



Condensed Consolidated Interim Financial Statements of

CONSTANTINE METAL RESOURCES LTD.

(Expressed in Canadian Dollars)

For the 3 months ended January 31, 2013 and 2012



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, 2013	October 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 441,392	\$ 125,679
Amounts receivable	24,586	45,162
Available-for-sale investments (Note 4)	1,800	3,000
Advances and prepaid expenses	9,750	14,625
	477,528	188,466
Deposits	40,855	40,855
Exploration and evaluation properties (Note 5)	16,924,966	16,872,943
Equipment	26,711	29,323
	\$ 17,470,060	\$ 17,131,587
Liabilities		
Current liabilities:		
Trade payables and accrued liabilities	\$ 67,938	\$ 24,244
Deferred recovery of exploration costs (Note 5b(iv))	428,390	-
Amount due to joint venture partner (Note 5d and 7)	21,028	21,316
Amounts due to related parties (Note 7)	37,110	10,868
	554,466	56,428
Equity		
Share capital (Note 6)	20,113,337	20,110,817
Stock options reserve	1,221,687	1,221,687
Warrants reserve	432,941	432,941
Available-for-sale investments reserve (Note 4)	(33,600)	(32,400)
Deficit	(4,818,771)	(4,657,886)
	16,915,594	17,075,159
	\$ 17,470,060	\$ 17,131,587

Nature of Operations and Going Concern (Note 1)
 Commitments (Note 11)
 Events after the Reporting Period (Note 12)

On Behalf of the Board of Directors:

"J. Garfield MacVeigh"

Director

"G. Ross McDonald"

Director

See accompanying notes to consolidated financial statements.



Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
 For the years ended January 31, 2013 and 2012
 (Expressed in Canadian dollars)

	January 31 2013	January 31 2012
Expenses:		
Amortization	\$ 2,612	\$ 2,611
Consulting	28,403	19,119
Foreign exchange loss	739	932
General and administrative	50,413	39,756
Insurance	4,875	6,008
Investor relations	-	10,383
Legal	12,814	-
Professional fees – audit	7,000	7,850
Payroll expenses	37,009	47,778
Rent	13,488	12,695
Shareholder communications	760	140
Travel	2,772	3,885
Loss before other items	(160,885)	(151,157)
Other Item:		
Interest income	-	3,949
Loss for the period	(160,885)	(147,208)
Other comprehensive loss		
Unrealized loss on available-for-sale investments (Note 4)	(1,200)	(21,000)
Comprehensive loss for the period	\$ (162,085)	\$ (168,208)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	114,456,175	110,185,999

See accompanying notes to consolidated financial statements.



Condensed Consolidated Interim Statements of Cash Flows
 Unaudited – Prepared by Management
 For the three months ended January 31, 2013 and 2012
 (Expressed in Canadian dollars)

	January 31 2013	January 31 2012 (Note 13)
Cash and cash equivalents provided by (used in):		
Operations:		
Loss for the period	\$ (160,885)	\$ (147,208)
Amortization	2,612	2,611
Changes in non-cash working capital accounts:		
Amounts receivable	20,576	10,513
Amount due to joint venture partner (Notes 5d and 7)	(288)	-
Trade payables and accrued liabilities	69,447	(93,553)
Deferred recovery of exploration costs (Note 5b(iv))	428,390	-
Amounts due to related parties (Note 7)	26,242	(29,195)
Advances and prepaid expenses	4,875	(69,690)
	390,969	(326,522)
Investing activities:		
Exploration and evaluation property expenditures (Note 5)	59,583	(159,609)
Recovery of exploration and evaluation property expenditures (Note 5)	(134,839)	-
	(75,256)	(159,609)
Increase (decrease) in cash	315,713	(486,131)
Cash and cash equivalents, beginning of period	125,679	1,115,268
Cash and cash equivalents, end of period	\$ 441,392	\$ 629,137
Supplemental Disclosure of Non-Cash Investing and Financing Activities:		
Interest paid	\$ -	\$ -
Interest received	\$ -	\$ 3,949
Income taxes paid	\$ -	\$ -
Value of shares issued for mineral properties (Note 5b(iv))	\$ 2,520	\$ -
Accounts payable related to exploration properties	\$ 25,753	\$ 5,257

See accompanying notes to consolidated financial statements.



Condensed Consolidated Interim Statements of Changes in Equity
 For the three months ended January 31, 2013 and the year ended October 31, 2012
 (Expressed in Canadian dollars)

