Consolidated Financial Statements of

CONSTANTINE METAL RESOURCES LTD.

For the 3 month period ended January 31, 2010

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company. The Company's independent auditors have not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

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Consolidated Balance Sheet
Interim Unaudited – Prepared by Management
As at January 31, 2010 and October 31, 2009

		January 31 2010		October 31 2009
Assets				
Current assets:				
Cash and cash equivalents	**$**	**3,724,441**	$	372,729
Accounts receivable		**50,582**		35,783
Prepaid expenses		**25,477**		32,397
		3,800,500		440,909
Mineral properties (Schedule, Note 4)		**9,499,799**		9,440,541
Fixed assets		**5,544**		5,759
	$	**13,305,843**	$	9,887,209
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	**$**	**43,284**	$	215,086
Due to related parties (Note 6)		**-**		4,272
	$	**43,284**	$	219,358
Shareholders' equity				
Share capital (Note 5a)		**14,341,188**		10,573,725
Contributed surplus		**1,304,122**		1,254,038
Deficit		**(2,382,751)**		(2,159,912)
	$	**13,262,559**	$	9,667,851
	$	**13,305,843**	$	9,887,209

See accompanying notes to financial statements.

Consolidated Statement of Operations and Deficit
Interim Unaudited – Prepared by Management
For the 3 months ended January 31, 2010 and 2009

	January 31 2010	January 31 2009
Interest income	**$ -**	$ 226
Expenses:		
Amortization	**216**	140
Consulting	**34,900**	-
General and administrative	**92,452**	38,656
Insurance	**7,488**	3,000
Investor relations	**17,534**	4,450
Legal	**933**	-
Management fees	**3,000**	3,000
Professional fees – audit	**3,000**	3,000
Payroll expenses	**33,796**	33,796
Rent	**4,670**	4,291
Shareholder communications	**5,581**	-
Stock based compensation (Note 5c)	**17,100**	119,530
Travel	**6,717**	15,617
	227,387	225,480
Loss before Other Items	**$ (227,387)**	$ (225,254)
Future income tax recovery	**-**	-
Foreign exchange gain (loss)	**4,548**	-
Loss for the period	**(222,839)**	(225,254)
Deficit, beginning of period	**(2,159,912)**	(1,342,875)
Deficit, end of period	**$ (2,382,751)**	$ (1,568,129)
Loss per share	**$ (0.01)**	$ (0.02)
Weighted average number of common shares outstanding	**68,534,802**	34,696,555

See accompanying notes to financial statements.

Consolidated Statement of Cash Flows
Interim Unaudited – Prepared by Management
For the 3 months ended January 31, 2010 and 2009

		January 31 2010		January 31 2009
Cash provided by (used in):				
Operations:				
Loss for the period	$	**(222,839)**	$	(225,254)
Amortization		**215**		140
Stock-based compensation		**17,100**		119,530
Changes in non-cash working capital accounts:				
Accounts receivable		**(14,799)**		27,592
Accounts payable		**(171,801)**		(15,269)
Due to related parties		**(4,272)**		-
Prepaid expenses		**6,920**		3,000
		(389,476)		(90,261)
Investing activities:				
Mineral property expenditures (Schedule, Note 4)		**(59,258)**		(301,842)
		(448,734)		(392,103)
Financing activities:				
Private placement proceeds (Note 4a)		**1,400,000**		300,000
Less: share issuance costs paid in cash		**(11,867)**		(7,965)
Stock options exercised		**7,313**		-
Warrants exercised		**2,405,000**		-
		3,800,446		292,035
Increase (decrease) in cash	$	**3,351,712**	$	(100,068)
Cash, beginning of period		**372,729**		588,487
Cash, end of period	$	**3,724,441**	$	488,419

Supplemental Disclosure of Non-Cash Financing Activity:

