



**Management's Discussion & Analysis of  
Financial Conditions & Results of Operations**

**To March 31, 2010**

## **CORNERSTONE CAPITAL RESOURCES INC.**

### **Consolidated Results To March 31, 2010**

#### **Management's Discussion & Analysis of Financial Conditions & Results of Operations**

*The following discussion and analysis, dated May 27, 2010, should be read in conjunction with the Consolidated Financial Statements and related notes. All dollar amounts are stated in Canadian dollars, unless otherwise noted.*

*This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address exploration drilling, exploration activities and events or developments that Cornerstone Capital Resources Inc. (the "Company" or "Cornerstone") expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include market prices, exploration and exploration successes, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.*

#### **Description of Business**

Cornerstone Capital Resources Inc. was formed in July 1999 and began trading on the now TSX Venture Exchange on November 29, 1999 under the trading symbol "CTP". The symbol was changed to "CGP" after shareholders approved a one for three share consolidation during January of 2003. Cornerstone Resources Inc. (CRI), Cornerstone International Inc., Cornerstone Ecuador S.A. and La Plata Minerales S.A are wholly owned subsidiaries involved in mineral exploration and development. The Company's properties, all located in Canada and Ecuador, have exploration potential for deposits of base and precious metals, rare metals and uranium.

#### **Results of Operations**

##### ***The three months ended March 31, 2010 compared with the three months ended March 31, 2009.***

At January 1, 2010, exploration properties held by the Company totalled 6,607 claims. During the quarter, a number of property claims were dropped and additional claims were staked and acquired, leaving the Company with a total of 6,099 claims in Canada and 14 concessions in Ecuador at the end of March 2010.

During the three months ended March 31, 2010 the Company had a net loss of \$718,693 - \$0.01 per share (compared to a net loss of \$403,515 - \$0.01 per share for the same period in 2009). Expenses incurred during the three months ended March 31, 2010 were \$723,429 compared to \$415,579 for the same period in 2009. The increase of \$307,851 during the period was due to a number of factors, the most notable of which are:

1. **General and administrative expenses** decreased by \$28,806 from 2009 as a result of continued cost cutting efforts during the period.
2. **Write-down of mineral properties** was \$368,061 for the first quarter 2010 compared to nil in 2009, as the Company did not renew some smaller properties in Ecuador which were not showing as much potential as the remainder of the properties.
3. **Stock-based compensation** decreased by \$21,858 due primarily to lower share prices relative to options issued during the same period last year, as well as a lower number of option grants issued during 2010 to date.
4. **Amortization** decreased by \$8,133 during the first quarter of 2010 compared to 2009 due to less requirement for capital equipment acquisitions.

Revenue for the period was \$4,736 compared to \$12,064 in 2009, a decrease of \$7,328, mainly due to less investment income in 2010.

### **Mineral properties**

Total capitalized expenditures on mineral properties as at March 31, 2010 were \$4,306,975 compared to \$4,227,008 at December 31, 2009 and \$4,936,920 at March 31, 2009. Net mineral property expenditures of \$448,029 were incurred during the quarter ending March 31, 2010 compared to \$261,004 during the same period in 2009. Included in the net mineral property expenditures are recoveries from Joint Venture Partners and Government grants of \$308,623 compared to \$848,132 for the same period in 2009. Expenditure recoveries from JV partners are lower for the year to date 2010 over 2009 due to decreased exploration work undertaken in Ecuador and Canada.