	Share Capital		Reserves				Total Equity
	Number of Shares	Capital Stock	Stock Options	Warrants	Available-for-Sale Investments	Deficit	
Balance, November 1, 2011	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 (Note 4)	-	-	-	-	(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
Net loss for the period	-	-	-	-	-	(623,277)	(623,277)
Unrealized loss on available-for-sale investments (Note 4)	-	-	-	-	(7,200)	-	(7,200)
Private placement (Note 6a)	4,200,000	525,000	-	-	-	-	525,000
Share issuance costs	-	(15,811)	-	-	-	-	(15,811)
Share-based payments	-	-	132,474	-	-	-	132,474
Shares issued for exploration and evaluation properties (Note 6a)	50,000	3,450	-	-	-	-	3,450
Balance, October 31, 2012	114,435,999	\$ 20,110,817	\$ 1,221,687	\$ 432,941	\$ (32,400)	\$ (4,657,886)	\$ 17,075,159
Net loss for the period	-	-	-	-	-	(160,885)	(160,885)
Unrealized loss on available-for-sale investments (Note 4)	-	-	-	-	(1,200)	-	(1,200)
Shares issued for exploration and evaluation properties (Note 6a)	36,000	2,520	-	-	-	-	2,520
Balance, January 31, 2013	114,471,999	\$ 20,113,337	\$ 1,221,687	\$ 432,941	\$ (33,600)	\$ (4,818,771)	\$ 16,915,594

See accompanying notes to consolidated financial statements.



Notes to Condensed Interim Consolidated Financial Statements
Unaudited – Prepared by Management
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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, 2013, the Company has incurred losses since inception and has an accumulated operating deficit of \$4,818,579. 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) Statement of Compliance

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, *Interim Financial Reporting* using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) and effective for the three month period ended January 31, 2013.

b) Approval of Consolidated Financial Statements

The condensed consolidated interim financial statements of the Company for the three months ended January 31, 2013 and 2012 were approved and authorized for issue by the Board of Directors on March 27, 2013.

c) Basis of Consolidation

The consolidated condensed financial statements include the accounts of the Company and its 100% controlled entity, Constantine North Inc. (an Alaska corporation).



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

d) Adoption of New and Revised Standards and Interpretations

The IASB issued a number of new and revised IAS, IFRS, amendments and related interpretations which are effective for the Company's financial years beginning on or after January 1, 2012. For the purpose of preparing and presenting the financial information for the relevant periods, the Company has consistently adopted all of these new standards for the relevant reporting periods.

At the date of authorization of these condensed interim financial statements, the IASB and IFRS Interpretations Committee ("IFRIC") have issued the following new and revised Standards and Interpretations which are not yet effective for the relevant reporting periods.

- IFRS 9, *Financial Instruments: Classification and Measurement* – effective for annual periods beginning on or after January 1, 2015, with early adoption permitted, introduces new requirements for the classification and measurement of financial instruments.
- IFRS 10, *Consolidated Financial Statements* – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities.
- IFRS 11, *Joint Arrangements* – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form.
- IFRS 12, *Disclosure of Interests in Other Entities* – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, requires the disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with its interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.
- IFRS 13, *Fair Value Measurement* – effective for annual periods beginning on or after January 1, 2013, with early adoption permitted, provides guidance on the measurement of fair value and related disclosures through a fair value hierarchy.
- IAS 1, (Amendment) *Presentation of Financial Statements* – effective for annual periods beginning on or after July 1, 2012, includes amendments regarding presentation of items of other comprehensive income.
- IAS 19, (Amendment) *Employee Benefits* – effective for annual periods beginning on or after January 1, 2013, revises recognition and measurement of post-employment benefits.
- IAS 27, (Amendment) *Separate Financial Statements* – effective for annual periods beginning on or after January 1, 2013, prescribes the accounting for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.



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- IAS 28, (Amendment) *Investments in Associates and Joint Ventures* – effective for annual periods beginning on or after January 1, 2013, prescribes the accounting for investments in associates and sets out the requirements for investments in associates and joint ventures.
- IFRIC 20, *Stripping Costs in the Production Phase of a Producing Mine* – effective for annual periods beginning on or after January 1, 2013, prescribes the accounting for stripping costs in the production of a surface mine.

The Company has not early adopted these standards, amendments and interpretations; however, the Company is currently assessing the impact of these standards or amendments on the financial statements of the Company.

3. Significant Accounting Policies

These unaudited condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's annual financial statements for the year ended October 31, 2012.

The preparation of these unaudited financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates where management's judgment is applied include asset valuation, asset retirement obligations, income taxes, contingent liabilities, share-based payments and ability to continue as a going concern. Actual results may differ from those estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and further periods if the review affects both current and future periods.

The critical judgments and estimates applied in the preparation of the Company's unaudited condensed interim financial statements are consistent with those applied and disclosed in Note 2(d) to the Company's financial statements for the year ended October 31, 2012. The Company's interim results are not necessarily indicative of its results for a full year.

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 5c). The Company sold 40,000 of the shares in 2011. The following table is a summary of the Company's available-for-sale investments:

	Januray 31, 2013			October 31, 2012		
	Number of Shares	Cost	Fair Value	Number of Shares	Cost	Fair Value
Ocean Park Ventures Corp.	60,000	\$ 35,400	\$ 1,800	60,000	\$ 35,400	\$ 3,000



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For the three months ended January 31, 2013, the Company recorded an unrealized loss of \$1,200 (2012-\$21,000) on its available-for-sale investments. As at January 31, 2013, the balance of the Company's available-for-sale investment reserve is \$34,600.