Shares issued for finder's fees	$	**52,200**	$	-
Interest paid	$	**-**	$	-
Warrants issued for finder's fee	$	**32,984**	$	-
Income taxes paid	$	**-**	$	-
Accounts payable related to mineral properties	$	**11,483**	$	35,072

Schedule of Deferred Mineral Property Costs
Interim Unaudited – Prepared by Management
For the 3 months ended January 31, 2010

	Balance Oct 31, 2008	Fiscal 2009 Expenditures	Balance, October 31 2009	Fiscal 2010 Expenditures	**Balance, January 31 2010**
Palmer Property, Alaska, USA (Note 4a)					
Acquisition costs	$ 878,712	$ -	$ 878,712	$ -	**$ 878,712**
Advance royalty payments	114,166	49,237	163,403	11,203	**174,606**
Alaska labour	-	167,724	167,724	181	**167,905**
Prop. acquisition & maint. cost	-	9,598	9,598	-	**9,598**
Assaying and testing	91,563	51,061	142,624	768	**143,392**
Field transportation	1,249,857	597,287	1,847,144	-	**1,847,144**
Geophysics	39,012	87,760	126,772	7,258	**134,030**
Drilling	1,583,615	1,070,873	2,654,488	(8,759)	**2,645,729**
Property filing and maintenance	140,296	55,116	195,412	1,088	**196,500**
Geology and field support	972,839	230,452	1,203,291	3,750	**1,207,041**
Technical consulting	257,373	318,267	575,640	36,302	**611,942**
Travel	51,983	37,072	89,055	3,941	**92,996**
	$ 5,379,416	$ 2,674,447	$ 8,053,863	$ 55,732	**$ 8,109,595**
Munro-Croesus Property, Ontario, Canada (Note 4b)					
Acquisition costs	428,915	4,860	433,775	-	**433,775**
Assaying and testing	11,880	10,018	21,899	-	**21,899**
Drilling	309,382	114,819	424,201	-	**424,201**
Field transportation	4,926	2,813	7,739	-	**7,739**
Geophysics	1,800	93,329	95,129	-	**95,129**
Travel	9,413	14,260	23,673	-	**23,673**
Geology and field support	36,232	67,236	103,468	1,770	**105,237**
Technical consulting	53,750	90,960	144,710	1,756	**146,466**
	$ 856,298	$ 398,295	$ 1,254,593	3,526	**$ 1,258,119**
Four Corners Property, Ontario, Canada (Note 4c)					
Acquisition costs	24,581	18,600	43,181	-	**43,181**
Drilling	34,235	-	34,235	-	**34,235**
Geophysics	-	46,030	46,030	-	**46,030**
Field Transportation	-	130	130	-	**130**
Travel	252	-	252	-	**252**
Technical consulting	7,682	225	7,907	-	**7,907**
Geology and field support	350	-	350	-	**350**
	$ 67,100	$ 64,985	$ 132,085	-	**$ 132,085**
Total Mineral Property Costs	$ 6,302,814	$ 3,137,727	$ 9,440,541	59,258	**$ 9,499,799**

See accompanying notes to financial statements.

1. **Nature of Operations and Going Concern**

The Company was incorporated under the Business Corporations Act (British Columbia) on March 3, 2006 and its common shares were first listed for trading on the TSX Venture Exchange in August, 2006.

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 developed further 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, 2010, the Company has incurred losses since inception and has an accumulated operating deficit of $2,382,751. The continuation of the Company as a going concern is 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.

2. Significant Accounting Policies

a) Basis of presentation

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

b) International financial reporting standards ("IFRS")

In February 2008 the Canadian Accounting Standards Board announced 2001 as the changeover date for publicly-listed companies to use IFRS, replacing Canada's own generally accepted accounting principles. The specific implementation is set for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require restatement for comparative purposes of amounts reported by the Company for the year ended October 31, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS has not been specifically determined at this time.

