

Consolidated Interim Unaudited Financial Statements of

CONSTANTINE METAL RESOURCES LTD.

For the 3 month period ended January 31, 2008

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.

CONSTANTINE METAL RESOURCES LTD.
Consolidated Balance Sheet
(Interim Unaudited – Prepared by Management)
As at January 31, 2008 and October 31, 2007

| | January 31 | October 31 |
|--|---------------------|---------------------|
| | 2008 | 2007 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 1,558,413 | \$ 1,274,643 |
| Accounts receivable | 32,888 | 23,390 |
| Prepaid expenses | 15,820 | 13,742 |
| | 1,607,121 | 1,311,775 |
| Equipment | 2,749 | 2,889 |
| Mineral properties (Schedule, Note 4) | 3,422,577 | 3,278,368 |
| | \$ 5,032,447 | \$ 4,593,032 |
| Liabilities | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | \$ 60,928 | \$ 79,110 |
| Shareholders' equity | | |
| Share capital (Note 5a) | 5,310,290 | 4,771,758 |
| Contributed surplus | 604,055 | 604,055 |
| Deficit | (942,826) | (861,891) |
| | 4,971,519 | 4,513,922 |
| | \$ 5,032,447 | \$ 4,593,032 |

See accompanying notes to financial statements.

CONSTANTINE METAL RESOURCES LTD.
Consolidated Statement of Operations and Deficit
(Interim Unaudited – Prepared by Management)
For the 3 months ended January 31, 2008 and 2007

| | Jan 31 2008 | Jan 31 2007 |
|---|------------------------|------------------------|
| Interest income | \$ 14,659 | \$ 9,096 |
| Expenses: | | |
| Amortization | 140 | - |
| General and administrative | 26,095 | 9,029 |
| Insurance | 7,000 | - |
| Investor relations | 16,000 | - |
| Legal | 9,538 | - |
| Management fees | 23,250 | 3,000 |
| Min. prop. Investigation | 1,375 | - |
| Professional fees – audit | - | 790 |
| Payroll expenses | 11,796 | - |
| Rent | 9,185 | 2,913 |
| Shareholder communication | 8,220 | - |
| Travel | 13,093 | - |
| | 125,692 | 15,732 |
| Loss before Other Income (expenses) | \$ (111,033) | \$ (6,636) |
| Foreign exchange gain | 30,098 | - |
| Loss for the period | (80,935) | (6,636) |
| Deficit, beginning of period | (861,891) | (503,074) |
| Deficit, end of period | \$ (942,826) | (509,710) |
| Loss per share | \$ <0.01 | <0.01 |
| Weighted average number of common shares outstanding | 20,052,102 | 14,790,153 |

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, 2008 and 2007

| | Jan 31 | Jan 31 |
|---|---------------------|---------------------|
| | 2008 | 2007 |
| Cash provided by (used in): | | |
| Operations: | | |
| Loss for the period | \$ (80,935) | \$ (6,636) |
| Amortization | 140 | - |
| Changes in non-cash working capital accounts: | | |
| Accounts receivable | (9,497) | (9,279) |
| Accounts payable | (18,182) | (88,663) |
| Prepaid expenses | (2,078) | 1,146 |
| | \$ (110,552) | \$ (103,432) |
| Investing activities: | | |
| Mineral property expenditures (Note 4) | (144,209) | (23,178) |
| | (144,209) | (126,610) |
| Financing activities: | | |
| Private placement shares issued (Note 5a) | 550,000 | - |
| Less: share issuance costs | (11,469) | - |
| | 538,531 | - |
| Increase (decrease) in cash | \$ 283,770 | \$ (126,610) |
| Cash, beginning of period | \$ 1,274,643 | \$ 1,543,169 |
| Cash, end of period | \$ 1,558,413 | \$ 1,416,559 |

See accompanying notes to financial statements.