### **Consolidated Schedule of Mineral Properties (Unaudited)**

<b>Property</b>	<b>Gross Expenditures</b>	<b>Government Grants (JCEAP)</b>	<b>Recoveries from Joint Venture Partners</b>	<b>Properties Abandoned and/or Sold</b>	<b>Net Total 2009</b>	<b>Net Total 2009</b>
		\$	\$	\$	\$	\$
Burin	1,568	-	-	(1,568)	-	-
Chaleur	333,830	(70,000)	-	(198,243)	<b>65,587</b>	79,079
El Strato	1,180,957	(166,840)	(637,376)	(129,300)	<b>247,441</b>	183,669
Goshen	396,748	-	(12,106)	(23,519)	<b>361,123</b>	359,699
Labrador Trough	1,158,255	(46,470)	(454,193)	(590,864)	<b>66,728</b>	66,164
Letitia Lake	9,488	-	-	-	<b>9,488</b>	-
Little Deer	2,279,103	(200,000)	-	(13,540)	<b>2,065,563</b>	1,803,090
South America	10,834,763	-	(7,507,882)	(1,892,048)	<b>1,434,833</b>	1,702,503
Other Properties	103,667	-	(38,500)	(8,955)	<b>56,212</b>	32,804
	<u>16,298,379</u>	<u>(483,310)</u>	<u>(8,650,057)</u>	<u>(2,858,037)</u>	<u><b>4,306,975</b></u>	<u>4,227,008</u>

## **Financial Conditions, Liquidity and Capital Resources**

As at March 31, 2010 the Company had cash and cash equivalents of \$512,774 compared to \$740,722 at December 31, 2009. The Company received net cash proceeds of \$503,651 from the issue of common shares March 31, 2010 compared to Nil during the same period in 2009. As at March 31, 2010 the net treasury position (current assets less prepaid expenses less current liabilities) of the Company was \$622,524 compared to \$616,019 at December 31, 2009 and \$1,379,442 at March 31, 2009. On January 26, 2010 the Company and Intrepid Mines Ltd. completed a \$US 500,000 private placement in Cornerstone shares as agreed to in a binding Letter of Intent (LOI) announced on October 29, 2009. A total of 2,450,952 shares have been issued at a price of \$0.21 per share, based on the TSX-V weighted average market price of Cornerstone shares over the five business days ending January 15, 2010, plus 20%. In accordance with Exchange requirements, the shares will have a four month hold period expiring on May 28<sup>th</sup>, 2010.

A source of funding for the Company's exploration programs are its earn-in / joint venture agreements with several mining industry partners. These partners are funding the exploration of individual properties, or groups of properties, in exchange for direct ownership in the properties, should all vesting conditions be met. Annual cash payments to the Company are often a component of these agreements. For the quarter ended March 31, 2010 the Company received cash payments of \$273,125 from JV partners related to new and existing joint venture agreements compared to Nil for the same period in 2009. The increase is due to increased general business and joint venture activity.

The Company anticipates that it will continue to access grant funding under the Newfoundland and Labrador Mineral Incentive Program, Junior Exploration Assistance Program (JEA). Under JEA, eligible property expenditures may be subject to reimbursement of up to 50% of approved costs, to a maximum of \$100,000 per program on the island of Newfoundland and \$150,000 per program in Labrador. The Company was also successful in obtaining funding from the New Brunswick Junior Mining Assistance Program. This program provides assistance for approved costs up to a maximum of \$50,000 per project.

The Company believes it has properties which will continue to attract equity investors and believes it will survive the current economic challenges. The Company has taken steps to downsize operations and exploration activities in general, and management believes that the Company will have adequate funds from existing working capital to meet its corporate, administrative and property obligations for the coming year, at a reduced level of activity. If the Company is to advance or develop its mineral properties further, it will be necessary to obtain additional financing, and while the Company has been successful in the past, there can be no assurance that it will be able to do so in the future.

## **Outstanding Share Data**

As at March 31, 2010 the Company had 83,648,130 common shares outstanding. The Company had 5,667,418 options outstanding at March 31, 2010, at various exercise prices as shown in the following chart, and 19,916,000 warrants issued in connection with private placement financings. A total of 1,204,820 warrants expired in February 28, 2010. A total of 16,791,000 warrants are priced at \$0.26 and expire on June 10, 2010. A total of 3,125,000 warrants are priced at \$0.20 until November 27, 2010 and thereafter at \$0.25 until they expire on November 27, 2011.