3. Mineral Properties (see Schedule of Deferred Mineral Property Costs)

a) Palmer Property, Alaska, USA

On April 13, 2006 the Company acquired all of the outstanding common shares of Constantine North, in consideration for one common share at nominal value and the assumption of all intercorporate debt owing by Constantine North. The transaction was measured under the purchase method of accounting and based on a carrying cost of $878,712. The consideration paid was allocated entirely to the Palmer property, which was the sole identifiable asset of Constantine North.

The Palmer property is comprised of a 99 year mining lease, dated December 19, 1997, on 340 federal and 27 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 2009. 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.

In December 2008 the Company acquired an additional 36 contiguous state claims to the project at nominal cost.

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 paid $40,000 in cash and issued 500,000 shares at a value of $0.70 in consideration of the property assets acquired. According to the agreement, a further 250,000 shares are to be issued to the vendor, subject to confirmation of certain environmental conditions as specified in the agreement, prior to October 26, 2011. 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% NSR production royalty.

The Company is reviewing the environmental remediation requirements in respect to this property and at this time is not aware of any material reclamation obligation, and no such provision has been recorded.

In February 2009 the Company issued 15,000 shares in accordance with the terms of an Exploration Agreement signed with the Wahgoshig First Nation.

c) Four Corners Property, Ontario

In February 2008 the Company completed an agreement to acquire a 100% interest in the 65 claim Four Corners property located east of Timmins, Ontario. In order to acquire the 100% interest, the Company must make payments totaling $75,000 (of which $30,000 has been paid) and issue 100,000 shares over a 3 year period (10,000 shares were issued at closing). 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.

In February 2009 the Company issued 15,000 shares as part of its obligations with respect to its option agreement on the Four Corners property.

5. **Share Capital**

a) Details of share capital:

	Shares	Amount	Contributed Surplus
Authorized:			
Unlimited common shares without par value			
Issued:			
Balance – October 31, 2008	33,261,772	$ 7,477,242	$ 785,122
Shares issued for flow-through private placement, at $0.20 per share	1,500,000	300,000	-
Less: private placement issuance costs	-	(90,000)	-
Shares issued for mineral property	15,000	3,600	-
Shares issued for mineral property	15,000	3,000	-
Private placement, at $0.12 per share	25,000,000	3,000,000	-
Less: Private placement issuance costs	-	(240,117)	70,192
Finder's shares on private placement	1,000,000	120,000	-
Stock option compensation	-	-	398,724
Balance – October 31, 2009	60,791,772	10,573,725	1,254,038
Stock options exercised	56,250	7,313	-
Stock option compensation	-	-	17,100
Private placement, at $0.20 per share	7,000,000	1,400,000	-
Less: private placement issuance costs	-	(97,050)	32,984
Finders shares on private placement	217,500	52,200	-
Warrants exercised	12,025,000	2,405,000	-
Balance – January 31, 2010	80,090,522	$ 14,341,188	$ 1,304,122

b) On November 24, 2009 the Company completed a $1.4 million non-brokered private placement of 7,000,000 units (the "Units") at a price of $0.20 per Unit, each Unit consisting of one common share (a "Share") and one-half of one transferable share purchase warrant. Each share purchase warrant is exercisable at a price of $0.30 for two years from the closing date.

c) In January 2010 the Company received $2,405,000 cash from the exercise of outstanding warrants to acquire 12,025,000 shares at a price of $0.20 per share. The Company had accelerated the expiry of 13,000,000 warrants by giving 30 days notice to its warrant holders that it was exercising its right to do so under the terms of the warrants. The unexercised balance of 975,000 accelerated warrants expired on January 13, 2010.

d) Warrants

On November 24, 2009 the Company issued 3,500,000 warrants to investors and an additional 108,750 underlying warrants that were issued as part of the finders' compensation units. Each warrant entitles the holder thereof to purchase one share at an exercise price of $0.30 per warrant Share for a period of two years.

The Company also issued 217,500 finders warrants as part of the above private placement. The finders warrants are exercisable at a price of $0.30 for one year from November 24, 2009.