CONSTANTINE METAL RESOURCES LTD.
Schedule of Deferred Mineral Property Costs
(Interim Unaudited – Prepared by Management)
For the 3 months ended January 31, 2008

| | Balance, October 31 2007 | Q1 2008 Expenditures | Balance, January 31 2008 |
|--|--------------------------------|----------------------------|--------------------------------|
| Palmer Property, Alaska, USA (Note 4a) | | | |
| Acquisition | \$ 878,712 | \$ - | \$ 878,712 |
| Advance royalty payments | 71,939 | 10,356 | 82,295 |
| Assaying and testing | 22,694 | 24,336 | 47,030 |
| Field transportation | 599,149 | 5,472 | 604,621 |
| Drilling | 605,654 | 18,927 | 624,581 |
| Property filing and maintenance fees | 95,982 | - | 95,982 |
| Other and miscellaneous | 411,165 | 20,443 | 431,608 |
| Technical consulting | 138,682 | 6,750 | 145,432 |
| Travel | 15,673 | 2,130 | 17,803 |
| Total | <u>\$ 2,839,650</u> | <u>\$ 88,414</u> | <u>\$ 2,928,064</u> |
| Munro-Croesus Property, Ontario, Canada (Note 4b) | | | |
| Acquisition costs | 427,091 | - | 427,091 |
| Travel | - | 3,946 | 3,946 |
| Other and miscellaneous | - | 1,665 | 1,665 |
| Technical consulting | 11,627 | 1,925 | 13,552 |
| Total | <u>\$ 438,718</u> | <u>\$ 7,536</u> | <u>\$ 446,254</u> |
| Four Corners Property, Ontario, Canada (Note 4c) | | | |
| Acquisition costs | - | 5,740 | 5,740 |
| Drilling | - | 34,235 | 34,235 |
| Travel | - | 252 | 252 |
| Technical consulting | - | 7,682 | 7,682 |
| Other and miscellaneous | - | 350 | 350 |
| Total | <u>\$ -</u> | <u>\$ 48,259</u> | <u>\$ 48,259</u> |
| Total Mineral Property Costs | <u>\$ 3,278,368</u> | <u>\$ 144,209</u> | <u>\$ 3,422,577</u> |

See accompanying notes to financial statements.

1. Nature of Operations

The Company was incorporated under the Business Corporations Act (British Columbia) on March 3, 2006 and was listed 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. 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.

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, Toquima North Ltd. ("Toquima North").

b) Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the period. Actual results could differ from these estimates.

c) Cash and cash equivalents

For purposes of reporting cash flows, the Company considers cash and cash equivalents to include amounts held in banks and highly liquid debt investments with remaining maturities at point of purchase of three months or less. The Company places its cash and cash investments with institutions of high credit worthiness. At times, such investments may be in excess of federal insurance limits.

d) Equipment and Leasehold Improvements

Equipment and leasehold improvements are recorded at cost. The Company provides for amortization on office equipment using the 20% declining balance method and straight-line method for leasehold improvements over the life of the lease, with half of this rate used in the year of acquisition.

e) Earnings (Loss) per Share

Basic earnings (loss) per share is computed by dividing income (or loss) attributable to common shareholders by the weighted average number of common shares outstanding during the period. The computation of diluted earnings per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share. The dilutive effect of convertible securities is reflected in diluted earnings per share by application of the "if converted" method. The dilutive effect of outstanding options and warrants and their equivalents are reflected in diluted earnings per share by application of the treasury stock method.

CONSTANTINE METAL RESOURCES LTD.
Notes to Consolidated Financial Statements
(Interim Unaudited – Prepared by Management)
For the 3 months ended January 31, 2008

f) Stock-Based Compensation

All stock-based awards made to employees and non-employees are measured and recognized using a fair value based method.

g) Foreign Currency Translation

The accounts of the Company's foreign operations have been translated into Canadian dollars as follows:

- Monetary assets and liabilities at year-end rates,
- All other assets and liabilities at historical rates, and
- Revenue and expense and exploration and development items at the average rate of exchange prevailing during the period.

Exchange gains and losses arising from these transactions are reflected in income or expense in the year that they occur.

h) Mineral Property Costs

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable.

Mineral exploration and development costs are capitalized on an individual prospect basis until such time as an economic ore body is defined or the prospect is abandoned. Costs for a producing prospect are amortized on a unit-of-production method based on the estimated life of the ore reserves, while costs for the prospects abandoned are written-off.

The recoverability of the amount capitalized for the undeveloped mineral properties is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to farm-out its resource properties, the ability to obtain the necessary financing to complete their development and future profitable production or proceeds from the disposition thereof.