5. Exploration and Evaluation Properties

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

	Balance, November 1 2011	Fiscal 2012 Expenditures	Balance, October 31 2012	Fiscal 2013 Expenditures	Balance January 31 2013
Palmer Property, Alaska, USA					
Acquisition costs	\$ 878,712	\$ -	\$ 878,712	\$ -	\$ 878,712
Advance royalty payments	251,030	42,751	293,781	10,550	304,330
Alaska labour	447,517	6,224	453,741	-	453,741
Property maintenance cost	18,714	-	18,714	-	18,714
Assaying and testing	187,752	6,646	194,398	-	194,398
Field transportation	2,527,680	2,145	2,529,825	-	2,529,825
Geophysics	335,667	-	335,667	-	335,667
Drilling	3,672,328	-	3,672,328	-	3,672,328
Property filing and maintenance fees	306,063	49,725	355,788	21,756	377,545
Geology and field support	1,537,533	14,389	1,551,922	4,958	1,556,879
Technical consulting	920,825	45,023	965,848	23,345	989,193
Travel	152,104	7,102	159,206	6,227	165,433
	11,235,925	174,005	11,409,930	66,836	11,476,766
Hornet Creek, Idaho, USA					
Acquisition costs	54,345	13,942	68,287	-	68,287
Assaying and testing	21,677	2,329	24,006	-	24,006
Property filing and maintenance fees	255	12,157	12,412	-	12,412
Geology and field support	-	2,457	2,457	-	2,457
Technical consulting	8,425	2,250	10,675	-	10,675
Travel	2,211	1,431	3,642	-	3,642
	86,913	34,567	121,480	-	121,479
Total U.S. Properties	\$ 11,322,838	\$ 208,571	\$ 11,531,409	\$ 66,836	\$ 11,598,245



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

	Balance, November 1 2011	Fiscal 2012 Expenditures	Balance, October 31 2012	Fiscal 2013 Expenditures	Balance January 31 2013
Munro-Croesus Property, ON, Canada					
Acquisition costs	\$ 472,200	\$ 7,122	\$ 479,322	\$ -	\$ 479,322
Assaying and testing	106,117	1,327	107,444	211	107,655
Drilling	1,123,480	4,260	1,127,740	-	1,127,740
Field transportation	15,339	6,050	21,389	89	21,478
Geophysics	149,446	-	149,446	-	149,446
Travel	50,257	6,727	56,984	7,775	64,759
Geology and field support	149,687	25,322	175,009	1,982	176,991
Technical consulting	279,071	45,489	324,560	3,453	328,013
	2,345,597	96,297	2,441,894	13,510	2,455,404
Four Corners Property, ON, Canada					
Acquisition costs	104,681	5,000	109,681	-	109,681
Assaying and testing	23,367	-	23,367	-	23,367
Drilling	242,921	550	243,471	-	243,471
Geophysics	56,893	-	56,893	-	56,893
Field Transportation	946	-	946	-	946
Travel	7,057	428	7,485	-	7,485
Technical consulting	66,519	14,928	81,447	-	81,447
Geology and field support	31,247	1,860	33,107	-	33,107
	533,631	22,766	556,397	-	556,397
Phoenix Gold Property, ON, Canada					
Acquisition costs	80,975	21,950	102,925	-	102,925
Assaying and testing	-	15,688	15,688	-	15,688
Field transportation	-	6,238	6,238	-	6,238
Geology and field support	-	30,044	30,044	2,263	32,307
Geophysics	-	216,846	216,846	-	216,846
Technical consulting	144	30,002	30,146	-	30,146
Travel	-	20,140	20,140	-	20,140
	81,119	340,908	422,027	2,263	424,290
Golden Mile Property, ON, Canada					
Acquisition costs	-	9,904	9,904	18,644	28,548
Assaying and testing	-	-	-	15,527	15,527
Field transportation	-	-	-	867	867
Geophysics	-	160,669	160,669	-	160,669
Geology and field support	-	154,440	15,440	19,393	34,833
Technical consulting	-	-	-	42,181	42,181
Travel	-	-	-	6,291	6,291
Cost recoveries	-	(118,423)	(118,423)	(134,839)	(253,262)
	-	206,590	206,590	(31,936)	174,654
Total Ontario Properties	\$ 2,960,347	\$ 666,561	\$ 3,626,908	\$ (16,163)	\$ 3,610,745

(continued on next page)



