GGL RESOURCES CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
AUGUST 31, 2012

(UNAUDITED – Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

GGL RESOURCES CORP.

Condensed Consolidated Interim Statements of Financial Position
(Unaudited – Expressed in Canadian Dollars)

	August 31, 2012	November 30, 2011	December 1, 2010
ASSETS			
Current			
Cash (Note 4)	$ 111,945	$ 179,801	$ 184,680
Amounts Receivable (Note 5)	153,462	189,949	90,899
Prepaid expenses	4,576	2,598	3,316
	269,983	372,348	278,895
Exploration and Evaluation Assets (Note 7)	10,274,212	11,572,457	15,903,671
Property and Equipment (Note 8)	139,627	160,905	198,508
	$ 10,683,822	$ 12,105,710	$ 16,381,074
LIABILITIES			
Current			
Accounts Payable and Accrued Liabilities (Note 6)	$ 844,161	$ 797,829	$ 500,036
Subscription Advances (Notes 6, 9(d))	10,000	-	-
	854,161	797,829	500,036
SHAREHOLDERS' EQUITY			
Share Capital (Note 9)	35,846,251	35,727,357	35,668,860
Share-based Payments Reserve (Note 11)	4,133,619	4,133,619	4,133,619
Deficit	(30,150,209)	(28,553,095)	(23,921,441)
	9,829,661	11,307,881	15,881,038
	$ 10,683,822	$ 12,105,710	$ 16,381,074

See Subsequent Events Note 17.

On behalf of the Board:

"Raymond A. Hrkac"
Raymond A. Hrkac, Director

"Nick DeMare"
Nick DeMare, Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

GGL RESOURCES CORP.

Condensed Consolidated Interim Statements of Comprehensive Loss
(Unaudited – Expressed in Canadian Dollars)

	For the three months ended		For the nine months ended	
	August 31, 2012	August 31, 2011	August 31, 2012	August 31, 2011
Expenses				
Amortization	$ 197	$ 246	$ 590	$ 738
Consulting fees	6,250	20,312	18,750	50,195
Corporate relations	-	-	-	775
Exploration costs - general	17,986	32,127	63,010	87,595
Legal and audit	212	514	(105)	658
Licenses, taxes, insurance and fees	910	1,147	11,370	11,640
Office services and expenses	20,565	21,865	67,539	67,891
Shareholders' meetings and reports	1,451	1,022	3,058	2,021
Travel	-	191	399	261
Operating loss	(47,571)	(77,424)	(164,611)	(221,774)
Other income (loss)				
Interest income	120	1,081	757	1,296
Foreign exchange loss	-	-	(24)	(2)
Interest expense	(247)	(220)	(741)	(659)
Operator's fees	5,244	21,418	5,323	61,658
Sale of data and technical support	-	48,834	-	48,834
Termination payment	-	-	13,376	-
Write off of exploration and evaluation assets (Note 7(b), (c), (d))	(57,783)	(43,962)	(1,451,194)	(2,062,707)
	(52,666)	27,151	(1,432,503)	(1,951,580)
Net loss and comprehensive loss for the period	(100,237)	(50,273)	(1,597,114)	(2,173,354)
Deficit, beginning of period	(30,049,972)	(26,044,522)	(28,553,095)	(23,921,441)
Deficit, end of period	$ (30,150,209)	$ (26,094,795)	$ (30,150,209)	$ (26,094,795)
Loss per share - basic and diluted	$ (0.001)	$ 0.000	$ (0.010)	$ (0.014)
Weighted average number of common shares outstanding - basic and diluted	155,414,997	153,423,693	155,155,080	153,423,693

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

GGL RESOURCES CORP.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
For the nine months ended
(Unaudited – Expressed in Canadian Dollars)

	Share Capital # of Shares	Amount		Share-based payments reserve		Deficit		Shareholder's Equity
Balance December 1, 2010	**153,423,693**	**$ 35,668,860**	**$**	**4,133,619**	**$**	**(23,921,441)**	**$**	**15,881,038**
Share issue costs	-	(4,465)		-		-		(4,465)
Comprehensive loss	-	-		-		(2,173,354)		(2,173,354)
Balance August 31, 2011	**153,423,693**	**$ 35,664,395**	**$**	**4,133,619**	**$**	**(26,094,795)**	**$**	**13,703,219**

Balance November 30, 2011	**155,023,693**	**$ 35,727,357**	**$**	**4,133,619**	**$**	**(28,553,095)**	**$**	**11,307,881**
Shares issued for cash – private placement	2,400,000	120,000		-		-		120,000
Share issue costs	-	(1,106)				-		(1,106)
Comprehensive loss	-	-		-		(1,597,114)		(1,597,114)
Balance August 31, 2012	**157,423,693**	**$ 35,846,251**	**$**	**4,133,619**	**$**	**(30,150,209)**	**$**	**9,829,661**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

GGL RESOURCES CORP.