The fair value of the warrants issued to finders was $32,984, which has been added to the issuance costs for the private placement.

As at January 31, 2010, the following share purchase warrants were outstanding:

Number	Price per Share	Expiry Date
3,608,750	$0.30	Nov. 24, 2011
217,500	$0.30	Nov. 24, 2010

e) Share Purchase Options

The Company has established a share purchase 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 this plan is 10% of the Company's issued capital.

A summary of the Company's options outstanding as at January 31, 2010 is as follows:

	Three Months ended January 31, 2010		Year ended October 31, 2009	
	Number of shares	Weighted Average Exercise price	Number of shares	Weighted Average Exercise price
Balance, beginning of year	5,265,000	$ 0.28	1,815,000	$ 0.44
Granted	-	-	3,450,000	0.20
Balance, end of period	5,265,000	$ 0.28	5,265,000	$ 0.28

Weighted average fair value of options granted during 2009	$ 0.13
Weighted average remaining life of options outstanding, October 31, 2009	3.75 years
Weighted average remaining life of options outstanding, January 31, 2010	3.5 years

The following assumptions were used for the Black-Scholes option valuation of options granted in 2009:

	October 2009	January 2009
Risk-free interest rate	1.90%	1.72%
Expected life of options in days	1,461	1,825
Annualized volatility	101%	108%
Dividend rate	0.00	0.00

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.

The Company recorded $17,100 of stock compensation expense in connection with the stock options vested during the quarter ended January 31, 2010.

6. Related Party Transactions

The following represents the details of related party transactions paid or accrued during the year ended January 31, 2010:

		2010	2009
Management and technical fees paid or accrued to a company owned by a director	$	12,049	22,390
Consulting fees and wages paid to an officer		28,650	20,925
Accounting and administration fees paid or accrued to a company 50% owned by an officer of the Company		15,000	15,000
	$	55,699	58,315

At January 31, 2010 there were no amounts payable to related parties.

7. Management of Capital

The Company manages its cash, common shares, stock options and warrants (see Note 5) 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.

8. **Segmented Information**

The Company has one operating segment, which is mineral exploration. The Company's assets by geographical location are as follows:

		January 31 2010
Canada	$	5,196,247
United States		8,109,596
Total	$	13,305,843

9. **Subsequent Event**

Subsequent to the end of the quarter, $20,000 cash was paid and 25,000 shares of the Company were issued to the vendors of the Four Corners property, in accordance with the terms of the option agreement (note 4b).

Management Discussion and Analysis
For quarter ended January 31, 2010

General

This Management Discussion and Analysis ("MD&A") has been prepared by management as of March 25, 2010. This MD&A should be read in conjunction with the audited consolidated financial statements and notes for the fiscal year ended October 31, 2009, which were prepared in accordance with Canadian generally accepted accounting principles.

Constantine Metal Resources Ltd. ("Constantine") is a junior exploration company engaged in the exploration and development of a polymetallic massive sulphide exploration property in Alaska known as the Palmer Property, its principal project, and a gold property in Ontario known as the Munro-Croesus property, which includes the past-producing Croesus gold mine. 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.

2010 FIRST QUARTER HIGHLIGHTS

1. Constantine completed the first NI 43-101 compliant resource (see news release dated January 20, 2010) on the Palmer property. The resource was estimated by Mr. Gary Giroux, P.Eng. of Giroux Consultants Limited, an independent consultant. The updated NI43-101 report that includes documentation of the resource was filed on March 8, 2010 and is now available on SEDAR.

   • 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.

   • High-grade copper zones within the overall resource include 2.52 million tonnes grading 2.65 percent copper, 3.71 percent zinc, 0.29 grams per tonne gold and 27.0 grams per tonne silver, based on a 1.5 percent copper cut-off.