Notes to Condensed Interim Consolidated Financial Statements
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	Balance, November 1 2011	Fiscal Expenditures 2012	Balance, October 31 2012	Fiscal Expenditures 2013	Balance January 31 2013
Ontario Properties (Balance forward)	\$ 2,960,347	\$ 666,561	\$ 3,626,908	\$ (16,163)	\$ 3,610,745
Trapper Gold Property, B.C., Canada					
Acquisition costs	40,781	21,500	62,281	-	62,281
Assaying and testing	3,224	-	3,224	-	3,224
Field transportation	6,055	-	6,055	-	6,055
Geology and field support	12,184	-	12,184	-	12,184
Technical consulting	22,979	1,805	24,784	-	24,784
Travel	5,029	1,050	6,079	-	6,079
Cost recoveries	(90,252)	(21,500)	(111,752)	-	(111,752)
	-	2,855	2,855	-	2,855
Yukon, Canada					
Acquisition costs	15,300	36,891	52,191	-	52,191
Assaying and testing	184,795	12,584	197,379	-	197,379
Field transportation	470,388	6,523	476,911	-	476,911
Geology	151,196	32,509	183,705	464	184,169
Geochemistry	285,593	4,500	290,093	-	290,093
Technical consulting	50,399	10,920	61,319	-	61,319
Other	539,337	26,256	565,593	886	566,479
Write-off of property costs	(90,420)	-	(90,420)	-	(90,420)
Cost recoveries	-	(25,000)	(25,000)	-	(25,000)
	1,606,588	105,183	1,711,771	1,350	1,713,121
Total Canadian Properties	\$ 4,566,935	\$ 774,599	\$ 5,341,534	\$ (14,813)	\$ 5,326,721
Total U.S. and Canadian exploration and evaluation properties	\$ 15,889,773	\$ 983,170	\$ 16,872,943	\$ 52,023	\$ 16,924,966

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 2012.

The lease is subject to a 2.5% net smelter returns (“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.



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b) Ontario Properties

i) Munro-Croesus Property

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 having been 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.

ii) Four Corners Croesus Property

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.

iii) Phoenix Property

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 (\$35,000 paid to date) 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%.

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 (Note 6).

iv) Golden Mile Property

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, 2011, the Company must make payments of \$175,000 and issue 180,000 of the Company's shares over a four year period commencing on December 10, 2012. The first payment consisted of \$15,000 cash and the issuance of 36,000 shares of the Company (Note 6a(i)), which was completed on December 10, 2013.

The Golden Mile property is subject to the terms of an option and joint venture agreement signed by the Company in May 2012 (Note 5b(v)).



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In January 2013, the Company received \$513,084 from Teck as a cash call against incurred and upcoming exploration expenditures on the Golden Mile property. The majority of these funds were unspent as of January 31, 2013 and an amount of \$428,390 has been recorded as deferred recovery of exploration costs in the Company's statement of financial position. All of the deferred exploration recovery amounts were incurred and recorded as exploration property cost recoveries, subsequent to January 31, 2013.

v) Joint Venture Agreement with Teck Resources Ltd. ("Teck")

Concurrent with a \$525,000 private placement completed on May 25, 2012 (Note 6a), Teck received the exclusive right to elect to option the Phoenix and Golden Mile properties.. On July 31, 2012, Teck elected to exercise its right to option the Golden Mile property and material terms of the option to joint venture, defined within a separate memorandum of understanding are detailed below: The Teck election to option the Phoenix property have expired without being exercised.

Golden Mile Property Option/Joint Venture Agreement: Teck's election to exercise its first option that allows them to earn a 51% interest in the Golden Mile property by incurring \$1,500,000 in exploration expenditures by September 30, 2015 (\$118,423 incurred by January 31, 2013) and making annual cash payments of \$25,000 to the Company. Teck may earn an additional 15% interest in the property, for a total interest of 66%, by incurring an additional \$3,500,000 in expenditures by September 30, 2019 and making annual cash payments of \$50,000 to the Company (Note 5b(iv)).

c) Trapper Gold Property, British Columbia, Canada

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 (\$55,000 paid to date) and issue 155,000 common shares (40,000 common shares issued to date) 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%.

On April 13, 2012, the Company paid \$20,000 and issued 20,000 shares of the Company in connection with the property option payment on the Trapper Gold property (Note 6a(ii)).

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 (incurred), \$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 (issued), 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.



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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.

d) 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 hold an aggregate of 3,960 mineral claims in Yukon as part of a 50/50 joint venture. As at January 31, 2013, the Company's net joint venture costs are \$1,713,121. As at January 31, 2013, the Company has a balance of \$21,208 due to the joint venture (Note 7).

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

In January 2011, the Company entered into a letter agreement to acquire an exclusive 99 year lease on a precious metals prospect in Adams County, Idaho, USA. An amendment to the letter agreement was signed and made effective on March 28, 2011. The property consists of 44 federal lode claims totaling approximately 909 acres.

In order to maintain an exclusive mineral lease to the 44 claims that comprise the property, the Company must make cash payments of US \$35,000 by January 15, 2012 (paid), US \$30,000 by January 15, 2013 (paid), US \$30,000 by January 15, 2014 and US \$40,000 by January 15, 2015 and each subsequent January for the duration of the agreement. The lessor will retain a 2% NSR, half of which (1%) can be purchased by the Company for US\$1,000,000, for a period of 10 years from the effective date of the agreement (January 15, 2011), with a right of first refusal on the remaining 1% NSR. During the term of the agreement, the Company is responsible for annual land holding costs, currently estimated at \$6,600 per year.

Under the terms of the agreement, the Company must also make a one-time \$500,000 cash payment upon publication of the company's intention to commence commercial production.

6. Share Capital

a) Common Shares

Authorized: unlimited common shares without par value

Issued and outstanding: 114,471,999 common shares

- (i) On December 10, 2012, the Company issued 36,000 shares valued at \$2,520 related to the Golden Mile property (Note 5b(iv)).
- (ii) On April 13, 2012, the Company issued 20,000 shares valued at \$1,500 related to the Trapper property (Note 5c).



