Consolidated Financial Statements of

CONSTANTINE METAL RESOURCES LTD.

For the 6 months ended April 30, 2010 and 2009

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.

Consolidated Balance Sheet
Interim Unaudited – Prepared by Management
As at April 30, 2010 and October 31, 2009

	April 30 2010	October 31 2009
Assets		
Current assets:		
Cash and cash equivalents	**$ 3,205,042**	$ 372,729
Accounts receivable	**17,365**	35,783
Prepaid expenses	**216,462**	32,397
	3,438,869	440,909
Mineral properties (Schedule, Note 3)	**9,604,529**	9,440,541
Fixed assets	**5,187**	5,759
	$ 13,048,585	$ 9,887,209
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 23,621**	$ 215,086
Due to related parties (Note 5)	**-**	4,272
	$ 23,621	$ 219,358
Shareholders' equity		
Share capital (Note 4)	**14,346,440**	10,573,725
Contributed surplus (Note 4)	**1,319,315**	1,254,038
Deficit	**(2,640,791)**	(2,159,912)
	$ 13,024,964	$ 9,667,851
	$ 13,048,585	$ 9,887,209

Subsequent Events – Note 8

See accompanying notes to financial statements.

Consolidated Statement of Operations and Deficit
Interim Unaudited – Prepared by Management
For the 3 months and 6 months ended April 30, 2010 and 2009

	three months ended		six months ended	
	April 30 2010	April 30 2009	**April 30 2010**	April 30 2009
Interest income	**$ 2,132**	$ 72	**$ 2,132**	$ 298
Expenses:				
Amortization	**356**	141	**572**	281
Consulting	**35,757**	-	**70,657**	-
General and administrative	**122,150**	54,828	**214,602**	93,484
General exploration	**-**	10,352	**-**	10,352
Insurance	**9,499**	5,093	**16,987**	8,093
Interest	**728**	8,919	**728**	8,919
Investor relations	**27,263**	10,144	**44,797**	14,594
Legal	**12,886**	6,407	**13,819**	6,407
Management fees	**3,000**	3,000	**6,000**	6,000
Professional fees – audit	**8,900**	9,300	**11,900**	12,300
Payroll expenses	**34,857**	35,347	**68,653**	69,143
Rent	**3,890**	4,746	**8,560**	9,037
Shareholder communications	**(27)**	3,000	**5,554**	3,000
Stock based compensation (Note 4c)	**15,193**	1,908	**32,293**	121,438
Travel	**12,002**	7,957	**18,719**	23,574
	286,454	161,142	**513,841**	386,622
Loss before Other Items	**$ (284,322)**	$ (161,070)	**$ (511,709)**	$ (386,324)
Foreign exchange gain (loss)	**26,282**	(5,411)	**30,830**	(5,411)
Loss for the period	**(258,040)**	(166,481)	**(480,879)**	(391,735)
Deficit, beginning of period	**(2,382,751)**	(1,568,129)	**(2,159,912)**	(1,342,875)
Deficit, end of period	**$ (2,640,791)**	(1,734,610)	**$ (2,640,791)**	$ (1,734,610)
Loss per share	**$ (0.01)**	$ (0.01)	**$ (0.01)**	$ (0.01)
Weighted average number of common shares outstanding	**74,225,322**	34,363,982	**74,225,322**	34,363,982

See accompanying notes to financial statements.

CONSTANTINE metal resources ltd.

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

	three months ended		six months ended	
	April 30 2010	April 30 2009	**April 30 2010**	April 30 2009
Cash provided by (used in):				
Operations:				
Loss for the period	**$ (258,040)**	$ (166,481)	**$ (480,879)**	$ (391,735)
Amortization	**357**	140	**572**	280
Stock-based compensation	**15,193**	1,908	**32,293**	121,438
Changes in non-cash working capital accounts:				
Accounts receivable	**33,217**	46,562	**18,421**	74,154
Accounts payable	**(19,663)**	(6,929)	**(191,465)**	(22,198)
Due to related parties			**(4,272)**	-
Prepaid expenses	**(190,985)**	3,000	**(184,065)**	6,000
	(419,921)	(121,800)	**(809,395)**	(212,061)
Investing activities:				
Mineral property expenditures (Schedule, Note 3)	**(99,478)**	(180,147)	**(158,738)**	(481,989)
	(519,399)	(301,947)	**(968,133)**	(694,050)
Financing activities:				
Private placement proceeds (Note 4a)	**-**	-	**1,400,000**	300,000
Less: share issuance costs paid in cash	**-**	(78)	**(11,867)**	(8,043)
Stock options exercised	**-**	-	**7,313**	-
Warrants exercised	**-**	-	**2,405,000**	-
	-	(78)	3,800,446	291,957
Increase (decrease) in cash	**$ (519,399)**	$ (302,025)	**$ 2,832,313**	$ (402,093)
Cash, beginning of period	**3,724,441**	488,419	**372,729**	588,487
Cash, end of period	**$ 3,205,042**	$ 186,394	**$ 3,205,042**	$ 186,394