2. The results of independent mineralogy studies with metallurgical benchmarking (see news release dated November 19, 2009) demonstrated coarse grained mineralogy and the likelihood that the Palmer mineralization will yield good recoveries with high grade concentrates at relatively low milling cost.

3. The Company completed a non-brokered private placement for $1,400,000 in November 2009. Additionally, in January 2010 the Company received $2,405,000 from the exercise of 12,025,000 warrants at $0.20.

Palmer Project Exploration (southeast Alaska)

The Company's principal asset is the 100% controlled Palmer polymetallic massive sulphide project in Alaska. 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 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 kilometre 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.

- Recent 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 (see News Release #49-09, November 19, 2009).

- 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 deep sea port facilities at Haines, Alaska.

2009 First Quarter Palmer Exploration Highlights

Preliminary, metallurgical focused mineralogical work and metallurgical benchmarking was completed on six core samples of South Wall Zones I and II mineralization at the Company's Palmer project. The samples represent the range of dominant mineralization types recognized in drilling to date and the results of the test work are used to better define cut-off grades for the initial National Instrument 43-101 compliant South Wall and RW resource estimate that was filed on March 8, 2010 and is now available on SEDAR. The test work was done by SGS Vancouver Advanced Mineralogy Facility in association with SGS Lakefield Research Limited, and included high definition mineralogical analysis utilizing QEMSCAN™ technology. The work was completed on two size fractions for each sample and provides identification of the main ore and gangue minerals, estimation of grain sizes, deportment of copper, zinc and lead between the identified mineral phases, and liberation and locking information of the ore minerals. Highlights of the benchmarking report are summarized below (for more details and discussion see news release NR #49-09, November 19, 2009).The complete SGS report on this work is posted on the Constantine website at www.constantinemetals.com under the Palmer Project.

- Mineralization is relatively coarse grained and from a process perspective a coarse primary grind (150-200 microns) is predicted. A coarse regrind or potentially no regrind on the copper and zinc concentrates is also predicted.

- Based on benchmarking the mineralogical analysis against projects with known metallurgy, four samples representing the main styles of copper mineralization (sample head grades of 2.76 percent to 5.70 percent copper) have projected copper recoveries in the range of 87 percent to 93 percent, to a concentrate grade of 27 percent to 30 percent.

- Four samples representing the main styles of zinc mineralization (sample head grades of 8.15 percent to 15.45 percent zinc) have projected zinc recoveries in the 90 percent range, to a concentrate grade of approximately 55 percent.

- Projected zinc recoveries could not be made for two samples of copper dominant mineralization as they contained too little zinc to make a concentrate; projected copper recoveries for two samples of zinc dominant mineralization with lower grade copper are estimated at approximately 75 percent to a concentrate of approximately 25 percent.

QEMSCAN™ is an acronym for Quantitative Evaluation of Materials by Scanning Electron Microscopy and has been shown to be able to reliably predict what approximates to an optimal metallurgical flowsheet, as well as project trends in metallurgical response. For the most part, a rough target for metallurgy can be projected. However, this can be risky from QEMSCAN™ analysis alone QEMSCAN™ data should not be used as a substitute for flotation test work data obtained from a properly structured flotation program. A flotation program for the Palmer Project will be designed based on the findings of this and possibly additional mineralogical work.

On January 20, 2010 (see news release NR #53-09) the Company reported the first NI43-101 compliant resource for the Palmer project. The resource estimate, prepared by independent consultant Mr. Gary Giroux, P.Eng. of Giroux Consultants Limited, is for the RW and South Wall zones and is based on drill holes completed up to the end of 2009 and NSR (Net Smelter Return) formula utilizing recoveries based on metallurgical benchmarking discussed above.

The inferred resource estimate is tabulated below for a range of both NSR (Net Smelter Return) and copper cut-off grades.