Condensed Consolidated Interim Statements of Cash Flows
For the nine months ended
(Unaudited – Expressed in Canadian Dollars)

	August 31, 2012	August 31, 2011
Cash flows from (used in) operating activities		
Net loss and comprehensive loss for the period	$ (1,597,114)	$ (2,173,354)
Adjustment for items not involving cash:		
- amortization of property and equipment	590	738
- amortization of exploration property and equipment	24,050	29,483
- write off of exploration and evaluation assets	1,451,194	2,062,707
	(121,280)	(80,426)
Change in non-cash working capital items:		
- amounts receivable	36,487	(22,063)
- prepaid expenses	(1,978)	1,117
- accounts payable and accrued liabilities	27,484	19,162
- subscription advances	10,000	60,000
	(49,287)	(22,210)
Cash flows from (used in) financing activities		
Shares issued, private placement	120,000	-
Share issue costs	(1,106)	(4,465)
	118,894	(4,465)
Cash flows from (used in) investing activities		
Additions to exploration and evaluation assets	(134,101)	128,972
Purchase of equipment	(3,362)	(2,965)
	(137,463)	126,007
(Decrease) increase in cash	(67,856)	99,332
Cash, beginning of period	179,801	184,680
Cash, end of period	$ 111,945	$ 284,012

See Note 15 Supplementary Cash Flow Information

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

These notes should be read in conjunction with the Audited Consolidated Financial Statements for the year ended November 30, 2011 and the unaudited condensed consolidated financial statements for the periods ended February 29, and May 31, 2012.

1. Nature and Continuance of Operations

GGL Resources Corp. ("the Company") was incorporated on May 25, 1981 under the provisions of the Company Act (British Columbia). The Company is listed on the TSX Venture Exchange, tier 2, under the symbol "GGL". The Company's head office is located at #906, 675 West Hastings Street, Vancouver, BC, V6B 1N2 Canada. The Company's records office and registered address is Davis LLP, 666 Burrard Street, Vancouver, BC, V6C 2Z7 Canada.

The Company is in the exploration stage and, on the basis of information to date, does not yet have economically recoverable reserves. The underlying value of the exploration and evaluation assets and related deferred costs are entirely dependent upon the existence of such reserves, the ability of the Company to obtain the necessary financing to develop the reserves and upon future profitable production.

As at August 31, 2012, the Company has a negative working capital of $584,178 and a deficit of $30,150,209.

These unaudited condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business operations for the foreseeable future. The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to develop properties and to establish future profitable production. To date the Company has not earned significant revenues and is considered to be in the exploration stage. The Company's operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. The Company will continue to require additional funding to maintain its ongoing exploration programs, property maintenance payments and operations and administration for the next fiscal year. The Company also recognizes that exploration expenditures may change with ongoing results and, as a result, it may be required to obtain additional financing. In light of negative cash flows from operating activities, operating losses accrued in the past years and a negative working capital, the Company's ability to continue its exploration programs is dependent on its ability to secure additional financing. The Company intends to continue its exploration programs. Management is actively pursuing such additional sources of financing. While the Company has been successful in securing financings in the past, there can be no assurance that it will be able to do so in the future.

2. Basis of Preparation and Adoption of IFRS

Statement of Compliance and Conversion to International Financial Reporting Standards

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board. These condensed consolidated interim financial statements for the nine months ended August 31, 2012 have been prepared in accordance with IAS 34 Interim Financial Reporting and IFRS 1 First-time Adoption of IFRS along with the accounting policies the Company expects to adopt in its November 30, 2012 financial statements. Those accounting policies are based on the IFRS standards and International Financial Reporting Interpretations Committee ("IFRIC") interpretations that the Company expects to be applicable at that time. The policies set out below were consistently applied to all the periods presented except in instances where IFRS 1 either requires or permits an exemption.