Supplemental Disclosure of Non-Cash Financing Activity:

Value of shares issued for mineral properties	**$ 5,250**	$ 10,200	**$ 5,250**	$ 10,200
Shares issued for finder's fees	**$ -**	$ -	**$ 52,200**	$ -
Interest paid	**$ -**	$ 8,919	**$ -**	$ 8,919
Warrants issued for finder's fee	**$ -**	$ -	**$ 32,984**	$ -
Income taxes paid	**$ -**	$ -	**$ -**	$ -
Accounts payable related to mineral properties	**$ 2,906**	$ -	**$ 2,906**	$ -

See accompanying notes to financial statements.

Schedule of Deferred Mineral Property Costs
Interim Unaudited – Prepared by Management
For the 6 months ended April 30, 2010

	Balance Oct 31, 2008	Fiscal 2009 Expenditures	Balance, October 31 2009	Fiscal 2010 Expenditures	**Balance, April 30 2010**
Palmer Property, Alaska, USA (Note 3a)					
Acquisition costs	$ 878,712	$ -	$ 878,712	$ -	**$ 878,712**
Advance royalty payments	114,166	49,237	163,403	22,432	**185,835**
Alaska labour	-	167,724	167,724	1,494	**169,218**
Prop. acquisition & maint. cost	-	9,598	9,598	-	**9,598**
Assaying and testing	91,563	51,061	142,624	3,715	**146,339**
Field transportation	1,249,857	597,287	1,847,144	-	**1,847,144**
Geophysics	39,012	87,760	126,772	12,074	**138,846**
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	6,750	**1,210,041**
Technical consulting	257,373	318,267	575,640	68,723	**644,363**
Travel	51,983	37,072	89,055	23,460	**112,515**
	$ 5,379,416	$ 2,674,447	$ 8,053,863	$ 130,977	**$ 8,184,840**
Munro-Croesus Property, Ontario, Canada (Note 3b)					
Acquisition costs	428,915	4,860	433,775	1,516	**435,291**
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	4,475	**149,185**
	$ 856,298	$ 398,295	$ 1,254,593	7,761	**$ 1,262,354**
Four Corners Property, Ontario, Canada (Note 3c)					
Acquisition costs	24,581	18,600	43,181	25,250	**68,431**
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	25,250	**$ 157,335**
Total Mineral Property Costs	$ 6,302,814	$ 3,137,727	$ 9,440,541	163,988	**$ 9,604,529**

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 April 30, 2010, the Company has incurred losses since inception and has an accumulated operating deficit of $2,640,791. 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 Accounting Standards Board confirmed that International Financial Reporting Standards (IFRS) will replace Canadian GAAP for publicly accountable enterprises for financial periods beginning on and after January 1, 2011. The Company's first mandatory filing under IFRS, which will be the quarterly period beginning November 1, 2011, will contain IFRS-compliant information on a comparative basis, as well as reconciliations for that quarter and as at the November 1, 2010 transition date. Although IFRS uses a conceptual framework similar to Canadian GAAP, there are significant differences in recognition, measurement and disclosure. The Company is considering a plan for IFRS convergence and has started the assessment process. Detailed analysis of the differences between IFRS and the Company's accounting policies and assessment of the various alternatives for first time adoption of IFRS are in progress.

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 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 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.

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.

In February 2010, $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 5b).

4. 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	-
Shares issued for mineral property	25,000	5,250	-
Stock option compensation	-	-	32,293
Balance – April 30, 2010	80,115,522	$ 14,346,440	$ 1,319,315

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.