<u>Total Options Outstanding</u>				<u>Total Exercisable Options</u>		
<u>Exercise Price Range</u> \$	<u>Number of Outstanding Options</u>	<u>Remaining Contractual Life</u>	<u>Weighted Average Strike Price</u> \$	<u>Number of Exercisable Options</u>	<u>Remaining Contractual Life</u>	<u>Weighted Average Strike Price</u> \$
0.10 - 0.19	1,535,000	4.19	0.11	978,329	4.36	0.11
0.20 - 0.39	1,801,085	2.58	0.29	1,801,085	2.58	0.29
0.40 - 0.59	1,314,667	1.15	0.50	1,314,667	1.15	0.50
0.60 - 0.79	1,016,666	2.17	0.65	1,016,666	2.17	0.65
	5,667,418	2.61	0.36	5,110,747	2.43	0.38

### Financial Instruments

The Company has estimated fair values of its financial instruments based on the current interest rate environment, related market values and current pricing of financial instruments with comparable terms. The carrying value of financial instruments is considered to approximate fair value, unless otherwise indicated.

### Related Party Transactions

The following represents a summary of transactions with parties under common influence and shareholders for the three months ended March 31, 2010. Director W. John Clarke is the Company's legal counsel. He provided legal services in the amount of \$3,550 (2009 - \$2,200) relating to various agreements and ongoing business matters. Sealan Capital Corporation Inc., controlled by Director Glen H. McKay, who serves as the Company's Chairman, billed a total of \$Nil (2009 - \$13,100) for management consulting services. D.R. Loveys & Associates Inc., controlled by Director David Loveys, the Company's Vice President Finance, CFO and Corporate Secretary, billed a total of \$26,500 (2009 - \$25,725) for accounting and management consulting services. These transactions are considered to be in the normal course of business. The portions of these amounts capitalized in mineral properties represent direct costs associated with the respective properties, a summary of which follows:

	<u>Expensed during the year</u>	<u>Capitalized in Mineral properties</u>	<u>Quarter ended March 31, 2010</u>	<u>Quarter ended March 31, 2009</u>
			<u>Total</u>	<u>Total</u>
	\$	\$	\$	\$
Professional & Administrative	30,050	Nil	30,050	41,025

## **Acquisition and Write-down of Mineral Properties**

See Note 6 to the March 31, 2010 Consolidated Financial Statements for details of Mineral Properties. The Company's strategy is grass roots project generation followed by project level or joint venture (JV) based exploration financing. All properties which are under consideration for acquisition must initially pass through Company generated evaluation criteria. Properties which are considered worthy are then acquired, provided a reasonable agreement can be reached with the owner or the property is available for staking. This process results in a relatively large number of properties being acquired annually with the expectation that many of these will advance to the stage where partner financing can be attracted. In cases where the project does not develop to the stage that management perceives it to be likely to attract such financing or if subsequent work by the Company indicates that further in-house work will not yield favourable results, the property is abandoned and written down.

The economic downturn resulted in the Company reviewing all its properties to ensure that only those properties where exploration activities are expected to continue in the near term are reflected on the balance sheet as Mineral Properties. A portion of deferred costs have been written off in some cases to reflect the current value of these properties.

## **Off-Balance Sheet Arrangements**

At March 31, 2010, the Company had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

## **Property Agreements and Exploration**

Details of JV property agreements are disclosed by press release at the time of formation. Updates concerning the results of ongoing exploration programs are also updated by press release. Press releases issued by the Company, including those issued during the quarter ended March 31, 2010, are archived at the Company's website [www.cornerstoneresources.com](http://www.cornerstoneresources.com). Regulatory filings are also available through [www.sedar.com](http://www.sedar.com).

## **Exploration Outlook**

### *Ecuador*

The Company's corporate plans were heavily reliant on its projects in Ecuador. The Company was expecting the drill permits for Gama in early 2008 and positive results from Macara (Newmont Mining Corporation Strategic Alliance). The Company expected to generate new joint ventures based on the level of interest and discussions with interested parties. The moratorium imposed by the Ecuador Constituent Assembly on April 18, 2008 caught the industry by surprise. Subsequent to this announcement the Company had to carry out a substantive reorganization of human and financial resources.

On January 29, 2009 the Government of Ecuador enacted a new mining law, and during a conference in Toronto, Canada in March 2009, Ecuadorian Mining Ministry officials indicated that the Mining Mandate, which had placed a moratorium on all exploration and mining activities in Ecuador since April 2008, was completed. While the Company expects that it will receive the environmental permits

necessary to reactivate all exploration activities soon, it was able to recommence geochemical and geological surveying on the Macara project in June 2009. These early stage activities are permitted under the new mining law without environmental studies.