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- (iii) On April 20, 2012, the Company issued 30,000 shares valued at \$1,950 related to the Phoenix property (Note 5b(iii)).
- (iv) On May 25, 2012, the Company completed a \$525,000 private placement agreement with Teck Resources Limited that includes certain rights regarding several of Constantine's Ontario gold properties (Note 5b(v)). The private placement consisted of 4,200,000 units priced at \$0.125. Each unit consists of one common share of the Company and one-half of one non-transferable common share purchase warrant. Each warrant is exercisable to acquire one common share at an exercise price of \$0.16 for a period of 24 months from the closing date.

b) Warrants

As at January 31, 2013, the following share purchase warrants and agent warrants were outstanding:

	Three months ended January 31, 2013		Year ended October 31, 2012	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Balance, beginning of period	15,139,316	\$ 0.22	16,598,066	\$ 0.22
Expired	(12,589,316)	0.22	(3,558,750)	0.22
Granted	-	-	2,100,000	0.16
Balance, end of period	2,550,000	\$ 0.18	15,139,316	\$ 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, January 31, 2013				1.1 years

A summary of the Company's warrants and agent warrants (compensation options) outstanding as at January 31, 2013 is as follows:

Expiry Date	Exercise Price	Number of warrants and agent warrants
March 17, 2013	\$ 0.30	450,000
May 25, 2014	\$ 0.16	2,100,000
		2,550,000



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c) 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.

On March 5, 2012, the Company granted 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 issued to directors, officers and employees of the Company.

A summary of the status of the Company's stock options at January 31, 2013 and October 31, 2012 and changes during the periods therein is as follows:

	Three months ended January 31, 2013		Year ended October 31, 2012	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance, beginning of period	5,190,000	\$ 0.19	3,515,000	\$ 0.24
Granted	-	-	1,925,000	0.11
Cancelled	-	-	(250,000)	0.27
Balance, end of period	5,190,000	\$ 0.19	5,190,000	\$ 0.19
Weighted average fair value of options granted		\$ -		\$ 0.07

Weighted average remaining life of options outstanding, January 31, 2013 **2.31 years**

Weighted average remaining life of options outstanding, October 31, 2012 **2.53 years**



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A summary of the Company's stock options outstanding as at January 31, 2013 is as follows:

Expiry Date	Weighted Average Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual Life (in years)	Number of Options Exercisable
February 18, 2013	\$ 0.57	390,000	0.02	390,000
January 12, 2014	\$ 0.13	1,175,000	0.27	1,175,000
October 27, 2014	\$ 0.235	1,700,000	0.65	1,700,000
March 5, 2017	\$ 0.11	1,925,000	1.61	1,925,000
		5,190,000	2.55	5,190,000

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

Expiry Date	Weighted Average Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual Life (in years)	Number of Options Exercisable
February 18, 2013	\$ 0.57	390,000	0.29	390,000
January 12, 2014	\$ 0.13	1,175,000	1.21	1,175,000
October 27, 2014	\$ 0.235	1,700,000	2.00	1,700,000
March 5, 2017	\$ 0.11	1,925,000	4.25	1,925,000
		5,190,000	2.53	5,190,000

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

	January 31, 2013	October 31, 2012
Risk-free interest rate	1.12%	1.12%
Expected life (in days)	1,826	1,826
Annualized volatility	91.60%	91.60%
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.



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7. Related Party Transactions

The following represents the details of related party transactions paid or accrued for the three months ended January 31, 2013 and 2011:

For the three months ended January 31,	2013	2012
Management and technical fees paid or accrued to companies owned by directors	\$ 3,000	\$ 3,000
Consulting fees paid to officers	28,348	8,694
Accounting and administration fees paid or accrued to a company 50% owned by an officer	18,000	18,000
	<u>\$ 49,348</u>	<u>\$ 29,694</u>

The above amounts represent short-term benefits to key management personnel for the three months ended January 31, 2013 and 2012. Key management is defined as the officers and directors of the Company.

As at January 31, 2013, the unpaid portion of amounts due to key management is \$37,110 (2012-\$8,694).

As at January 31, 2013, the Company has an amount due of \$21,028 (2012-\$75,624 credit) to Carlin, a company related by common directors and officers, for the Company's portion of exploration property expenditures relating to the Yukon joint venture (Note 5d).

8. Management of Capital

The Company manages its cash, common shares, stock options and warrants (Note 6b) 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.



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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.

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, however management does not consider this risk to be significant.