Cutoff NSR(i) US$	Tonnes	Grade				
		Cu (%)	Zn (%)	Pb (%)	Au (g/t)	Ag (g/t)
50.00	4,750,000	1.84	4.57	0.15	0.28	29.1
75.00	4,120,000	2.01	4.79	0.16	0.30	30.5
100.00	3,000,000	2.31	5.14	0.17	0.33	33.3

(i) NSR equals (US$36.87 x Cu% + US$9.54 x Zn% + US$11.12 x Au g/t + US$0.18 x Ag g/t). NSR formula is based on assumed values for offsite costs, metal recovery, and metal prices. Offsite costs include transportation of concentrate, smelter treatment charges, and refining charges. Assumed metal prices are US$700/oz for gold (Au), US$12/oz for silver (Ag), US$2.25/lb for copper (Cu), and US$0.85/lb for zinc (Zn), with estimated metal recoveries of 55%, 55%, 90%, and 90% respectively.

Cutoff Cu (%)	Tonnes	Grade				
		Cu (%)	Zn (%)	Pb (%)	Au (g/t)	Ag (g/t)
1.00	3,560,000	2.24	4.25	0.14	0.30	28.8
1.50	2,520,000	2.65	3.71	0.11	0.29	27.0
2.00	1,650,000	3.13	3.19	0.09	0.31	26.9

Readers are cautioned that mineral resources that are not mineral reserves do not have demonstrated economic viability. Additional technical disclosure regarding data verification, exploration including drilling, quality assurance and quality control measures, geological information, analytical and testing procedures and true widths may be found in an updated NI43-101 report titled “Palmer VMS project, southeast Alaska – Mineral Resource Estimation and Exploration Update” by Charles J. Greig (P.Geo) and Gary H. Giroux (P.Eng) that was filed with the Exchange in early March 2010 and is now available on SEDAR.

The South Wall and RW inferred resources are open along strike and down dip. Future drilling will be designed to expand the known resources and to upgrade and refine the categorization of this initial inferred resource estimate.

Ontario Projects

Constantine controls 100% interest in two gold projects including the famous high-grade past-producing Croesus Gold Mine located along the north side of the Porcupine Destor Fault zone approximately 75 kilometers east of the center of the Timmins gold camp. Although the current focus of exploration is on the Palmer base metal discoveries, the Ontario properties are important assets of the Company that provide exposure to high grade gold exploration potential and year round exploration where management has strong familiarity and expertise.

Munro-Croesus Project (Ontario)

The Munro-Croesus property includes the formerly producing Croesus mine, known to have produced some of the highest grade gold ever mined in Ontario. The Company completed two drilling campaigns on the property in early 2008 and early 2009 for a total of 2,864 meters. The drilling was directed to locate the faulted extension of the high-grade Croesus gold vein in the south offset fault block and to follow up a new footwall zone of high-grade gold mineralization (12.2 g/t gold over 0.46m) discovered under the historic mine workings in the 2008 drill program. The dip of the new footwall zone is consistent with the dip of the very high-grade mined out Croesus vein, suggesting that it is a parallel and related zone that requires detailed drilling where it is projected to cross the more favourable carbon-rich sulphidic phase of the Croesus flow rocks.

Four Corners Gold Property (Ontario)

In February 2008 Constantine finalized an option agreement to acquire a 100% interest in the 65 claim Four Corners property located 1.2 kilometres east of the Munro Croesus property. The acquisition straddles the area between the prolific Porcupine Destor Fault Zone (PDDZ) and the Pipestone Fault Zone, within the same sequence of rocks 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 kilometres to the east.   2010 plans for the Four Corners project are discussed below.

Future Exploration Plans

The Company is currently formulating plans for a Palmer drill program with two to three drills during the period from May to October, 2010. The objective of the program is to expand the January 20, 2010 NI43-101 compliant resource. Results of all previous drilling combined with downhole geophysical results and interpretations from the resource model are being used to plan the program. The successful application of downhole geophysics in the 2009 drill program highlighted the need to do additional surface geophysics on selected parts of the property, in particular the MHC prospect, Cap prospect, downdip RW and the South Wall grid. This work is being planned during the early part of the 2010 program. More mineralogical work and the first metallurgical flotation work is being considered post-2010 drilling. An environmental permitting plan and schedule is being put in place that may be used to evaluate a future underground exploration program.