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.

On February 24, 2010 the Company issued 25,000 shares at a deemed price of $0.21 per share as part of a property option payment on the Four Corners mineral property.

b) 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 April 30, 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

c) 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 April 30, 2010 is as follows:

	Six Months ended April 30, 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
Exercised	(75,000)	0.13	-	-
Granted	-	-	3,450,000	0.20
Balance, end of period	5,190,000	$ 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, April 30, 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 $32,293 of stock compensation expense in connection with the stock options vested during the period ended April 30, 2010.

5. Related Party Transactions

The following represents the details of related party transactions paid or accrued during the year ended April 30, 2010:

		2010	2009
Management and technical fees paid or accrued to a company owned by a director	$	21,014	33,572
Consulting fees and wages paid to an officer		62,150	106,500
Accounting and administration fees paid or accrued to a company 50% owned by an officer of the Company		30,000	30,000
	$	113,164	170,072

At April 30, 2010 there were no amounts payable to related parties.

6. 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.

7. Segmented Information

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

		April 30 2010
Canada	$	4,863,744
United States		8,184,841
Total	$	13,048,585

8. Subsequent Events

a) Trapper Lake, British Columbia, Mineral Property Agreement

Subsequent to April 30, 2010, the Company acquired an undivided 100% interest in 9 contiguous mining claims (3,756 hectares) in northern British Columbia called the Trapper Lake property.

In order to acquire a 100% interest in the project, the Company must make cash payments totaling $135,000 ($15,000 was paid upon signing the agreement) and issue 155,000 shares or pay $155,000 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% NSR royalty. The acquisition is subject to regulatory approval.

b) Phoenix Lake, Ontario, Mineral Property Agreement

Subsequent to April 30, 2010, the Company acquired an undivided 100% interest in 35 claims (8,304 hectares) in northern Ontario, 75 kilometers from the Timmins gold camp, called the Phoenix Lake property.

In order to acquire a 100% interest in the project, the Company must cover staking costs and make cash payments totaling $75,000 ($15,000 was paid upon signing the agreement) plus 90,000 shares or $90,000 cash at the Company's election over a four 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% NSR royalty. The acquisition is subject to regulatory approval.

Management Discussion and Analysis
For the six months ended April 30, 2010

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 consolidated financial statements of the Company, including the notes thereto, for the six months ended April 30, 2010 and 2009 (the "financial statements"), which are prepared in accordance with Canadian generally accepted accounting principles for interim financial statements, and the annual audited financial statements and MD&A for the year ended October 31, 2008. This MD&A has taken into account information available up to and including June 25, 2010.

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 HIGHLIGHTS

1. During the six months ended April 30, 2010, Constantine reviewed geophysical data for drill targets and finalized plans for the upcoming Palmer surface exploration and drilling that is now underway. Drill contractors, geophysical contractors and helicopters contractors were selected for the Palmer program. Funding for an aggressive Palmer drill program is in place as a result of a $1,400,000 Q1 non-brokered private placement and the exercise of 12,025,000, $0.20 warrants in January 2010 for proceeds of $2,405,000.

2. Constantine announced the start of its 2010 Palmer exploration program (see news release dated June1, 2010). The 2010 exploration program will include two drill rigs and initial plans of 7,500 meters of drilling in approximately 20 holes. Drilling during this phase is focused on expanding the deposit, which consists of several zones that are open to expansion. In addition to drilling, the 2010 program will include both surface and downhole electro-magnetic (EM) geophysical surveys. Surface-based EM survey work will total approximately 40 line-kilometers and cover areas immediately along trend from the currently defined deposit and several other well mineralized prospects known to occur on the property.

3. The Company signed an agreement to acquire an undivided 100% interest in 9 contiguous mining claims (3,756 hectares) that make up the Trapper Lake property, located in the Atlin Mining Division in northern British Columbia (see news release dated May 18th, 2010). The Property covers a very

large gold-in-soil anomaly that has yet to be drill tested. The gold anomaly has been established with more than 900 soil samples defining a greater than one kilometer long zone that averages 100 to 200 meters in width and remains open ended along strike.