Exchange Risk

As at January 31, 2013, 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. Management does not believe that the exchange risk is significant.

c) Fair Value Measurements

The carrying value of financial assets and financial liabilities at January 31, 2013, and October 31, 2012 is as follows:



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As at	January 31, 2013	October 31, 2012
Financial Assets		
<i>FVTPL, measured at fair value</i>		
Cash and cash equivalents	\$ 441,392	\$ 125,679
<i>Loans and receivables, measured at amortized cost</i>		
Amounts receivable	12,298	18,553
<i>Available-for-sale, measured at fair value</i>		
Available-for-sale investments	1,800	3,000
Financial Liabilities		
<i>Other liabilities, measured at amortized cost</i>		
Trade payables	\$ 67,938	\$ 24,244
Amount due to joint venture	21,316	21,316
Amounts due to related parties	37,110	10,868

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

As at	January 31, 2013	October 31, 2012
	Level 1	Level 1
Cash and cash equivalents	\$ 441,392	\$ 125,679
Available-for-sale investments	1,800	3,000

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, 2013, 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:



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	Canada	United States	Total
Net Loss			
For the three months ended January 31, 2013	\$ (160,635)	\$ (250)	(160,885)
For the three months ended January 31, 2012	(100,989)	(101)	(101,090)
Current Assets			
As at January 31, 2013	\$ 485,957	\$ 5,892	491,849
As at October 31, 2012	157,734	30,732	188,466
Deposits			
As at January 31, 2013	40,855	-	40,855
As at October 31, 2012	40,855	-	40,855
Exploration and Evaluation Properties			
As at January 31, 2013	4,884,010	11,598,245	16,482,255
As at October 31, 2012	5,341,534	11,531,409	16,872,943
Equipment			
As at January 31, 2013	26,711	-	26,711
As at October 31, 2012	29,323	-	29,323

11. Commitments

The Company has a lease agreement for the rental of office space, which expires on May 31, 2016.

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

	Amount
2013 fiscal year	\$ 32,059
2014 fiscal year	44,452
2015 fiscal year	46,435
2016 fiscal year	27,762
	<u>\$ 150,708</u>

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

12. Events after the Reporting Period

On February 1, 2013, the Company received a \$500,000 cash payment upon signing an option and joint venture agreement (the "Agreement") with Dowa Metals & Mining Co., Ltd. of Japan ("Dowa") relating to the Palmer VMS project, Alaska (the "Project").

Under the terms of the Agreement Dowa has an option to earn a 49% interest in the Project by making aggregate expenditures of US\$22,000,000 over a four year period. Expenditures for each year shall not be less than US\$3,000,000, with Dowa funding a minimum of US\$3,000,000 in year one as a firm commitment. Included in the aggregate expenditure are cash payments to the Company totaling US\$1,250,000 over four years, of which US\$500,000 was paid upon signing and the remaining US\$750,000 is composed of annual option payments of US\$250,000 each. The Company will be the operator during the earn-in period.



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Following Dowra completing the required earn-in expenditures and exercising their option, a 51:49 joint venture (the “Joint Venture”) between the Company (51%) and Dowra (49%) is planned for the Project, whereby the Company shall continue as operator. After formation of the Joint Venture, the Agreement anticipates that each party shall be responsible for its proportionate share of expenses determined on the basis of ownership or suffer dilution according to standard dilution provisions.

The Agreement also includes terms that allow Dowra to acquire certain zinc and copper off-take rights in stages, during and upon completion of the earn-in option period.

A finder’s fee of \$120,000 was paid in connection with the transaction, with \$10,000 paid in cash and the balance paid in shares of the Company by the issuance of 1,466,666 common shares on March 19, 2013.



Management Discussion and Analysis
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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 three months ended January 31, 2013 and 2012, the audited consolidated financial statements of the Company, including the notes thereto, for the year ended October 31, 2012 and 2011, the audited financial statements of the Company for the year ended October 31, 2012 and 2011 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 consolidated financial statements for the year three months ended January 31, 2013 are prepared in accordance with International Financial Reporting Standards ("IFRS"), and the annual audited financial statements for the year ended October 31, 2012 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 March 27, 2013.

Constantine is a junior exploration company engaged in the exploration and development of several exploration properties. Its principal project is a polymetallic (copper-zinc-gold-silver) massive sulphide exploration project in southeast Alaska known as the Palmer Project. Constantine also has a gold-copper massive sulphide project in Idaho 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, Alberta 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 net costs to date and do not necessarily represent present or future values.

Highlights

- 1. Option and Joint Venture Agreement Signed on Palmer Project in Alaska** – On February 1, 2013, the Company and Dowa Metals and Mining Co., Ltd. ("Dowa") formally signed the option and joint venture agreement for the Palmer VMS project in Southeast Alaska. The partnership with Dowa revitalizes the exploration effort on Constantine's flagship property and included a US\$500,000 payment on signing the agreement. Exploration planning and budgeting is in progress for the US \$2,500,000, 2013 exploration program.



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- 2. Golden Mile Exploration** – In December, 2012, Teck approved plans for a \$600,000 winter exploration program on the Company's Golden Mile property in Timmins. The Teck-funded winter program, included overburden drilling and ground-based geophysical surveys. The program was completed at the end of February, 2013 and results are pending.