On October 29, 2009, the Company and Intrepid Mines Ltd. signed a binding letter of intent (LOI) outlining the terms of an option/joint venture arrangement for Cornerstone's Shyri property in southern Ecuador.

On November 4, 2009, the President of Ecuador signed the new mining regulations into law, which was the last step prior to re-initiation of exploration and mining development in the country. The Company expects to be given the go-ahead to resume exploration activities on all its projects in the country in the very near future.

On January 29, 2010, the Company gave Newmont notice of completion of Phase I expenditures of \$1.0 M. On March 30, 2010 the Company received notification from Newmont that it will proceed to Phase II, which entitles Newmont to earn a 51% interest in any properties within the Macará area of interest by spending \$3,000,000. It was also agreed that in return for funding a \$300,000 regional exploration program in 2010 Newmont would receive a \$600,000 credit against the Phase II commitment. Cornerstone will continue as Project Manager during Phase II.

In May 2010 the Company was notified that it had received approval of its environmental management plan as well as its water permits for the Gama (Shyri) property. The Company is now awaiting final approval to begin a drill program with partner Intrepid.

#### *Little Deer*

On July 7, 2009, the Company, and its 50% joint venture partner Thundermin Resources Inc., announced the results of a National Instrument 43-101 compliant mineral resource estimate for the Little Deer copper deposit located approximately 10 km north of Springdale in north-central Newfoundland. The mineral resource estimate was completed by Micon International Limited ("Micon") of Toronto, Ontario, Cornerstone's and Thundermin's independent resource estimate consultant and Qualified Person.

Micon has estimated that the Deposit contains Indicated Resources of 1,087,000 tonnes at an average grade of 2.9% Cu and an Inferred Resource of 1,950,000 tonnes at an average grade of 2.3% Cu.

The Company is very pleased with this initial mineral resource estimate for Little Deer, and expects subsequent drill programs will undertake to expand the mineral resources as well as reclassify inferred resources to the indicated or measured category.

#### **Investor Relations Activities**

The Company continues to work at broadening its investor base through strategic marketing and ongoing investor communications through timely news releases and regular targeted updates. For 2010, the Company will focus on low-cost, grass roots initiatives to communicate with both private and institutional investors. Important news on projects will continue to be disclosed as it becomes available.

## **Risks and Uncertainties**

The Company is principally involved in mineral exploration which is an inherently high-risk activity. Exploration is also capital intensive and the Company has no sources of funding other than joint venture financing arrangements with other mining and exploration companies and equity financing. Only the skills of management and staff in mineral exploration and exploration financing serve to mitigate these risks. The ability of the Company to continue operations into the future is dependent upon continuing to obtain favourable results from its exploration activities, which will affect its ability to attract joint venture partners and to raise financing. The participation of joint venture partners is very important to the future success of the Company.

The Company has a simple business model, one which is as low risk as possible in such a high risk business as mineral exploration: to generate diversified exploration projects at low cost to the Company, to attract JV partners to finance further exploration and to be the operator on the majority of these projects which allows the Company to transfer personnel and administration costs to the JV, thereby maintaining a lower burn rate. The more projects that can be generated and the longer the company can obtain financing the better its chances for achieving success. The Company has implemented this business model. It has a solid foundation technically, corporately and financially to go forward and be positioned for future success.

Although the Company has taken steps to verify 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 may be affected by undetected defects. Exploration activity is also dependent on the laws of local governments, including aboriginal governing bodies, which may change from time to time, and may have an effect on the Company's exploration programs.

***Ecuador Operations*** – On April 18, 2008, the Constituent Assembly of the Government of Ecuador placed a moratorium on all exploration and mineral development activities in the country while it finalized its new mining law. The original term of the moratorium was for 180 days, but this timeframe was extended until finalization of the new mining law. On January 29, 2009 the Government of Ecuador enacted a new mining law and on November 4, 2009, the President of Ecuador signed the new mining regulations into law, which was the last step prior to re-initiation of exploration and mining development in the country. While the Company has been waiting for much longer than originally anticipated to restart its work programs, it expects to be given the go-ahead to resume exploration activities on all its projects in the country in the very near future.

