatory authorities on SEDAR at www.sedar.com. The Company's interim financial statements for the three months ended January 31, 2012 are prepared in accordance with International Financial Reporting Standards ("IFRS"), and the annual audited financial statements for the year ended October 31, 2011 have been amended to reflect adjustments identified as a result of the conversion to IFRS. This MD&A has taken into account information available up to and including April 24, 2012.

Constantine is a junior exploration company engaged in the exploration and development of a polymetallic (copper-zinc-gold-silver) massive sulphide exploration project in southeast Alaska known as the Palmer Project, its principal project, and gold properties in Ontario, British Columbia and the Yukon. The company's principal Ontario gold project is the Munro-Croesus project, which includes the past-producing high-grade Croesus gold mine located east of the Timmins gold camp.

The Company is a reporting issuer in British Columbia and Ontario and trades on the TSX Venture Exchange under the symbol CEM.

Historical results of operations and trends that may be inferred from the following discussions and analysis may not necessarily indicate future results from operations. The Company is currently engaged in exploration and development of mineral properties and does not have any source of revenue or operating assets. The recoverability of the amounts shown for mineral properties is dependent upon the ability of the Company to obtain necessary financing to complete exploration, technical studies and, if warranted, development and future profitable production or proceeds from the disposition of properties. The amounts shown as mineral properties represent costs to date and do not necessarily represent present or future values.

Highlights

1. Munro Croesus Property - Adjacent to the Company's Munro Croesus property, Lake Shore Gold Corp. ("Lake Shore Gold") drilled three confirmatory diamond drill holes and one expansion diamond drill hole on the Fenn-Gib deposit. The expansion hole indicates a 200 meter extension of shallow mineralization to the north of previous drilling and increases the probability of the extension of mineralization onto Constantine's immediately adjacent Munro Croesus property. Lake Shore Gold's initial National Instrument 43-101 resource estimate for the Fenn-Gib property released in November 2011 includes a total of 40.8 million tonnes grading 0.99 gpt for a total of 1.30 million contained gold ounces in the Indicated category and 24.5 million tonnes at 0.95 gpt for a total of 0.75 million ounces in the Inferred category.

2. New Gold Property Acquisition - In March 2012, Constantine signed an agreement to acquire a 100% interest in the 423 claim unit, 68 square kilometer, Golden Mile property near Timmins, Ontario. The property is located 9 kilometers northeast of Goldcorp's multimillion ounce Hoyle

Pond deposit in the East Timmins Camp and the property is comparable in size to the West Timmins and Main Camp holdings of the major gold production companies operating in the Timmins Gold Camp.

Base Metal Projects

Palmer project (southeast Alaska, USA)

Overview

The Company's principal asset is the 100% controlled Palmer polymetallic massive sulphide project in Alaska. The next phase of exploration on the project requires a minimum $5,000,000 exploration program and the project was inactive during the 2011 field season except for some environmental baseline work and ongoing geological studies, due to challenging market conditions. The project is logistically well situated within 3 miles of a paved highway and 35 miles north of the deep-sea port of Haines. The Palmer project consists of a 340 federal claim property that is subject to certain annual advanced royalty payments and a net smelter royalty payment to the lessor should the property reach commercial production and 63 state claims that are owned outright by Constantine, but subject to an Area of Interest net smelter return and certain Alaska State payments to maintain them in good standing. The property includes a large number of precious metals-enriched volcanogenic massive sulfide ("VMS") prospects distributed along two sub parallel trends and within two or more stratigraphic horizons along a combined 14.5 kilometer (9 mile) strike length of volcanic-sedimentary stratigraphy. Extensive zones of quartz-sericite-pyrite alteration that link many of the occurrences are interpreted to be indicative of a very large mineralized system. Palmer project highlights are itemized below.

- The 64 square kilometer property encompasses numerous underexplored VMS prospects located within large scale hydrothermal alteration zones. In addition to the immediate opportunity to expand the current RW and South Wall resources, excellent potential exists to discover other new deposits on the property.

- Constantine completed the first NI 43-101 compliant resource (see news release dated January 20, 2010) on the Palmer property. Using an NSR cut-off of $50 per tonne an inferred resource of 4.75 million tonnes grading 1.84 percent copper, 4.57 percent zinc, 0.28 grams per tonne gold, and 29.1 grams per tonne silver has been estimated.

- Mineralogical studies and metallurgical benchmarking demonstrated coarse grained mineralogy and the likelihood, through further test work, that the Palmer mineralization will yield good recoveries with high grade concentrates at relatively low milling cost.