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

i) Management's Estimates

The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reported years. Actual results could differ from those estimates.

3. Fair Value of Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and amounts due to related parties. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from

the financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

4. 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 Toquima North Ltd., in consideration for one common share at nominal value and the assumption of all intercorporate debt owing by Toquima 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 Toquima North.

The Palmer property is comprised of a 99 year mining lease, dated December 19, 1997, on 340 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 \$42,500 in 2006. 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.

The Company staked 27 state claims in the area of the Palmer property at nominal cost, which were recorded in December 2007.

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 deemed value of \$0.70 in consideration of the property assets acquired. A further 250,000 shares have been reserved for issuance to the vendor subject to confirmation of certain environmental conditions in the agreement. The vendor retains a 2% NSR production royalty of which 0.5% can be purchased by the Company for \$1,000,000, with a right of first refusal on the remaining 1.5% NSR production royalty.

c) Four Corners Property, Ontario

In January 2008 the Company signed a letter 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 \$5,000 has been paid) and issue 100,000 shares over a 3 year period. 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. At January 31, 2008 the acquisition had not closed (Note 8b).

CONSTANTINE METAL RESOURCES LTD.
Notes to Consolidated Financial Statements
(Interim Unaudited – Prepared by Management)
For the 3 months ended January 31, 2008

5. **Share Capital**

a) Details of share capital:

| | Shares | Amount | Contributed Surplus |
|---|-------------------|---------------------|------------------------|
| Authorized: | | | |
| Unlimited common shares without par value | | | |
| Issued: | | | |
| Balance – October 31, 2007 | 19,549,928 | \$ 4,771,758 | \$ 604,055 |
| Shares issued for flow-through private placement | 1,100,000 | 550,000 | - |
| Private placement share issuance costs | - | (11,648) | - |
| Balance – January 31, 2008 | <u>20,649,928</u> | <u>\$ 5,310,290</u> | <u>\$ 604,055</u> |

On December 24, 2007 the Company completed a \$550,000 flow-through private placement consisting of 1,100,000 shares at \$0.50 per share. The Company recorded total cash costs of \$11,648 with regard to the private placement.

b) Warrants

As at January 31, 2008, the following share purchase warrants were outstanding:

| Number | Price per Share | Expiry Date |
|-----------|-----------------|---------------|
| 1,475,000 | \$0.35 | July 31, 2008 |
| 2,868,000 | \$0.50 | July 31, 2008 |
| 2,124,077 | \$0.40 | July 6, 2009 |
| 6,467,077 | | |

c) Escrow Shares

As at January 31, 2008, 4,284,502 shares were held in escrow, which are being released over a three year term based on a predetermined schedule.

d) 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.

In January 2008, 200,000 share options at an exercise price of \$0.50 were cancelled.

CONSTANTINE METAL RESOURCES LTD.
Notes to Consolidated Financial Statements
(Interim Unaudited – Prepared by Management)
For the 3 months ended January 31, 2008

A summary of the Company's options outstanding as at January 31, 2008 is as follows:

| Number | Price per Share | Expiry Date |
|-----------|-----------------|--------------|
| 1,425,000 | \$0.40 | May 11, 2011 |

The following assumptions for used for the Black-Scholes option valuation for the options granted during the year ended October 31, 2006.

| | |
|----------------------------------|-------|
| Risk-free interest rate | 4.16% |
| Expected life of options in days | 1,825 |
| Annualized volatility | 98% |
| Dividend rate | 0.00 |

6. Related Party Transactions

The following represents the details of related party transactions paid or accrued during the period ended January 31, 2008:

| | |
|---|------------------|
| Management fees paid or accrued to a company owned by a director | \$ 4,000 |
| Consulting fees and wages paid to an officer | 36,300 |
| Accounting and administration fees paid or accrued to a company 50% owned by an officer of the Company | 15,000 |
| | \$ 55,300 |

7. Segmented Information

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

| | January 31 2008 |
|---------------|---------------------|
| Canada | \$ 2,104,384 |
| United States | 2,928,063 |
| Total | \$ 5,032,447 |

8. Subsequent Events

a) Stock Options Granted

In February 2008 the Company granted 390,000 stock options at an exercise price of \$0.57 per share and 200,000 stock options at an exercise price of \$0.60 per share to directors, officers, employees and consultants of the Company.

b) Four Corners Property Acquisition Closed

In February 2008 the Company completed the acquisition of the Four Corners property. As part of the acquisition cost, the Company paid \$10,000 cash and issued 10,000 shares at a deemed price of \$0.60 per share at closing.