Some downhole geophysics is being scheduled for the Munro Croesus mine area. Discussions with several geophysical groups suggest that downhole geophysics may be able to detect very high grade, but small lenses of the spectacular high-grade gold that was mined historically from the Croesus Mine with drill holes spaced 10-15 meters apart. An orientation program is being planned using the existing holes. The geological and structural controls on the high-grade Croesus gold are very specific and localized, allowing this kind of approach. Detailed exploration for very small targets is justified at Croesus because of the exceptionally high-value of the bonanza grade ore shoots historically mined (e.g. 5,000 to 15,000 ounces per tonne).

Re-logging and re-sampling of some historic Four Corners drill holes is planned for the late spring, 2010 in conjunction with the surface examination of an historic showing in the northwest corner of the property.

The Company is formulating plans for exploration drilling on the Ontario gold projects. Timing of this drilling is now tentatively planned for October-November 2010.

Results of Operations

In the first quarter of the fiscal year, the Company completed demobilization of the summer drill program and completed analysis of results from the Palmer Project. Expenditures of $55,732 were incurred on the Palmer project during the quarter.

Expenses for the first quarter (excluding non-cash stock based compensation) increased compared to the same period last year, from $105,950 to $210,286. The increase was due to increased consulting fees and general and administrative costs, both related to the larger scope of the Company's corporate and project operations.

In the first quarter of the fiscal year, the Company incurred stock based compensation expense of $17,100 (2009 - $119,530) in regard to options granted in 2009.

Investor relations costs of $17,248 (2009 - $4,450) increased compared to the same period last year as the Company continued to commit greater resources to investor relations and communications to the financial community.

Subsequent to the end of the quarter, in February 2010 the Company issued 25,000 shares and paid $20,000 to maintain its option agreement on the Four Corners property.

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, 2010	$ (222,839)	$ (0.01)
October 31, 2009	(241,637)	(0.01)
July 31, 2009	(524,821)	(0.01)
April 30, 2009	(166,409)	(0.01)
January 31, 2009	(225,028)	(0.01)
October 31, 2008	(180,580)	(0.01)
July 31, 2008	(100,971)	(0.01)
April 30, 2008	(100,413)	(0.01)

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, 2010 was $3,724,441 (2009 - $488,419). The Company's increased cash balance was the result of completing a $1.4 million private placement in November 2009 and raising an additional $2,405,000 through the exercise of $0.20 warrants in January 2010. The Company's cash position as of the date of this report is $3,784,000. The Company's working capital position at January 31, 2010 was $3,757,216 (2009 - $498,957).

At this time, the Company has no material commitments for capital expenditures. For 2010, holding costs for the Palmer project are estimated at approximately $100,000 and for the Ontario properties at approximately $25,000.

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 planned exploration work and ongoing operating expenditures. Actual funding requirements may vary from those planned due to a number of factors, including the timing and progress of exploration activities.

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 year as follows:

Management and technical fees paid or accrued to companies owned by directors	$	12,049
Consulting fees paid to officers		28,650
Accounting and administration fees paid or accrued to a company 50% owned by an officer of the Company		15,000
	$	55,699

Critical Accounting Estimates

The most significant accounting estimate for the Company relates to the carrying value of its mineral property assets. All deferred mineral property expenditures are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell or otherwise realize net cash flows from the property for an amount exceeding the deferred costs, a provision is made for the impairment of value.

Management's estimates of mineral prices and operating, capital and reclamation costs are subject to certain risks and uncertainties which may affect the recoverability of mineral property costs. Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flow to be generated from its properties.