4. The recently signed Phoenix Lake property agreement (see news release dated June 22, 2010) allows Constantine to earn a 100% interest in 35 claims (519 units ~8304 hectares) located 75 kilometers south of the Timmins gold camp. The claims were staked based on recently released Ontario geological survey airborne magnetic maps that indicate possible westerly extensions of the Matachewan-Kirkland-Larder Lake Break that is associated with Matachewan and Kirkland-Larder Lake gold camps.

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

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

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

Gold Projects

Constantine controls 100% interest in four 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. The Phoenix Lake gold project in the south Timmins area, Ontario and the Trapper Lake project, northern British Columbia, are 100% acquisitions completed subsequent to the end of the period ended April 30, 2010. Although the current focus of exploration is on the Palmer base metal discoveries, the gold properties are important assets of the Company that provide exposure to high quality gold exploration targets.

Munro-Croesus Project (Ontario)

The Munro Croesus property and the Four Corners property located 1.2 kilometers east of Munro Croesus are together referred to as the Munro Croesus Project.

Munro Croesus Property

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

Constantine has an option agreement in place for the acquisition of a 100% interest in the 65 claim Four Corners property located 1.2 kilometers east of the Munro Croesus property which together are referred to as the Munro Croesus gold project. The Four Corners property straddles the area between the prolific Porcupine Destor Fault Zone (PDDZ) and the Pipestone Fault Zone, and within the same structural corridor that hosts the high-grade Croesus Mine to the west and the > 2.0 million ounce combined production from the past producing Holt-McDermott and Holloway Mines located 25 kilometers to the east. The Company's 2010 plans for the Four Corners project are discussed below.

Phoenix Lake Gold Project (Ontario)

The Phoenix Lake property agreement allows Constantine to earn a 100% interest in 35 claims (519 units ~8304 hectares) located 75 kilometers south of the Timmins gold camp. The claims were staked based on recently released Ontario geological survey airborne magnetic maps that indicate possible westerly extensions of the Matachewan-Kirkland-Larder Lake Break that is associated with Matachewan and Kirkland-Larder Lake gold camps. Favourable Tisdale Group volcanic rocks underlie the property, including several areas of ultramafic rocks that may play an important part in localizing gold deposits near or along fundamental structural breaks or deformation zones.

Trapper Lake Gold Project (British Columbia)

The Company signed an agreement to acquire an undivided 100% interest in 9 contiguous mining claims (3,756 hectares) that make up the Trapper Lake property (see news release dated May 18, 2010), located in the Atlin Mining Division in northern British Columbia. The Property lies 45 km north of the

Golden Bear mine road, accessed from Dease Lake and 200 km south of the Yukon-BC border. The Property covers a very large gold-in-soil anomaly that has yet to be drill tested. The gold anomaly has been established with more than 900 soil samples defining a greater than one kilometer long zone that averages 100 to 200 meters in width and remains open ended along strike (see figure posted to website release) . The gold anomaly is associated with mafic volcanic rocks assigned to the Triassic aged Stuhinni Group that are intruded by diorite and dacitic feldspar porphyry stocks. Extensive iron carbonate-silica alteration suggests that the soil anomaly is associated with a robust large scale hydrothermal system.

Exploration Plans

Palmer Project - Alaska

The 2010 exploration program is underway with two drill rigs and initial plans for 7,500 meters of drilling in approximately 20 holes. The objective of the drill program is to expand the January 20, 2010 NI43-101 compliant resource which consists of several zones all open to expansion. In addition to drilling, the 2010 program includes both surface and downhole electro-magnetic (EM) geophysical surveys. Surface-based EM survey work will total approximately 40 line-kilometers and cover areas immediately along trend from the currently defined deposit, as well as several other well mineralized prospects known to occur on the property. 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.

Munro Croesus Project – Ontario

At the Munro Croesus gold property some downhole geophysics is being scheduled for the 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). Drilling on the Croesus property is tentatively planned for October – November 2010.

Previous drill core from the Four Corners property is being collected from various locations to a central storage area. The core is being re-logged with additional sampling where warranted. Follow-up work will be based on previously completed surface and airborne geophysical work, relogging of drill core and surface examination of limited outcrop areas on the property.

Phoenix Lake Project - Ontario

Initial work on Phoenix Lake will include compilation of previous assessment work followed up by surface prospecting and selected areas for geological mapping.