Base Metal Projects

Palmer project (southeast Alaska, USA)

The Company's principal asset is the 100% controlled Palmer polymetallic massive sulphide project in Alaska. On February 1, 2013, the Company signed an option and joint venture agreement (the "Agreement") with Dowa Metals & Mining Co., Ltd. of Japan ("Dowa") relating to the Palmer VMS project, Alaska (the "Project"). Under the terms of the Agreement, Dowa has the option to earn a 49% interest in the Project by making aggregate expenditures of US\$22,000,000 over a four year period. Expenditures for each year shall not be less than US\$3,000,000, with Dowa funding a minimum of US\$3,000,000 in year one as a firm commitment. Included in the aggregate expenditure are cash payments to Constantine totaling US\$1,250,000 over four years, of which US\$500,000 was received upon signing of the Agreement. Once Dowa has completed the required earn-in expenditures and exercising their option, a 51:49 joint venture between Constantine (51%) and Dowa (49%) will be formed for the Project. The Agreement also includes terms that allow Dowa to acquire certain zinc and copper off-take rights in stages, during and upon completion of the earn-in option period. A finder's fee of \$120,000 was paid in connection with the transaction, with \$10,000 paid in cash and the balance was paid in shares of the Company by the issuance of 1,466,666 common shares on March 19, 2013.

Exploration planning and budgeting is in progress for the US \$2,500,000, 2013 exploration program.

Palmer Project Overview

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.



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- 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.

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 (under option to Teck) 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 multi-million ounce Hoyle Pond Gold 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 3,960 mineral claims in Yukon, in a 50/50 joint venture with Carlin Gold Corporation, a company which is focused on exploration for Carlin-style gold deposits.

A Teck-funded overburden drilling and ground-based geophysical program was carried out between January 1, 2013 and the end of February 2013. Other gold projects were inactive during the quarter and readers are referred to the 2012, Q4 year-end report for details on these projects. The Company continues to look at partnerships and monetization of property assets to eliminate the need to finance in the currently depressed market conditions.

Golden Mile Property (Ontario)

As provided in the Golden Mile Farm-in Agreement, at the end of July, 2012 Teck elected to take up the First Option to earn a 51% interest in the Golden Mile property, by incurring \$1,500,000 in exploration expenditures by September 30, 2015 and making \$25,000 annual cash payments to Constantine. Teck may earn an additional 15% interest in the property, for a total interest of 66%, by incurring an additional \$3,500,000 in expenditures by September 30, 2019 and making \$50,000 annual cash payments to Constantine. During the earn-in period Teck also assumes all underlying property cash payment obligations.

Prior to the decision by Teck to elect to take up the First Option, the Company conducted a Geotech VTEM airborne magnetic and electro-magnetic survey over the property in March 2012 and carried out a soil sampling program in May-June 2012 on two favourable geological and geophysical targets that were funded by the Teck Financing. In December 2012, Teck approved plans for a \$600,000 winter exploration



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program on the Golden Mile property. The winter program was designed to follow-up on targets generated from the Teck financing prior to July 2012 and additional Teck-funded exploration (\$100,000 soil survey) and compilation work carried out in August and September, 2012. The Teck funded winter program managed by Constantine, included overburden drilling and ground-based geophysical surveys that were completed by the end of February 2013. Results are pending for this work and follow-up exploration will be based on the results of the winter program.

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 area 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, the underlying agreement requires Constantine to make payments totaling \$175,000 (\$15,000 paid) and 180,000 shares (36,000 issued) over a 4 year period commencing on December 10th, 2012. During the currency of Golden Mile Farm-In Agreement, Teck will reimburse Constantine for the cash portion of any such property payments. 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.

Results of Operations

Exploration and Evaluation Property Expenditures and Acquisitions

In the three months ended January 31, 2013 the Company incurred cash expenditures of \$186,862 (2012-\$103,655) on exploration and evaluation properties, before cost recoveries of \$134,839 (2012-Nil). Most of the exploration expenditures were incurred on the Golden Mile property, where \$102,903 was spent on a surface exploration program that was funded by Teck. The Company recorded \$134,839 in cost recoveries (including project management fees) from Teck during the quarter. An amount of \$66,836 was spent on the Company’s Palmer project in Alaska during the three months ended January 31, 2013, primarily for technical consulting and holding costs.

Operating Costs

The Company recorded operating expenses of \$160,885 for the three months ended January 31, 2013, compared to \$151,157 for the same period last year. Consulting costs (\$28,403) were higher in 2013 (2012-\$19,119) as more these resources were used for the negotiations on the Dowa agreement that was completed on February 1, 2013. General and administrative functions were also higher during the quarter, due to the higher conference and trade show costs, as well increased expenses related to the Dowa negotiations. General and administrative costs for the three months ended January 31, 2013 consisted of:



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General and Administrative expenses	Amount
Conferences, trade shows and advertising	\$ 14,362
Accounting and administration	21,000
Office expenses	10,377
Transfer agent, listing and filing fees	2,169
Other	2,505
Total	\$ 50,413

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

For Quarter Ended	Total Assets	Income (Loss)	Income (Loss) per share
January 31, 2013	\$ 17,470,060	\$ (160,885)	\$ (0.00)
October 31, 2012	17,131,587	(135,192)	(0.00)
July 31, 2012	17,259,040	(179,428)	(0.00)
April 30, 2012	16,921,880	(308,657)	(0.00)
January 31, 2012	17,125,627	(147,208)	(0.00)
October 31, 2011	17,416,583	51,504	0.00
July 31, 2011	17,501,377	(169,553)	(0.00)
April 30, 2011	17,622,935	(330,016)	(0.00)

Financial Condition, 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, joint ventures and monetization of assets.