CONSTANTINE METAL RESOURCES LTD.

MANAGEMENT DISCUSSION & ANALYSIS For the period ended January 31, 2008

FORM 51-102F1

March 25, 2008

This MD&A should be read in conjunction with the interim consolidated financial statements and notes for the year ended October 31, 2007, and includes information up to March 25, 2008. It is further assumed that the reader has access to the Company's audited consolidated financial statements for the year ended October 31, 2007.

Company Overview

Constantine Metal Resources Ltd. (the "Company", "Constantine") is an exploration stage company engaged in the exploration and development of a polymetallic massive sulphide exploration property in Alaska known as the Palmer Property, its principal project.

In 2007 the Company also acquired a mineral property in Ontario known as the Munro-Croesus property, which includes the historic Croesus gold mine. In January 2008 Constantine signed a letter agreement to acquire an additional 65 claim Ontario gold property very close to the Munro-Croesus property, called the Four Corners property.

In December 2007 Constantine completed a \$550,000 flow-through private placement at \$0.50 per share for expenditures on its newly acquired Ontario properties.

In the quarter ended January 31, 2008, the Company spent \$144,209 on acquisition and exploration costs for its three mineral properties: the Palmer project in Alaska; and the Munro-Croesus property and Four Corner properties in Ontario. The Company incurred a loss of \$80,934 (2007-\$6,636) for the quarter.

The Company's cash position at January 31, 2008 was \$1,558,413 (2007-\$1,416,559), which is projected to be sufficient to meet the Company's project and corporate obligations for the next year. Constantine's working capital position at January 31, 2008 was \$1,546,193 (2007-\$1,415,333).

Palmer Project - Alaska

The Company's principal asset is the 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 includes a large number of precious metals – enriched volcanogenic massive sulfide 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 ore-forming hydrothermal system.

Notable prospect areas include Glacier Creek (RW Zone and Main Zone horizons), Mount Henry Clay, Cap, Nunatak, and the Hanging Glacier (HG). Previous exploration, including several diamond drill programs, indicate similarities in mineralization style, alteration, age, and tectonic setting to the world-class Greens Creek and Windy Craggy deposits, which occur in the same belt of Triassic-age rocks in Southeast Alaska and Northwest British Columbia.

Constantine staked 27 state claims in the area of the Palmer property in 2007, at nominal staking costs.

Constantine spent \$88,414 on the Palmer project during the first quarter, with most expenditures relating to follow-up costs to the 2007 drilling program (see Schedule of Deferred Mineral Property Cost in the financial statements for more details).

CONSTANTINE METAL RESOURCES LTD.

MANAGEMENT DISCUSSION & ANALYSIS For the period ended January 31, 2008

FORM 51-102F1

Exploration Highlights

In 2007 two major drill intersections of copper-zinc-barium (chalcopyrite-sphalerite-barite) massive sulphide located 430 m apart in holes CMR07-07: 49.9 ft (15.2 m) assaying 3.79% copper, 7.24% zinc, 0.37 g/t gold, and 47 g/t silver; and in hole CMR07-09: 79.5 ft (24.2 m) assaying 6.46% zinc, 1.19% copper, 0.45% lead, 0.67 g/t gold, and 49.8 g/t silver. These holes were drilled on Mt. Morlan in the Glacier Creek prospect area late in the 2007 drill season. The Glacier Creek prospect area contains at least two stacked massive sulphide-barite horizons exposed at the 1450 m elevation on the west (Little Jarvis valley) and between the 1200 and 1450 m elevations on the south (Glacier Creek) flanks of 1750 m Mt. Morlan. The stratigraphically higher RW horizon consists of two sulphide lenses that merge beyond the lateral extent of an intervening rhyolite body and are interpreted to extend through the mountain from the Little Jarvis showing on the west flank (historical drill intersection 15.1 ft [4.6 m] of 13.0% zinc, 7.0% copper, 0.02 oz/ton gold, and 7.0 oz/ton silver) to the Upper Main Showing (20.0 ft [6.10 m] chip sample grading 8.0% zinc, 1.4% copper, 1.3% lead, 9.5 oz/ton silver, 0.03 oz/ton gold) on the south flank. The new discovery drill hole CMR07-07, located approximately 656 ft. (200 m) down-dip (north) of the surface oxidized Upper Main Zone showing and near the present eastern limit of drilling in the RW zone, intersected 45.9 ft (14.0 m) of 3.79% copper, 7.24% zinc, 0.37 g/t gold, 47 g/t silver comprising an upper zinc zone; 14.3 ft (4.4 m) (13.60% zinc, 0.65% copper, 0.15 g/t gold, 18 g/t silver) and a lower copper zone; 31.6 ft (9.6 m) (5.22% copper, 4.36% zinc, 0.47 g/t gold, 60 g/t silver). This unleached hypogene (primary) mineralization convincingly demonstrates a transition away from the supergene oxidized baritic mineralization intersected in 4 drill holes closer to the mountainside.