- The resource area could likely be accessed by short lateral development.

- The Company believes that the geometry of the currently defined, wide, steeply dipping South Wall sulphide mineralization is favourable for low cost underground mining methods.

- The project has a favourable location with good logistics, including direct access to Pacific Rim concentrate markets via 60 kilometers of existing road connecting the project to the deep sea port at Haines, Alaska.

To advance the Palmer project, a $5,000,000 exploration program is recommended for the next phase of exploration. The focus will be to test extensions of the RW and Southwall Zones with 2 drills and one drill to test other prospects that may include the Cap, Nunatak, HG and MHC drill targets. Additional surface, down-hole and possibly airborne geophysical surveys will be included in the program.

No work was carried out at Palmer during the First fiscal Quarter. The Company will require additional funds or a partner to carry out the proposed exploration work.

Hornet Creek (Idaho, USA)

The Hornet Creek gold-copper prospect is in the Hornet Creek mining district, near North Hornet Creek, and northeast of Peck Mountain in west central Idaho and consists of 44 federal lode claims located on BLM and forest service lands.

The property includes the Peck Mountain gold-copper volcanogenic massive sulphide ("VMS") prospect, where limited drilling by Conoco Inc. in the early 1980s is reported to have intersected 17 meters (true width) of massive sulphide grading 3 g/t gold and 0.16% copper. Several old pits, trenches and short adits dating from the early 1900s exist on the property. Grab samples collected by Constantine in proximity to an adit located in the footwall to the massive sulphide horizon contained up to 1.72% copper and 0.98 g/t gold. Other grab samples collected adjacent to old workings to the northwest of the drilled prospect assayed up to 12.05 g/t gold in heavily iron-oxide mineralized rocks that are locally associated with barite.

The Hornet Creek property lies within the Blue Mountains region that is host to several gold-enriched volcanogenic massive sulphide prospects and deposits. Most notable of these is the 39 million tonne Red Ledge deposit located approximately 40 kilometers to the north. The property is situated in an area with excellent access and infrastructure, and is amenable to year round exploration. Primary industries within the region currently include logging and ranching, with active mining occurring as recently as the mid-1980s at the nearby Iron Dyke high-grade copper-gold mine.

The Company completed some surface sampling and geology work on part of the property in October 2011 as part of a larger proposed program, and is compiling all available historical information on the property. An initial field program is proposed that includes geological mapping, rock and soil sampling, and geophysics to establish drill targets.

Gold Projects

Constantine controls 100% interest in four gold projects, the Munro Croesus, Phoenix, Golden Mile and Trapper projects. The Munro Croesus project includes the famous high-grade past-producing Croesus Gold Mine located along the north side of the Porcupine Destor Fault zone associated with the Pipestone Fault and approximately 75 kilometers east of the center of the Timmins gold camp. The Golden Mile Project is also along the Pipestone Fault, a splay of the Porcupine Destor Deformation Zone and located 30 kilometers east of Timmins and 9 kilometers northeast of Goldcorp's Hoyle Pond Mine. The Phoenix Gold project is in the south Timmins area, and the Trapper Gold project is in northern British Columbia. The Trapper Project is optioned to Ocean Park Ventures Corp. who can earn a 70% interest in the project by completing $9.75 million in work expenditures and issuing certain cash and share payments to Constantine. The Company also has a 50% interest in 4,619 mineral claims in Yukon, in a joint venture with Carlin Gold Corporation, a company which is focused on exploration for Carlin-style gold deposits. Constantine's gold properties are important assets of the Company that provide exposure to high quality

gold exploration targets and are expected to be a significant part of the current year's exploration activities.

Munro-Croesus Project (Ontario)

The Munro Croesus property, the Four Corners property located 1.2 kilometers east of Munro Croesus and the JM Property are together referred to as the Munro Croesus Project. The Project includes strategic claims adjacent to the Fenn-Gib property which was acquired by Lake Shore Gold from Barrick Gold Corporation for $60 million. Since acquiring the Fenn-Gib property, Lake Shore Gold has drilled four resource confirmation/expansion holes and completed a 43-101 resource calculation. The new resource estimate is reported by Lake Shore Gold to include a total of 40.8 million tonnes grading 0.99 grams per tonne ("gpt") for a total of 1.30 million contained gold ounces in the Indicated category and 24.5 million tonnes at 0.95 gpt for a total of 0.75 million ounces gold in the Inferred category. Constantine's 100% owned claims are located within 300 meters west and along trend from the Fenn-Gib gold resource and also along the east and northeast boundaries of the Fenn-Gib property.