It is recommended that these unaudited condensed consolidated interim financial statements should be read in conjunction with the audited consolidated annual financial statements of the Company for the year ended November 30, 2011 which were prepared in accordance with Canadian Generally Accepted Accounting Principles ("Canadian GAAP") and the Company's unaudited condensed consolidated interim financial statements for the three months ended February 29, 2012 which were the first financial statements prepared in accordance with IFRS. Although these are unaudited condensed consolidated interim financial statements prepared in accordance with IFRS, certain significant disclosures are included where required to understand the current interim period. In 2012 and beyond, the Company may not provide the same amount of disclosure in the Company's unaudited condensed consolidated interim financial statements under IFRS as the reader will be able to refer to the audited consolidated annual financial statements which will be prepared in accordance with IFRS.

Canadian GAAP differs in some respects from IFRS. In preparing these unaudited condensed consolidated interim financial statements, management has amended certain accounting and valuation methods previously applied in the Canadian GAAP financial statements to comply with IFRS. The comparative figures for November 30, 2011, November 30, 2010 and August 31, 2011 were restated to reflect these adjustments.

Note 18 presents reconciliations and descriptions of the effects of the transition from Canadian GAAP and IFRS on the statement of financial position and statement of comprehensive loss as at December 1, 2010 and as at, and for the year ended November 30, 2011 and as at, and for the nine months ended August 31, 2011.

These condensed consolidated interim financial statements are prepared on a going concern basis.

Basis of Presentation

The Company's condensed consolidated interim financial statements have been prepared on a historical cost basis.

2. Basis of Preparation and Adoption of IFRS, continued

Basis of Presentation, continued

The preparation of financial statements in accordance with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Accounting Standards and Interpretations Issued but Not Yet Adopted

The following accounting standards, amendments and interpretations have been issued but are not effective until annual periods beginning after January 1, 2011, unless otherwise indicated, earlier application is permitted. As at the date of these financial statements, the following standards, amendments and interpretations have not been applied in these financial statements.

(i) IFRS 7 *Financial Instruments: Disclosures, Amendments Regarding the Transition to IFRS 9*; effective for annual periods beginning on or after January 1, 2015.

(ii) IFRS 9 *Financial Instruments* (New; to replace IAS 39); effective for annual periods beginning on or after January 1, 2015.

(iii) IFRS 10 *Consolidated Financial Statements*; effective for annual periods beginning on or after January 1, 2013. Early application is permitted. IFRS 10 establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. IFRS 10 supersedes IAS 27 *Consolidated and Separate Financial Statements* and SIC-12 *Consolidated - Special Purpose Entities*.

(iv) IFRS 11 *Joint Arrangements*; effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. IFRS 11 establishes principles for financial reporting by parties to a joint arrangement. IFRS supersedes the current IAS 31 *Interest in Joint Ventures* and SIC-13 *Jointly Controlled Entities - Non-Monetary Contributions by Venturers*.

(v) IFRS 12 *Disclosure of Interest in Other Entities*; effective for annual periods beginning on or after January 1, 2013. Earlier application is permitted. IFRS 12 applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity.

2. Basis of Preparation and Adoption of IFRS, continued

Accounting Standards and Interpretations Issued but Not Yet Adopted, continued

(vi) IFRS 13 *Fair Value Measurements*; to be applied for annual periods beginning on or after January 1, 2013. Earlier application is permitted. IFRS 13 defines fair value, sets out in a single IFRS framework for measuring fair value and requires disclosures about fair value measurements. IFRS 13 applies to IFRSs that require or permit fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements).

(vii) IAS 12 *Income Taxes, Amendments Regarding Deferred Tax: Recovery of Underlying Assets*; effective for annual periods beginning on or after January 1, 2012.

Management is currently assessing the impact of these new standards on the Company's accounting policies and financial statement presentation.

3. Significant Accounting Policies

(a) Principles of Consolidation

The unaudited condensed consolidated interim financial statements include the accounts of the Company, its 86.8%-owned subsidiary Rio Sonora Resources Ltd. ("Rio Sonora") and its wholly-owned U.S. subsidiary, Gerle Gold (U.S.) Inc. ("Gerle Gold"). Both Rio Sonora and Gerle Gold are presently inactive. All inter-company transactions and balances have been eliminated.

(b) Exploration and Evaluation Assets

The cost of exploration and evaluation assets and the related exploration costs are deferred until the properties to which they relate are placed into production, sold or abandoned. These costs will be amortized over the estimated useful lives of the properties following the commencement of production or written off if the properties are sold or abandoned. Management reviews the carrying values of exploration and evaluation assets with a view to assessing whether there has been any impairment of value. When it is determined that an exploration and evaluation asset will be abandoned or its carrying value has been impaired, a provision is made for any expected loss on the project or interest.