The RW and Main Zone horizons established on the north fold limb are folded across the axis of a large-scale, south-verging, thrust faulted asymmetric anticline exposed in gossanous outcrops on the south face of Mt. Morlan. A new massive sulphide discovery in the steeply overturned south limb (the 'Southwall') in drill hole CMR07-09 consists of 79.5 ft (24.2 m) assaying 6.46% zinc, 1.19% copper, 0.45% lead, 0.67 g/t gold and 49.8 g/t silver and a deeper 11.2 ft (3.4 m) zone of zinc-chert-barite mineralization assaying 11.17% zinc, 0.18% copper, and 18.3 g/t silver. The mineralization is stratigraphically underlain to the north by an extensive stockwork zone that was intersected for some 1000 ft (300 m) in steeply dipping drill holes collared north of CMR07-09. Related soil geochemical anomalies and geological mapping corroborate the interpretation from the drill data and suggest that mineralization in the Southwall may extend from the 1300 m elevation to below the 600 m elevation.

Other targets

The Cap prospect target, located about 1.67 miles (2.7 kilometres) west of the Glacier Creek prospect and on a separate mineral corridor was tested by two holes CMR07-04 and CMR07-05. Both holes intersected long core intervals of altered pyritic rocks over intervals of 730 ft (222.5 m) in CMR07-04 and 300 ft (91.4 m) in CMR07-05, however the significant results to report are from hole CMR07-04. A 25.5 ft (7.8 m) interval assayed 43 g/t silver, 0.29 g/t gold, 1.2% zinc and 0.60% lead. The interval includes a 6.3 ft (1.92 m) section of semi-massive sulphide which assayed 3.75% zinc, 1.91% lead, 0.18% copper, 92.1 g/t silver and 0.47 g/t gold. This is the first indication of significant base metals at the Cap target.

The complex structures revealed in the massive sulphide deposits within Mt. Morlan at the Glacier Creek prospect are providing insight for the exploration of the numerous other stratiform baritic sulphide showings and undiscovered sources of massive sulphide boulders on the property. For example, no source has been found for an extensive field of sulphide-barite boulders (one multi-tonne barite-sphalerite boulder assayed 33% zinc and 2.5% copper; USBM –Still, 1984) discovered by Merrill Palmer in 1983 below a stranded ice field near Mt. Henry Clay 3 km west of Mt. Morlan. However new structural interpretations resulting from the recent drilling at the Glacier Creek and Cap prospects and field mapping in the glacial terrain are suggesting new targets. Also, newly discovered massive sulphide boulders found in the 2007 season in terminal moraines north of Mt. Morlan may indicate extensions of the RW horizon to the north below glacier ice levels.

CONSTANTINE METAL RESOURCES LTD.

MANAGEMENT DISCUSSION & ANALYSIS
For the period ended January 31, 2008

FORM 51-102F1

Munro-Croesus Gold Project – Ontario

In October 2007 the Company completed the acquisition of a 100% interest in the high grade Munro-Croesus Gold property (subject to a 2% NSR with buy-back provisions), including the former Croesus Gold mine, consisting of 22 patented mining claims and leases (416 hectares), located 90 kilometers east of Timmins, Ontario and within the influence of the prolific Porcupine-Destor Deformation zone (PDDZ) that stretches from west of Timmins, Ontario into the province of Quebec. The Timmins-Porcupine gold camp, situated on the north side of the PDDZ in the Abitibi greenstone belt is the world's largest lode gold camp (> 64 million ounces of gold) in Archean age greenstone belts.