Last fall, a trenching program exposed the Croesus Mine crown pillar and downhole Induced Polarization (IP) and Electromagnetic surveys were carried out on Croesus Mine drill holes and Four Corners Canamax Zone drill holes.

Munro Croesus Gold Property (Munro Croesus Project)

The Munro-Croesus property includes the formerly producing Croesus mine, known to have produced some of the highest grade gold ever mined in Ontario. Three drilling programs (8414 meters) have been carried out on the property since it was acquired in 2007, The previous drilling located high-grade Croesus type gold veins in the south offset fault block of the Croesus Mine vein and identified a new footwall zone (200 Zone) of high-grade gold mineralization (12.2 g/t gold over 0.46m) at depth under the historic mine workings. The 2011 drill program (5,550 meters) tested the 200 Zone footwall target and identified 2 shallow high grade vein structures in the immediate footwall and hanging wall of the inclined Croesus shaft.

The crown pillar at the Croesus Mine was cleaned off to evaluate the geology and structure and provide information on crown pillar stability. The Croesus vein structure exposed in the pillar is a complex multi-vein structure up to 8 meters wide and will be sampled in the 2012 field season. A 750 meter short hole drill program is proposed in 2012 to test high grade vein structures in the immediate hanging wall of the Croesus shaft that were intersected for the first time in the 2011 drill program.

Four Corners Property Drilling (Munro Croesus Project)

Constantine has fulfilled the terms of the Four Corners option agreement (subject to annual advanced royalty payments of $5,000/year and a 2.5% Net Smelter Return Royalty) to acquire a 100% interest in the 63 claim Four Corners property that forms part of the Munro-Croesus project. The Property is located 1.2 kilometers east of the Munro Croesus property, with Lake Shore Gold's Fenn-Gib property located in between. The Four Corners property straddles an area between the prolific Porcupine Destor Fault Zone (PDDZ), the Pipestone Fault Zone and the Munro Break, and within the same structural corridor that hosts the high-grade Croesus Mine to the west and the >2.0 million ounce combined production from the past producing Holt-McDermott and Holloway Mines located 25 kilometers to the east. The geological setting at Four Corners shares many similarities to classic Archean gold systems.

Since acquiring the Four Corners property in 2008, the Company has previously reported on the drilling of 3 holes (1,079 meters) on the Perry Pond prospect (2009 and 2011) and trenching and drilling of 3 holes (949 meters) in the Canamax zone area (2010 and 2011).

JM Gold Property (Munro Croesus Project)

The JM property was acquired by staking in August 2010 and consists of 2 claims (4 units, 65 hectares) immediately to the north of the Munro Croesus property. The property covers the projected extension of the favourable Croesus mine stratigraphy to the northwest of the Croesus Mine. More mapping and sampling of the area is proposed to be carried out in the 2012 field season in conjunction with completing the compilation of historical work in the area.

Phoenix Gold Project (Ontario)

The Phoenix Gold property agreement signed in April 2010 allows Constantine to earn a 100% interest in 35 claims (519 units ~8,304 hectares) located 75 kilometers south of the Timmins gold camp. The claims were staked based on Ontario geological survey airborne magnetic maps that indicate possible westerly extensions of the Matachewan-Kirkland-Larder Lake Break that is associated with Matachewan and Kirkland-Larder Lake gold camps. Favourable Tisdale Group volcanic rocks underlie the property, including several areas of ultramafic rocks that may play an important part in localizing gold deposits near and along fundamental structural breaks or deformation zones. No field work was carried out on the property during the 2011 field season. The Company is currently conducting a Geotech Airborne survey over the property that will fulfill the pending assessment requirements on the claims. The project is located in the very active North Shining Tree gold area and approximately 10 kilometers south of the new SGX Resources Gold discovery that was announced on January 26, 2012 and highlighted by drillhole SL-11-36 that encountered 69 meters of 1.27 g/t gold.