***Current Economic Conditions*** – Canadian and international markets experienced a severe downturn in the economy, which has had an impact on the mineral exploration industry. The Company has taken steps to significantly reduce administrative expenses and is assessing its exploration programs in an effort to conserve its cash position. While improvements to economic conditions have been experienced in the latter half of 2009 and early 2010, the Company is still maintaining its conservative approach to spending.

## **Selected Annual Information**

The following information has been derived from the three most recently completed annual financial statements:

As at December 31,	<b>2009</b>	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net loss	(2,872,388)	(9,294,071)	(4,307,721)
Loss per share - basic and diluted	(0.04)	(0.14)	(0.08)
Total assets	5,623,068	8,638,111	13,350,465

## **Summary of Quarterly Results**

The following information has been derived from the eight most recently completed quarters:

	<b>March 31, 2010</b>	<b>December 31, 2009</b>	<b>September 30, 2009</b>	<b>June 30, 2009</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net loss	(718,693)	(1,927,036)	(405,054)	(136,783)
Loss per share - basic and diluted	(0.01)	(0.02)	(0.005)	(0.002)
	<b>March 31, 2009</b>	<b>December 31, 2008</b>	<b>September 30, 2008</b>	<b>June 30, 2008</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Net loss	(403,515)	(6,463,022)	(1,329,150)	(804,631)
Loss per share - basic and diluted	(0.01)	(0.10)	(0.02)	(0.01)

## **Significant Events**

### **Appointments, Joint Ventures & Strategic Alliances and Financings;**

As of March 31, 2010, the Company had four joint venture agreements in place and is operator on one of these projects.

### **Joint Ventures & Strategic Alliances:**

On October 29, 2009, the Company and Intrepid Mines Ltd. signed a binding letter of intent (LOI) outlining the terms of an option/joint venture arrangement for Cornerstone's Shyri property in southern Ecuador. Under the terms of the LOI, Intrepid has the ability to earn an initial 60% interest in the Shyri property by making an initial cash payment of \$US 250,000 and a \$US 500,000 private placement in Cornerstone shares based on the TSX-V weighted average market price over the previous five business days, plus 20%. Intrepid has also committed to spending \$US 6.0 million dollars over 5 years, including a firm commitment of \$US 1.0 million in the first year. Intrepid will have the further right to earn an additional 20% interest in a specific area of the Shyri property of up to 5000 ha defined as a Project Area. Upon designation of a Project Area, Intrepid will make a \$US 750,000 private placement in Cornerstone. To earn the additional interest, Intrepid will complete a bankable feasibility study or incur expenditures of \$US 20 million, whichever comes first, and make a cash payment to Cornerstone of up to \$US 5.0 million based on the gold equivalent ounces in the mineral reserve.

There is no limit to the number of Project Areas Intrepid may designate within the property and each 'stand-alone' Project Area requires the same earn-in requirements. During the earn-in period Cornerstone will serve as Project Manager for the exploration programs under the technical direction of Intrepid as Operator. Cornerstone will provide administrative and technical services using its Ecuadorian-based staff for which it will charge a 10% administrative fee. Both the \$500,000 private placement as well as the \$250,000 initial payment were completed in early 2010.

On February 16, 2010, the Company signed a binding option agreement with Rare Earth Metals Inc. ("Rare Earth") respecting its 155 mineral claims in the Letitia Lake area of central Labrador. Rare Earth will make an initial payment of \$10,000 and 20,000 shares and guarantees minimum first year expenditures of \$50,000, sufficient to maintain the property in good standing. Thereafter, Rare Earth will make further payments of cash and shares totaling \$30,000 and 60,000, respectively over the first two years of the option and incur additional exploration expenditures totaling \$300,000 over three years in order to earn a 51% interest in the claims. The parties will then form a joint venture to further explore and develop mineral resources on the property. Rare Earth will operate the exploration programs during the option period in consultation with Cornerstone.