The former Croesus Gold mine is known for having produced some of the highest grade gold mined in Ontario. The Ontario Bureau of Mines (1919) reported that "765 pounds of ore taken from a portion of the shaft yielded \$47,000 worth of gold". This represented a grade of 5,944 oz gold per short ton (203,771 g/tonne) at a gold price of \$20.67 per troy ounce. Five gold samples purchased by the Ontario Bureau of Mines for exhibition purposes and now in possession of the Royal Ontario Museum weigh 85 pounds collectively and contain 480.7 ounces of gold or 11,310 oz gold per short ton (387,727 g/tonne). The total historical Croesus mine gold production from milled ore as reported by the Ontario Department of Mines in 1951 was 14,854 ounces gold from 5,333 short tons milled for an average grade of 2.78 oz gold per short ton (95.3 g/tonne). Research by the previous owner suggests that the above-reported milled ore production did not include the very high grade direct shipping gold ore which was shipped directly to the Canadian Mint for processing. The high grade Croesus ore shoot is truncated by the Croesus fault and several efforts have been made to locate the high grade extension to the vein, with the last serious effort in the mid-late 1970's. The Munro-Croesus gold property covers a sequence of tholeiitic and variolitic basalts, sediments and ultramafic rocks on the north side of the PDDZ that represent very similar stratigraphy to the slightly younger host rocks of the Timmins gold camp.

Constantine compiled historical results from the property before startup for a 2000 m drill program in February. The focus of this initial drill program, which is still underway, is to test for the faulted extension of the spectacular high-grade Croesus ore.

The Company incurred expenditures of \$7,536 on the property during the quarter ended January 31, 2008.

Four Corners Property - Ontario

In January 2008 Constantine signed an option agreement to acquire an outright 100% interest in the 65 claim Four Corners property located 1.2 kilometres east of the Munro Croesus property. The new 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.

Historical records indicate that a total of 29 holes have been drilled on the Four Corners property for an estimated total of 5714 metres. Two areas of gold mineralization have been identified. The Canamax Zone in the northwest part of the property is hosted by well altered ultramafics and graphitic-chloritic lapilli tuffs within the Pipestone Fault zone. The best results from this drilling are reported to be 2.69 g/t gold over a 3.0 meter core length in a 1986 Canamax drill hole. In 2003-2004, St Andrews Goldfields drilled 8 holes in the southeast part of the property and intersected 9.37 g/t gold over 1.25m including 14.33 g/t gold over 0.68 m.

In December 2007 Constantine drilled one hole (298m) on the property as part of the evaluation phase of the acquisition and to meet pending assessment requirements on the claims. The best result received from 40 samples submitted was 1.1 g/t gold over 1.0 metre.

CONSTANTINE METAL RESOURCES LTD.

MANAGEMENT DISCUSSION & ANALYSIS For the period ended January 31, 2008

FORM 51-102F1

In order to acquire a 100% interest in the project, Constantine must make payments totaling \$75,000 (\$15,000 paid to date) and issue 100,000 shares over a 3 year period (10,000 shares issued to date). The Vendors will retain a 2.5% NSR royalty with certain buy-back provisions.

The Company incurred expenditures of \$48,259 on the property by January 31, 2008, with the majority of costs being related to drilling expenses (\$34,235).

Results of Operations

From November 2007 to January 2008 the Company shifted its focus from the Palmer property in Alaska to its properties in Ontario. The Company drilled one hole on the Four Corners property in December 2007 as part of the evaluation phase of the Letter Agreement and to meet pending assessment requirements on the claims.

During the quarter Constantine incurred costs of \$88,414 in regard to the Palmer property, dealing primarily with follow-up costs to the summer's drilling program and including \$24,336 in drill core assaying and testing costs.