Golden Mile Property Acquisition (Ontario)

The Golden Mile Property covers the important Pipestone Fault System where it crosses the “Porcupine Giant Mine Corridor” that has produced more than 55 million ounces of gold. This structural intersection, which contains excellent targets within the Kidd-Munro volcanic sequence and adjacent Porcupine sediments, is overburden covered and has seen very limited drill testing for gold. The 423 claim unit, 68 square kilometer Golden Mile property is located 9 kilometers northeast of Goldcorp’s multimillion ounce Hoyle Pond deposit and is comparable in size to the West Timmins and Main Camp holdings of the major gold production companies operating in the Timmins Gold Camp. To acquire a 100% interest in the Property, Constantine must make payments totaling $175,000 and 180,000 shares over a 4 year period commencing on December 10th, 2012 (effective agreement date is December 10, 2011). The Vendors will receive a $10,000 annual advanced royalty payment commencing on December 10, 2017 and retain a 3.0% NSR royalty of which 1.0 % can be purchased by Constantine at any time for $1,000,000 with a right of first refusal on the remaining 2.0% NSR royalty. An airborne survey has been recently completed over the property to provide a base for geological interpretation and drill targeting in the mainly overburden covered project area.

Constantine-Carlin Gold Yukon JV Project

On February 27, 2012, the Company announced the signing of a letter of intent to spin-out the Yukon Constantine-Carlin Joint Venture properties into a new company. Pursuant to the terms of the letter of

intent, the parties agreed to enter into a definitive agreement no later than April 15, 2012. As of the date of this report discussions to finalize the transaction are still on-going, however a definitive agreement has not been signed.

The Constantine-Carlin 50/50 Joint Venture (the “JV”) was formed in fall 2010 specifically to target and explore for Carlin-type gold deposits in the Yukon’s Selwyn Basin. The JV moved quickly to establish a large land position in this emerging gold frontier, acquiring areas with permissive geology and drainages with strong geochemical anomalies. The JV now controls a total of 3,960 claims in 13 properties comprising approximately 800 square kilometers (310 square miles), which represents one of the largest property positions in this new district. A $1.6 million summer field program was initiated in late June 2011 and completed in mid-September 2011 after collecting approximately 13,000 soil, silt and rock samples. The results of this work are summarized in the Company’s 2011 Annual Report.

Trapper Gold Project (British Columbia)

The 100% partner-funded 2011 program included 8,581 meters of drilling in 42 holes. The work was completed by Ocean Park Ventures Corp. (“Ocean Park”) who can earn a 70% interest in the project by spending $9.75 million in work expenditures and issuing certain cash and share payments to Constantine. Ocean Park has not yet completed the required expenditures to earn their initial 51% interest in the Project. Results and a discussion of the 2011 exploration program are summarized in the 2011 year-end report. Some highlights of the 2011 Phase 1 drill program include:

- Recognition of a large porphyry gold-copper complex with at least two porphyry centres, including associated hydrothermal breccias
- Drilling of a dense, multi-kilometre gold-mineralized structural network including core zones of gold-rich sulfide stockworks that are locally semi-massive in character
- Drill discovery of gold-mineralized feldspar porphyry dykes and sills with gold grade enrichment at the margins
- Discovery of at-or-near-surface copper-mineralized feldspar porphyry.

Ocean Park reports (Ocean Park Ventures news release, January 17, 2012) plans for drill-testing all of these targets in 2012, including definition drilling of the gold-mineralized porphyry discoveries and gold-rich sulfide stockworks, which have demonstrated significant grade and size potential. There are also plans to drill test the core gold-copper porphyry complex located adjacent to the Main Gold zone.

Proposed Transactions

On February 27, 2012, the Company announced the signing of a letter of intent to spin-out the Yukon properties into a new company. Pursuant to the terms of the letter of intent, the parties agreed to enter into a definitive agreement no later than April 15, 2012. As of the date of this report discussions to finalize the transaction are still on-going, however a definitive agreement has not been signed.

Results of Operations

Exploration and Evaluation Property Expenditures and Acquisitions

In the three months ended January 31, 2012 the Company incurred expenditures of $159,610 on its exploration and evaluation properties. The biggest portion of these expenditures was an amount of $50,360 that was spent on the Yukon properties, for Constantine's share of joint venture costs. An amount of $37,933 was spent for exploration costs on the Company's Munro-Croesus property, and an amount of $55,955 was spent for advance royalty and option payments on the Company's U.S. properties during the quarter.

Subsequent to the end of the quarter, the Company paid $20,000 and issued 20,000 shares of the Company in April 2012 in order to maintain its option on the Trapper Gold property in British Columbia, Canada and paid $20,000 and issued 30,000 shares of the Company in order to maintain its option on the Phoenix gold property in Ontario, Canada.

Subsequent to the end of the quarter, the Company entered into an option agreement to acquire the Golden Mile property in Ontario (see news release dated March 5, 2012) and then spent approximately $160,000 conducting airborne geophysics over the property during the month of March 2012.