The amounts shown for exploration and evaluation assets represent costs, less write-offs and impairments incurred to date, and do not necessarily reflect present or future values. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain financing to complete development of the projects, and on future profitable production or proceeds from the disposition thereof.

3. Significant Accounting Policies, continued

(b) Exploration and Evaluation Assets, continued

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

(c) Property Option Agreements

From time to time, the Company may acquire or dispose of exploration and evaluation assets pursuant to the terms of option agreements. Options are exercisable entirely at the discretion of the optionee and, accordingly, are accounted for as payments are made or received. Amounts received under option agreements reduce the carrying amount of the exploration and evaluation assets under option.

(d) Property and Equipment

Property and equipment are carried at cost. Amortization of the property and equipment is provided over the estimated useful lives of the assets on a declining-balance basis, unless otherwise noted, at the following annual rates:

Exploration equipment	20%
Office furniture and fixtures	20%

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss in the unaudited condensed interim statement of comprehensive income or loss.

Where an item of equipment comprises major components with different useful lives, the components are accounted for as separate items of equipment. Expenditures incurred to replace a component of an item of equipment that is accounted for separately, including major inspection and overhaul expenditures are capitalized.

The Company compares the carrying value of property and equipment to estimated net recoverable amounts, based on estimated future cash flows, to determine whether there are any indications of impairment whenever events or circumstances warrant.

(e) Flow-Through Shares

The resource expenditure deductions for income tax purposes related to exploration activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. The estimated income tax benefits transferred to shareholders are recorded as a future income tax liability and a reduction to share capital at the time of renunciation.

3. Significant Accounting Policies, continued

(f) Equity Transactions

The Company issues units in private placements. The Company applies the residual approach to calculate the fair value of the units, which comprise of common shares and warrants. Under this approach the common shares are valued first and the difference between the gross proceeds and the fair value of the common shares is assigned to the warrants.

(g) Loss Per Share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. Diluted loss per share amounts, if applicable, are calculated giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury stock method. The treasury stock method assumes that proceeds received from the exercise of stock options and warrants are used to repurchase common shares at the prevailing market rate.

(h) Foreign Currency Transactions

The Company uses the temporal method for translating its foreign currency transactions to Canadian dollars. Under this method, monetary assets and liabilities have been converted at the exchange rate prevailing at the balance sheet dates. Income and expenses are translated at the rates prevailing at dates of the related transactions. Non-monetary assets, liabilities and equity are translated at historical rates. Gains and losses on foreign exchange are included in earnings for the period.

(i) Use of Estimates

The preparation of financial statements in conformity to IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include the determination of recoverability of amounts capitalized to exploration and evaluation assets, property and equipment lives, estimating the fair values of financial instruments, impairment of long-lived assets, reclamation and rehabilitation provisions, valuation allowances for future income tax assets and assumptions used for share-based compensation. Actual results may differ from those estimates.

3. Significant Accounting Policies, continued

(j) Income Taxes

Tax expense is comprised of current and deferred tax. Tax is recognized separately in the statement of comprehensive loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date and include any adjustments to tax payable or receivable in respect of previous years.

Deferred taxes are recorded using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the condensed consolidated financial statements. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the financial position reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except when the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax asset and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities when there is an intention to settle the balances on a net basis.

(k) Share-based payments reserve

The fair value of stock options and share purchase warrants issued as compensation is determined by the widely used Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares and the expected life of the options. The estimated fair value of awards of share-based payments is charged to expense as awards vest, with offsetting amounts recognized as share-based payments reserve. The fair value of direct awards of common shares is determined by the quoted market price of the Company's stock.

(Unaudited – Expressed in Canadian Dollars)

3. **Significant Accounting Policies,** continued

(l) Asset Retirement Obligations

The fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred when a reasonable estimate of fair value can be made. The asset retirement obligation is recorded as a liability with a corresponding increase to the carrying amount of the related long-lived asset. Subsequently, the asset retirement cost is allocated to expenses using a systematic and rational method and is adjusted to reflect revision to either timing or the amount of the original estimate of the undiscounted cash flow. As at August 31, 2012 and 2011, the Company does not have any asset retirement obligations.