Trapper Lake Project – British Columbia

The one kilometer long by 100 to 200m wide gold in soil anomaly requires more sampling to determine the full extent of the anomaly. A report written in compliance with National Instrument 43-101 also recommends an induced polarization (IP) survey because of the apparent association of gold with sulphide mineralization.

Results of Operations

In the six months ended April 30, 2010, the Company incurred expenditures of $163,988 on its mineral properties. The majority of those expenditures ($130,977) were incurred on the Palmer project, as the Company analyzed and reviewed the drilling and geophysical data collected last year and formulated its exploration plan for 2010. Mineral properties costs for the period also included $25,250 in option payments of cash ($20,000) and stock (deemed value: $5,250) in order to maintain the Company's option on the Four Corners property in Ontario.

Expenses for the six months ended April 30, 2010, including non-cash stock based compensation costs of $32,293 (2009-$121,438), increased compared to the same period last year, from $386,622 to $513,841. 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.

Investor relations costs of $44,797 (2009-$14,594) 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.

Summary of Quarterly Results

In the quarter ended April 30, 2009, the Company incurred expenditures of $104,730 (2009-$190,348) on its three mineral properties: the Palmer project in Alaska; and the Munro-Croesus property and Four Corner properties in Ontario. Of this amount, $75,246 was spent on the Palmer project, primarily on consulting costs, as the Company analyzed data and prepared drill plans for the upcoming drill program. An amount of 25,250 of the total mineral property expenditures was incurred for the option payment made on the Four Corners property during the quarter.

The Company incurred a loss of $258,040 (2009-$166,409) for the quarter. General and administrative costs of $122,150 (2009-$54,828) were the largest component of expenses and were substantially higher than the same period last year, due to larger scope of the Company's operations and activities this year. Investor relations expense of $27,263 (2009-$10,144) during the quarter were anticipated and will remain higher than last year as the Company continues to maintain a higher investor relations profile than in the previous year.

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
April 30, 2010	$(258,040)	$(0.01)
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)

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 April 30, 2010 was $3,205,042 (2009-$186,394). The Company's higher 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 $2.5 million. The Company's working capital position at April 30, 2010 was $3,415,248 (2009-$154,299).

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. Expenditures on the Palmer project in Alaska are being monitored closely, and the current proposed 7,500 meter drill program may be reduced unless additional financing is obtained by the Company.

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 period ended April 30, 2010 as follows:

Management and technical fees paid or accrued to companies owned by directors	$	21,014
Consulting fees paid to officers		62,150
Accounting and administration fees paid or accrued to a company 50% owned by an officer of the Company		30,000
	$	113,164

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
	9,010,625		

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. As of this date, the Company is still considering an IFRS changeover plan, and 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

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

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

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These statements are based on a number of assumptions and factors, including assumptions regarding general market conditions; future prices of gold and other metals; possible variations in ore resources, grade or recovery rates; actual results of current exploration activities; actual results of current reclamation activities; conclusions of future economic evaluations; changes in project parameters as plans continue to be refined; failure of plant, equipment, or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; risks related to joint venture operations; timing and receipt of regulatory approvals of operations; the ability of the Company and other relevant parties to satisfy regulatory requirements; the availability of financing for proposed transactions and programs on reasonable terms; the ability of third-party service providers to deliver services on reasonable terms and in a timely manner; and delays in the completion of development or construction activities. Other factors that could cause the actual results to differ include market prices, results of exploration, availability of capital and financing on acceptable terms, inability to obtain required regulatory approvals, unanticipated difficulties or costs in any rehabilitation which may be necessary, market conditions and general business, economic, competitive, political and social conditions. Additional factors are discussed in the Company’s October 31, 2009 MD&A, filed on SEDAR, at www.sedar.com, in the sections titled “*Risk Factors”*. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, there may be other factors which cause actual results to differ. Significant additional drilling is required by the Company at its Palmer property to fully understand the system size before a meaningful resource can be calculated and completed. Accordingly, readers should not place undue reliance on forward-looking statements.

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

Risk Factors

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

Industry

Exploring and developing mineral resource projects bears a high potential for all manner of risks.

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

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

Metal Prices

The principal activity of the Company is the exploration and development of precious metal 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 April 30, 2010, the Company had a cash balance of $3,205,042 to settle current liabilities of $23,621. 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.