Operating Costs

The Company recorded operating expenses of $151,157 for the first quarter ended January 31, 2012, a 29% decrease compared to the same period last year (2011-$212,954). Payroll expenses were lower in 2012, due to less personnel time allocated to general and administrative functions during the quarter. General and administrative costs were also lower, due to lower conference and trade show expenses in 2012. For the quarter ended January 31, 2012, general and administrative costs consisted of:

General and Administrative expenses	Amount
Conferences, trade shows and advertising	$ 9,868
Accounting and administration	18,000
Office expenses	5,964
Transfer agent, listing and filing fees	1,240
Other	1,684
Total	$ 36,756

The following is a summary of certain consolidated financial information of the Company for the past eight quarters:

For Quarter Ended	Income (Loss)	Income (Loss) per share
January 31, 2012	$ (147,208)	$ (0.01)
October 31, 2011	51,504	0.00
July 31, 2011	(169,553)	(0.00)
April 30, 2011	(330,016)	(0.00)
January 31, 2011	(101,090)	(0.00)
October 31,2010	(123,953)	(0.01)
July 31, 2010	(118,002)	(0.01)
April 30, 2010	(258,040)	(0.01)

The January 31, 2012 and January 31, 2011 figures in the above Summary of Quarterly Results have been prepared in accordance with IFRS, and all other figures in the table have been prepared in accordance with Canadian GAAP.

Liquidity and Capital Resources

The Company is not in commercial production on any of its mineral properties and accordingly, it does not generate cash from operations. The Company finances its activities by raising capital through the equity markets.

The Company's cash position at January 31, 2012 was $629,137 (2011-$2,745,228) and its working capital at January 31, 2012 was $933,134 (2011-$2,911,532). Its cash position as of the date of this report is approximately $208,000.

As at January 31, 2012, the Company has remaining Canadian Exploration Expenditure obligations of approximately $375,000, which the Company has agreed to use its best efforts to incur by December 31, 2012.

The Company is dependent on equity capital to fund exploration and development of its mineral properties. Constantine will require additional working capital in the near term to fund further exploration work and ongoing operating costs. Actual funding requirements may vary from those planned due to a number of factors, including the timing and progress of exploration activities.

At this time, the Company has no material contractual commitments for capital expenditures.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet financing arrangements.

Changes in Accounting Policies – Initial Adoption

Adoption of International Financial Reporting Standards ("IFRS")

In February 2008, the Canadian Accounting Standards Board confirmed that Canadian publicly accountable enterprises will be required to adopt IFRS for financial periods beginning on and after January 1, 2011. The Company's first interim financial statements prepared under IFRS are the interim financial statements for the three months ended January 31, 2012 with the effective date of transition being November 1, 2010. These interim financial statements include full disclosure of its new IFRS policies in Note 2.

Transition to IFRS

IFRS 1, First-time Adoption of International Financial Reporting Standards, sets forth guidance for the initial adoption of IFRS. The Company has applied the following exemptions to its opening statement of financial position dated November 1, 2010.

Share-based Payment -- IFRS 1 encourages, but does not require, first time adopters to apply IFRS 2, Share-based Payment to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before January 1, 2010. The Company elected not to apply IFRS 2 to equity instruments that vested prior to January 1, 2010.

Business Combinations **–** IFRS 1 provides the option to apply IFRS 3, Business Combinations, retrospectively or prospectively from the Transition Date. The Company elected not to retrospectively apply IFRS 3 to business combinations that occurred prior to its Transition Date.

Consolidated and Separate Financial Statements – In accordance with IFRS 1, if a company elects to apply IFRS 3 retrospectively, IAS 27, Consolidated and Separate Financial Statements, must also be applied retrospectively. As the Company elected to apply IFRS 3 prospectively, the Company has also elected to apply IAS 27 prospectively.

IFRS 1 also outlines mandatory guidelines that a first time adopter must follow. The Company applied the following mandatory guidelines to its opening statement of financial position dated November 1, 2010.

Estimates -- In accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under previous GAAP, unless there is objective evidence that those estimates were in errors. The Company's IFRS estimates as of November 1, 2010 are consistent with its Canadian GAAP estimates for the same date.