General and administrative costs increased to \$26,095 (2007-\$9,029) and Management Fees increased to \$23,250 (2007-\$3,000) due to the larger scope of the Company's activities, with the addition of the Munro-Croesus and Four Corner properties in Ontario.

In January 2008 the Company terminated an existing investor relations agreement and cancelled the 200,000 options issued in connection with that agreement.

Summary of Quarterly Results

The Company incurred net expenses of \$80,935 in the first quarter, including an unrealized gain on foreign exchange of \$30,098. The foreign exchange gain was due to the increase in the value of the U.S. dollar since October 31, 2007. Interest income of \$14,659 (2007- \$9,096) was earned during the first quarter. The Company earned more interest income than the previous year due to higher interest rates and a larger cash balance during the period.

The following is a summary of certain consolidated financial information of the Company since its inception:

| Quarter ended | Total Revenues | Income (Loss) | Income (Loss) per share |
|------------------|----------------|---------------|-------------------------|
| January 31, 2008 | \$14,659 | \$ (80,935) | \$ (0.01) |
| October 31, 2007 | \$ 16,514 | \$(148,846) | \$ (0.01) |
| July 31, 2007 | \$ 23,978 | \$ (63,447) | \$ (0.01) |
| April 30, 2007 | \$ 3,544 | \$(139,888) | \$ (0.01) |
| January 31, 2007 | \$ 9,096 | \$ (6,636) | \$ (0.01) |
| October 31, 2006 | \$ 14,625 | \$(124,515) | \$ (0.01) |
| July 31, 2006 | \$ Nil | \$(378,559) | \$ (0.01) |

CONSTANTINE METAL RESOURCES LTD.

MANAGEMENT DISCUSSION & ANALYSIS For the period ended January 31, 2008

FORM 51-102F1

Liquidity and Capital Resources

The Company's total cash position at January 31, 2008 was \$1,558,413 (2007-\$1,416,559), sufficient to meet its project and corporate obligations for the ensuing year. The Company's working capital position at January 31, 2008 was \$1,546,193 (2007-\$1,415,333).

The Company has no material commitments for capital expenditures at this time, except for drilling contracts related to this year's upcoming exploration program. Holding costs for the Palmer project are estimated at approximately \$100,000 for the next year. A \$550,000 flow-through private placement financing completed on December 24, 2007, resulted in a net amount of \$538,352 cash to Constantine.

Off-Balance Sheet Arrangements

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

Outstanding Share Data

There are 20,692,928 shares of the Company outstanding as of the date of this report.

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

| | | Price per Share | Expiry Date |
|---------------|-----------|-----------------|---------------|
| Warrants | 1,455,000 | \$0.35 | July 31, 2008 |
| Warrants | 2,848,000 | \$0.50 | July 31, 2008 |
| Warrants | 2,124,077 | \$0.40 | July 6, 2009 |
| Stock options | 1,425,000 | \$0.40 | May 11, 2011 |
| Stock options | 390,000 | \$0.57 | Feb. 13, 2013 |
| Stock options | 200,000 | \$0.60 | Feb. 25, 2013 |
| | 8,442,077 | | |

Related Party Transactions

A director and two officers of the Company provided specific services to the Company during the year as follows:

| | | |
|--|----|---------------|
| Management fees paid to a company owned by a director | \$ | 4,000 |
| Consulting fees and wages paid to an officer | | 36,300 |
| Accounting and administration fees paid or accrued to a company 50% owned by an officer of the Company | | 15,000 |
| | \$ | <u>55,300</u> |

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

CONSTANTINE METAL RESOURCES LTD.

MANAGEMENT DISCUSSION & ANALYSIS For the period ended January 31, 2008

FORM 51-102F1

an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the deferred costs, a provision is made for the impairment of value.

Management's estimates of mineral prices, recoverable proven and probable reserves, 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.

Financial Instruments

The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate their fair values due to the short term to maturity of these instruments.

Forward-Looking Statements

Certain statements contained in this Management Discussion and Analysis and elsewhere constitute forward-looking statements. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below.

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

CONSTANTINE METAL RESOURCES LTD.

MANAGEMENT DISCUSSION & ANALYSIS For the period ended January 31, 2008

FORM 51-102F1

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 all located in Alaska. While the political climate in Alaska 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. 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.

Other

Mr. Garfield MacVeigh, 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.