Another significant accounting estimate relates to accounting for stock-based compensation. The Company uses the Black-Scholes Option Pricing Model. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimates, and therefore the existing models no not necessarily provide a reliable single measure of the fair value of the Company's stock options granted/vested during the year.

Estimates are also used in the determination of valuation allowances for future income tax assets. Management has made its best estimate of such allowances, however actual results may differ from those estimates and would impact future results of operations and cash flows.

Summary of Outstanding Share Data

As of the date of this report, the Company has 80,155,522 shares outstanding.

The following warrants and stock options are outstanding as of the date of this report:

		Price per Share	Expiry Date
Warrants	213,750	$0.30	Nov. 24, 2010
Warrants	3,606,875	$0.30	Nov. 24, 2011
Stock options	1,425,000	$0.40	May 11, 2011
Stock options	390,000	$0.57	Feb. 13, 2013
Stock options	1,175,000	$0.13	Jan. 12, 2014
Stock options	2,200,000	$0.235	Oct. 27, 2014
	22,010,625		

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of November 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended October 31, 2011.

The Company has commenced a review of the Canadian equivalents to IFRS. At this stage in the transition project, a small number of areas have been identified that may have an impact on the Company's financial statements. The Company expects there may be changes with respect to accounting policies on deferred development expenditures and foreign currency translation. The Company has not developed an IFRS changeover plan at January 31, 2010, however management has completed an initial diagnostic and review. As the review of Canadian GAAP equivalents to IFRS proceeds, other areas may be identified that impact on the financial statements of the Company. It should be noted that Canadian GAAP to IFRS may be amended prior to mandatory adoption.

Management has considered the differences between Canadian GAAP and IFRS as they impact Constantine. The review to date has found that there are likely to be no material differences to the majority of line items appearing in the Constantine balance sheet and income statement from what has been reported under Canadian GAAP if the recognition and measurement provisions of IFRS were applied. It should be noted that, in making this assessment, a full conversion exercise considering every recognition, measurement, presentation and disclosure differences that exists between the two bases of accounting (i.e. Canadian GAAP and IFRS) has not been completed.

The specific areas where no applicable differences in recognition and measurement have been identified between IFRS and Canadian GAAP are cash, receivables, trade and other payables and capital lease obligations.

Forward-Looking Statements

Some of the statements in this document constitute “forward looking statements”. Where Constantine expresses an expectation or belief as to future events or results, including management plans and objectives, and projections of exploration results, such expectation or belief is expressed in good faith and is believed to have a reasonable basis. The Company makes no representation that reasonable business people in possession of the same information would reach the same conclusions. While these statements represent our best current judgment, they are subject to risks and uncertainties that could cause actual results to vary, the specifics of which are detailed in disclosures with the heading “Risk Factors” in the Company’s periodic filings with securities regulators. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Forward-looking statements in this MD&A are made as of the date of this MD&A or, in the case of documents incorporated by reference herein, as of the date of such documents, and Constantine does not assume the obligation to update any forward looking statement.

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 rich 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 Ontario, Canada. While the political climate in Alaska 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 Project). As such laws are subject to change, the Company carefully monitors proposed and potential changes and management believes the Company remains in compliance with current environmental regulations in the relevant jurisdictions.

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. As at January 31, 2010, the Company had a cash balance of $3,724,441 to settle current liabilities of $43,284. 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 due to related parties approximate their fair values due to 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.

Other

Mr. Darwin Green, vice-president of the Company and a Qualified Person, has reviewed and approved the technical information contained in this report.

Additional information about the Company may be found on the SEDAR website at www.sedar.com and on its website at www.constantinemetals.com.

CORPORATE DIRECTORY

DIRECTORS

J. Garfield MacVeigh
K. Wayne Livingstone *
Brian C. Irwin *
David W. Adamson *
Tara M. Christie

***** Audit Committee Members

OFFICERS

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Aris Morfopoulos, Chief Financial Officer and Secretary
Darwin Green, V.P. Exploration

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