IFRS employs a conceptual framework that is similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement and disclosure. While adoption of IFRS has not changed the Company's actual cash flows, it has resulted in changes to the Company's reported financial position and results of operations. In order to allow users to better understand these changes, the Company's Canadian GAAP statements of financial position as at November 1, 2010 and October 31, 2011, statements of loss and comprehensive loss for the year ended October 31, 2011 and for the three months ended January 31, 2011 and statement of cash flows for the three months ended January 31, 2011 have been reconciled to IFRS, with any resulting differences explained.

Canadian GAAP to IFRS differences:

(a) Flow-through shares

Flow-through shares are a unique Canadian tax incentive which is the subject of specific guidance under Canadian GAAP. Under Canadian GAAP, the Company accounted for the issue of flow-through shares in accordance with the provisions of CICA Emerging Issues Committee Abstract 146, Flow-through Shares. At the time of issue, the funds received are recorded as share capital. At the time of the filing of the renunciation of the qualifying flow-through expenditures to investors, the Company recorded a deferred tax liability with a charge directly to shareholders' equity. Also under Canadian GAAP, a portion of the deferred tax assets that were not recognized in previous years, due to the recording of a valuation allowance, are recognized as a recovery of income taxes in the statements of operations.

IFRS does not contain explicit guidance pertaining to this tax incentive. Therefore, the Company has adopted a policy whereby the premium paid for flow-through shares in excess of the market value of the shares without the flow-through features at the time of issue is initially recorded as a flow-through liability and included in trade payables and accrued liabilities. Upon renouncement by the Company of the tax benefits associated with the related expenditures, a deferred tax liability is recognized and the flow-through liability is reversed, with any difference charged to the statements of operation as deferred tax expense. A portion of the deferred tax assets that were not recognized in previous years, due to the recording of a valuation allowance, will reduce the deferred tax liability and record a deferred tax recovery.

The change in accounting policy related to flow-through shares resulted in an increase in share capital and a corresponding increase in deficit of $155,500 as at the Transition Date and a further increase in share capital and a corresponding increase in deferred tax expense of $300,000 for the year ended October 31, 2011.

(b) Reclassification within Equity section

Under Canadian GAAP, "Contributed surplus" was used to record the issuance of warrants and stock options. Upon adoption of IFRS, the balances in "Contributed surplus" have been reclassified to "Stock options reserve" and "Warrants reserve". In addition, the Company reclassified the balance of the "Accumulated other comprehensive income" that existed under Canadian GAAP into "Available-for-sale investments reserve".

Detailed schedules of the impact of these changes are included in Note 12 of the interim financial statements for the three months ended January 31, 2012.

Related Party Transactions

Certain directors and officers of the Company provided specific services to the Company during the three months ended January 31, 2012 as follows:

As at January 31,	2012	2011
Management and technical fees paid or accrued to companies owned by directors	3,000	42,113
Consulting fees paid to officers	8,694	-
Accounting and administration fees paid or accrued to a company 50% owned by an officer of the Company	18,000	18,000
	29,694	60,113

The above amounts represent short-term benefits to key management personnel for the three months ended January 31, 2012 and 2011. There were no share-based payments to key management personnel for the period.

At January 31, 2012, the unpaid portion of the above amounts was $8,694 (2011 – $3,360).

At January 31, 2012, included in advances and prepaid expenses was $73,902 (October 31, 2011 – $Nil, November 1, 2010 – $Nil) advanced to Carlin, a company related by common directors and officers, for the Company's portion of mineral property expenditures relating to the Yukon joint venture.

Management of Capital

The Company manages its cash, common shares and stock options as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Company does not have any externally imposed capital requirements to which it is subject.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury on deposit in an interest bearing Canadian chartered bank account.

Use of Proceeds from Financings

Planned Use of Proceeds as Previously Disclosed	*Actual Use of Proceeds to January 31, 2012*
December 2010 Financing:	
• $2.3 million to be used on exploration of the Palmer project and for general and administrative and working capital purposes	• Cost of this financing and two flow-through financings $ 549,169 • Palmer project 333,824 • Hornet Creek project 91,065 • Canadian projects (non-CEE expenditures) 68,159 • Fixed assets 8,461 • Working capital items 995,185 $ 2,045,863 • Amount still to be spent $ 245,137
March 2011 Flow-Through Financing:	
• $2,250,000 to be used to incur eligible Canadian exploration expenditures ("CEE") on the Company's Canadian gold projects.	• CEE spent to date $1,875,000 • Amount still to be spent $375,000

Summary of Outstanding Shares Data

On January 31, 2012, the Company had 110,185,999 shares outstanding.