The Company's cash position at January 31, 2013 was \$441,392 (2012-\$629,137) and its working capital at January 31, 2013 was negative \$76,938 (2012: +\$933,134 working capital). Subsequent to the end of the reporting period, the Company received a \$500,000 cash payment from Dowa. The Company's cash position as of the date of this report is approximately \$267,000.

The Company recorded a \$428,390 liability for deferred recovery of exploration costs on January 31, 2013. All of this amount has been incurred as exploration expenditures subsequent to January 31, 2013 and it has been reclassified from the deferred liability account to Golden Mile property cost recovery.

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 and continues to look at opportunities to monetize assets in order to raise some of the capital required. Actual funding requirements may vary from those planned due to a number of factors, including the timing and progress of exploration activities. The Company has sufficient working capital to support its operations until the end of 2012, based on its current plans and projections.

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



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Off-Balance Sheet Arrangements

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

Related Party Transactions

Certain directors and officers of the Company provided specific services to the Company during the three months ended January 31, 2013 as follows:

For the three months ended January 31,	2013	2012
Management and technical fees paid or accrued to companies owned by directors	\$ 3,000	\$ 3,000
Consulting fees paid to officers	28,348	8,694
Accounting and administration fees paid or accrued to a company 50% owned by an officer	18,000	18,000
	\$ 49,348	\$ 29,694

The above amounts represent short-term benefits to key management personnel for the three months ended January 31, 2013 and 2012. Key management is defined as the officers and directors of the Company.

The above amounts represent short-term benefits to key management personnel for the three months ended January 31, 2013 and 2012. Key management is defined as the officers and directors of the Company.

As at January 31, 2013, the unpaid portion of amounts due to key management is \$37,110 (2012-\$8,694).

As at January 31, 2013, the Company has an amount due of \$21,028 (2012-\$75,624 credit) to Carlin, a company related by common directors and officers, for the Company's portion of exploration 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



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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

<i>Planned Use of Proceeds as Previously Disclosed</i>	<i>Actual Use of Proceeds to January 31, 2013</i>
<p>December 2010 Financing:</p> <ul style="list-style-type: none"> \$2.3 million to be used on exploration of the Palmer project and for general and administrative and working capital purposes. 	<ul style="list-style-type: none"> Cost of this financing and two flow-through financings \$ 549,169 Palmer project 541,555 Hornet Creek project 102,787 Canadian projects 215,634 Fixed assets 8,461 Working capital items <u>882,394</u> \$ 2,300,000 Amount still to be spent \$ Nil
<p>March 2011 Flow-Through Financing:</p> <ul style="list-style-type: none"> \$2,250,000 to be used to incur eligible Canadian exploration expenditures ("CEE") on the Company's Canadian gold projects. 	<ul style="list-style-type: none"> CEE \$2,250,000 As at October 31, 2012, the entire balance of CEE has been expended on the Company's exploration properties.
<p>May 2012 Private Placement Financing</p> <ul style="list-style-type: none"> \$525,000 to be used on exploration of Ontario exploration properties and for general and administrative working capital purposes. 	<ul style="list-style-type: none"> \$475,000 spent on Ontario exploration properties. Balance has been spent on exploration and working capital items.

Summary of Outstanding Shares Data

On January 31, 2013, the Company had 114,471,999 shares outstanding.

The following warrants and stock options were outstanding at January 31, 2013:

		Price per Share	Expiry Date
Warrants	2,100,000	\$0.16	May 25, 2014
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	1,925,000	\$0.11	March 5, 2017
	7,740,000		



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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.

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



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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, Idaho and of the United States of America (Palmer Project and Hornet Creek Project) and the environmental laws and regulations of Canada and the province of Ontario (Munro-Croesus, Golden Mile and Phoenix Gold Projects), British Columbia (Trapper Gold property) and Yukon (Constantine-Carlin JV). 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.

The Munro Croesus project includes the very small past producing Munro Croesus Gold Mine that mined approximately 5000 tons of ore. We have assumed the environmental liability at the Croesus minesite on our Munro Croesus property. To date we have not incurred any material expenses, however it does remain an uncertain liability. The Ontario government requires a closure plan if the claims are abandoned or become inactive and the closure plan will require some water sampling and site 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 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.



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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 meet 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, 2013, the Company had a cash balance of \$441,392 to settle current liabilities of \$554,466. Current liabilities include an amount of \$428,390 which comprises a deferred recovery of exploration cost at January 31, 2013. This liability was eliminated subsequent to the end of the quarter by a commensurate amount of exploration expenditures on the Company's Golden Mile property.

All other 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.

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.

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.



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Sensitivity analysis

The carrying value of cash, receivables, accounts payable, and amounts due to related parties 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.

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.

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, 2013. 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.

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



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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.

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.