Subsequent to the end of the first quarter, on May 4, 2010 the company signed an option agreement with Vale Exploration Canada ("VEC"), a wholly-owned subsidiary of Vale S.A. respecting its Red Cliff and Deer Harbour copper properties in eastern Newfoundland. VEC made an initial cash payment of \$25,000 and has committed to a minimum first year expenditure of \$165,000. Thereafter, VEC may elect to make further cash payments totaling \$75,000 over the first two years of the option and incur additional exploration expenditures totaling \$2,850,000 over three years in order to earn a 60% interest in the property. VEC will operate the exploration programs during the option period in consultation with the Company.

Subsequent to the end of the first quarter, on May 19, 2010, the Company signed an option agreement with Great Western Minerals Group Ltd. ("Great Western") for its 200 claim Chaleur East property in northern New Brunswick. Great Western will make an initial payment of 25,000 shares and guarantees minimum 2010 expenditures of \$50,000, sufficient to maintain the property in good standing. Thereafter, Great Western may elect to make further payments of cash and shares totaling \$100,000 and 200,000 respectively over the next three years and incur additional exploration expenditures totaling \$950,000 in order to earn a 51% interest in the claims. The parties will then form a joint venture to further explore and develop mineral resources on the property. Great Western will operate the exploration programs during the option period in conjunction with their on-going Benjamin River REE project adjacent to the Chaleur East property.

### **Management's Responsibility for Financial Statements**

The Board of Directors carries out its responsibility for the consolidated financial statements primarily through the audit committee which is composed primarily of independent, non-executive directors who meet periodically with management and auditors to review financial reporting and internal control matters.

## **Future Accounting Pronouncements**

### *International Financial Reporting Standards (“IFRS”)*

In February 2008, the CICA Accounting Standards Board confirmed the changeover to IFRS from Canadian GAAP will be required for publicly accountable enterprises effective for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. This adoption date will require the restatement, for comparative purposes, of amounts reported by the Company for its year ended December 31, 2011, and of the opening balance sheet as at January 1, 2010. The Company has a formal plan in place and has performed initial scoping and analysis of the impacts of the conversion to IFRS. High, medium and low impact standards have been identified and each of these standards is now being fully studied and analyzed to determine the potential impact to the Company’s financial statements. The project is being managed internally and the Company has also engaged external consultants. Training programs have begun and the project team has been involved in exploration specific training. The audit committee has also attended IFRS training to understand the key impacts and their role in the conversion process.

The IFRS conversion process is not complete, and detailed studies are now being performed on each expected area which may impact the Company, however, the impact on the Company's consolidated financial statements has not yet been determined. The Company will provide further updates in future quarterly and annual disclosures, as the conversion progresses.

### *Business Combinations*

In January 2009, the CICA issued CICA Handbook Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements, and Section 1602, Non-controlling Interests, which superseded Section 1581, Business Combinations, and Section 1600, Consolidated Financial Statements.

CICA Handbook Section 1582, Business Combinations, replaces the former Section 1581, and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3, Business Combinations, (January 2008). This Section applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011.

CICA Handbook Section 1601, Consolidated Financial Statements, together with the new Section 1602, Non-Controlling Interests, replaces the former Section 1600, Consolidated Financial Statements. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS International Accounting Standard 27, Consolidated and Separate Financial Statements, (January 2008). Both sections apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

Earlier adoption is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. The Company is evaluating the impact of the adoption of these sections and will determine if early adoption is appropriate.

### **Other**

Company information is available via Standard & Poor's Factual Stock Reports, which are detailed reports of the Company's quarterly information, which are updated weekly by Standard and Poor's and have wide distribution. A link to the current report has been made available on the Company's website.

The Company's shares are traded on the TSX Venture Exchange under the stock symbol CGP as well as the over the counter market in the USA under the symbol CTNXF. The Company is also listed on the Frankfurt and Berlin Stock Exchanges under the stock symbol GWN.

Financial Statements and press releases issued by the Company, including those issued during the quarter ended March 31, 2010, and other information concerning the Company are archived at the Company website [www.cornerstoneresources.com](http://www.cornerstoneresources.com). Regulatory filings are also available through [www.sedar.com](http://www.sedar.com).