The following warrants and stock options were outstanding at January 31, 2012:

		Price per Share	Expiry Date
Warrants	12,589,316	$0.20	December 13, 2012
Compensation Options	450,000	$0.30	March 17, 2013
Stock options	390,000	$0.57	February 13, 2013
Stock options	1,175,000	$0.13	January 12, 2014
Stock options	1,700,000	$0.235	October 27, 2014
Stock options	250,000	$0.27	February 11,2014
	20,113,066		

Disclosure Controls and Procedures

Management is responsible for the design, establishment and maintenance of disclosure controls and procedures over the public disclosure of financial and non-financial information regarding the Company and internal control over financial reporting to provide reasonable assurance regarding the integrity of the Company's financial information and reliability of its financial reporting. Management maintains appropriate information systems, procedures and controls to ensure integrity of the financial statements and to ensure that information used internally and disclosed externally is complete and reliable.

Corporate Governance

Management of the Company is responsible for the preparation and presentation of the interim and annual financial statements and notes thereto, MD&A and other information contained in this MD&A. Additionally, it is management's responsibility to ensure the Company complies with the laws and regulations applicable to its activities.

The Company's management is held accountable to the Board of Directors ("Directors"), each member of which is elected annually by the shareholders of the Company. The Directors are responsible for reviewing and approving the annual audited financial statements and MD&A. Responsibility for the review and approval of the Company's unaudited interim financial statements and MD&A is delegated by the Directors to the Audit Committee, which is comprised of three directors, two of whom are independent of management. Additionally, the Audit Committee pre-approves audit and non-audit services provided by the Company's auditors.

The auditors are appointed annually by the shareholders to conduct an audit of the financial statements in accordance with generally accepted auditing standards. The external auditors have complete access to the Audit Committee to discuss the audit, financial reporting and related matters resulting from the annual audit as well as assist the members of the Audit Committee in discharging their corporate governance responsibilities.

Forward-Looking Statements

Forward-looking statements include, but are not limited to statements regarding the use of proceeds, costs and timing of the development of new deposits, statements with respect to success of exploration and development activities, permitting time lines, currency fluctuations, environmental risks, unanticipated reclamation expenses, and title disputes or claims.

Forward-looking statements often, but not always are identified by the use of words such as "plans", "seeks", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "targets", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "should", "could", "would", "might", "will", or "will be taken", "occur" or "be achieved".

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These statements are based on a number of assumptions and factors, including assumptions regarding general market conditions; future prices of gold and other metals; possible variations in ore resources, grade or recovery rates; actual results of current exploration

activities; actual results of current reclamation activities; conclusions of future economic evaluations; changes in project parameters as plans continue to be refined; failure of plant, equipment, or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; risks related to joint venture operations; timing and receipt of regulatory approvals of operations; the ability of the Company and other relevant parties to satisfy regulatory requirements; the availability of financing for proposed transactions and programs on reasonable terms; the ability of third-party service providers to deliver services on reasonable terms and in a timely manner; and delays in the completion of development or construction activities. Other factors that could cause the actual results to differ include market prices, results of exploration, availability of capital and financing on acceptable terms, inability to obtain required regulatory approvals, unanticipated difficulties or costs in any rehabilitation which may be necessary, market conditions and general business, economic, competitive, political and social conditions. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, there may be other factors which cause actual results to differ. Significant additional drilling is required by the Company at its Palmer property to fully understand the system size before a meaningful resource can be calculated and completed. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

Risk Factors

Companies operating in the mining industry face many and varied kind of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical. Following are the risk factors most applicable to the Company.

Industry

Exploring and developing mineral resource projects bears a high potential for all manner of risks. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. Moreover, even one such factor may result in the economic viability of a project being detrimentally impacted such that it is not feasible or practical to proceed. The Company monitors its risk based activities and periodically employs experienced consulting, engineering, insurance and legal advisors to assist in its risk management reviews.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Metal Prices

The principal activity of the Company is the exploration and development of precious metal and base metal resource properties. The feasible development of such properties is highly dependent upon the price of gold, silver, copper lead and zinc. A sustained and substantial decline in precious metal and base metal commodity prices could result in the write-down, termination of exploration and development work or loss of its interests in identified resource properties. Although such prices cannot be forecasted with certainty, the Company carefully monitors factors which could affect precious metal and base metal

commodity prices in order to assess the feasibility of its resource projects.

Political Risk

The resource properties on which the Company is actively pursuing its exploration and development activities are located in Alaska, USA and in British Columbia and Ontario, Canada. While the political climate in Alaska, Idaho, British Columbia and Ontario is considered by the Company to be stable, there can be no assurances that this will continue indefinitely. To alleviate such risk, the Company funds its operations on an as-needed basis. The Company does not presently maintain political risk insurance for its foreign exploration projects.

Environmental

Exploration and development projects are subject to the environmental laws and regulations of the state of Alaska and of the United States of America (Palmer Project) and the environmental laws and regulations of Canada and the province of Ontario (Munro-Croesus and Phoenix Gold Project) and British Columbia (Trapper Gold property). As such laws are subject to change, the Company monitors proposed and potential changes and management believes the Company remains in compliance with current environmental regulations in the relevant jurisdictions.

Constantine has assumed the environmental liability at the Croesus minesite on the Munro Croesus property. To date the Company has not incurred any costs and does not expect that the final costs will be material, however it does remain an uncertain liability. The Ontario government requires a closure plan if the claims are abandoned or become inactive and the requirements of the plan may require some environmental reclamation costs. The previous owner completed remediation of what the Company considers to be the major liabilities, which included capping the Walsh and Croesus shafts. The Croesus minesite was visited by a mines inspector in September 2010 and an inspection report received from the Ministry of Northern Development, Mines and Forestry (Ontario) in early 2011. The summary of field observations and recommendations in the Inspection Report are near surface stope stability concerns and recommendation for a crown pillar stability assessment. There is a specific near-term recommendation to secure the location of a small raise to surface that is filled with waste rock with a fence and signs. The bedrock around the small raise to surface that is filled with waste rock and the crown pillar at the Croesus shaft has been cleared of surface rubble by an excavating program in October 2011. The small raise area has been fenced and cautionary signage has been put in place. A preliminary evaluation of the near surface stope stability and a crown pillar stability assessment has been completed by a qualified engineer, independent of the Company. The initial conclusion based on historic data and new information from drill data through the old workings and the recent excavation work is that the "old workings will stand for a long time" and that "surface subsidence would be minimal at the down-dip edge of the zone and could be as much as 1 meter near the upper edge." Now that the crown pillar is exposed, a site visit by the engineer is planned for 2012 and formal reporting of the conclusions will be made to the Ministry of Northern Development, Mines and Forestry (Ontario).Surface water samples upstream and downstream of the site have been recommended to determine water quality issues.

There may be environmental liabilities related to the prior historical workings of the recently acquired Hornet Creek property in Idaho, U.S.A.

Operational

Exploration development projects require third party contractors for the execution of certain activities.

The availability and cost of third party contractors is subject to a competitive environment for their use, which is beyond the control of the Company.

Credit risk

Credit risk is the risk of potential loss to the Company if a customer or counterparty to a financial instrument fails to meets its contractual obligations. The Company's credit risk is limited to the carrying amount on the balance sheet and arises from the Company's cash and receivables.

The Company's cash is held primarily through a Canadian chartered bank, which is a high-credit quality financial institution. The credit risk in receivables is considered low by management as it consists primarily of amounts owing for Canadian government sales tax credits.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At January 31, 2012, the Company had a cash balance of $629,137 to settle current liabilities of $65,104. All of the Company's financial liabilities have maturities of 30 days or are due on demand and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

(a) Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term certificates of deposits issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(b) Foreign currency rate risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk derived from currency conversions is insignificant and therefore does not hedge its foreign exchange risk.

Sensitivity analysis

The carrying value of cash, receivables, accounts payable and accrued liabilities, and amounts closely approximate their fair values in view of the relatively short periods to maturities of these financial instruments.

Based on management's knowledge of and experience in the financial markets, management does not believe that the Company's current financial instruments will be materially affected by credit risk, liquidity risk or market risk.

Effectiveness of Disclosure Controls

The Chief Financial Officer and Chief Executive Officer have evaluated the effectiveness of the Company's disclosure controls as of January 31, 2012. They have concluded that the Company's disclosure controls and procedures provide reasonable assurance that material information relating to the Company would be made known to them by others within the Company, particularly during the period during which this report was being made.

Approval

Darwin Green, Vice-President Exploration for Constantine, and a qualified person as defined by Canadian National Instrument 43-101, has reviewed the technical information contained in this MD&A and has also verified the analytical data for drill core samples disclosed in this release by reviewing the blanks duplicates and certified reference material standards and confirming that they fall within limits as determined by acceptable industry practice.

The Board of Directors of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

Additional Information

Additional disclosures pertaining to the Company's technical reports, management information circulars, material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.