(m) Long-lived Assets Impairment

Long-lived assets are reviewed when changes in circumstances suggest their carrying value has become impaired. Management considers assets to be impaired if the carrying value exceeds the estimated undiscounted future projected cash flows to result from the use of the asset and its eventual disposition. If impairment is determined to exist, the assets will be written down to fair value. Fair value is generally determined using a discounted cash flow analysis.

(n) Financial instruments - Disclosures

IFRS establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are:

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 - inputs that are not based on observable market data.

4. Cash

	August 31, 2012	November 30, 2011
Cash	$ 80,739	$ 135,701
Cash reserved for flow-through expenditures	21,206	44,100
Subscription advances	10,000	-
	$ 111,945	$ 179,801

(Unaudited – Expressed in Canadian Dollars)

5. Amounts Receivable

	August 31, 2012	November 30, 2011
Harmonized sales tax receivable	$ 66,646	$ 43,322
Other	86,816	146,627
	$ 153,462	$ 189,949

6. Accounts Payable and Accrued Liabilities

	August 31, 2012	November 30, 2011
Accounts payable	$ 256,447	$ 262,379
Amounts due to related parties	587,714	535,450
Subscription advances	10,000	-
	$ 854,161	$ 797,829

7. Exploration and Evaluation Assets

	Balance November 30, 2011	2012 Mineral Interests Additions	2012 Net Exploration cost additions	2012 Written off	Balance August 31, 2012
Doyle Lake	$ 986,723	$ -	$ (7,089)	$ -	$ 979,634
Fishback Lake	730,177	-	4,367	(200,465)	534,079
CH	3,247,348	-	96,572	(483,606)	2,860,314
Providence Greenstone Belt	3,758,361	-	38,725	(767,123)	3,029,963
McConnell Creek	2,849,848	-	20,374	-	2,870,222
	$ 11,572,457	**$ -**	**$ 152,949**	**$(1,451,194)**	**$ 10,274,212**

	Balance November 30, 2011	2012 Net Additions	2012 Written off	Balance August 31, 2012
Acquisition costs	$ 408,134	$ -	$ (110,709)	$ 297,425
Deferred exploration costs	11,164,323	152,949	(1,340,485)	9,976,787
	$ 11,572,457	**$ 152,949**	**$ (1,451,194)**	**$ 10,274,212**

(Unaudited – Expressed in Canadian Dollars)

7. Exploration and Evaluation Assets, continued

Included in Exploration and Evaluation Assets are reclamation bonds held in the name of the Ministry of Energy, Mines and Petroleum Resources of BC and the Receiver General (for Northwest Territories claims) in the amount of $76,400 (Nov. 30, 2011 - $76,400).

Exploration costs incurred during the nine months ended:

	August 31, 2012	August 31, 2011
Aircraft	$ 2,400	$ 2,986
Licenses, recording fees and lease payments	88,688	49,301
Project supplies	9,847	(31,043)
Salaries and wages	851	946
Surveying	41,587	-
Technical and professional services	31,502	62,393
Transportation	(21,926)	(11,319)
	$ 152,949	**$ 73,264**

(a) Doyle Lake, Northwest Territories, Canada

Under the De Beers Agreement ("the Agreement") dated May 25, 1995, De Beers Canada Inc. ("De Beers") has earned a 60% interest in the Doyle Lake Properties ("the Properties"), which consist of 5 claims and 3 fractional claims (12,972 acres), by completing exploration expenditures of $4.65 million.

Under the Agreement, De Beers will recover all of the Company's costs of prospecting, exploration, development and construction incurred preproduction, financed by De Beers or by way of third party borrowings, out of 90% of the annual available cash flow (i.e. cash flow after provision for ongoing operating and non-operating costs) from any mine constructed on the Properties with interest at LIBOR plus 3% or the actual interest rates agreed to be paid, whichever is applicable. The remaining 10% of such available cash flow will be distributed to the members in the Agreement in proportion to their interests in the Properties. If after the completion of a feasibility study and prior to the commencement of commercial production from the first mine, the members in the Agreement cease to carry on development work on the Properties other than by reason of force majeure for a period of more than two years, interest other than interest on third party borrowings, will not be accrued for the period exceeding two years. When development work resumes, the Company will continue to accrue the interest.

In addition, the Company holds 12 claims (12,557 acres) in the Doyle Lake area that are not subject to the Agreement. 11 of these claims are leases.

(b) Fishback Lake, Northwest Territories, Canada

The Company owns 3 claims (5,502 acres). Two of these claims are mining leases. During the period, two claims (5,165 acres) were allowed to lapse and the related costs of $200,465 were written off.

7. Exploration and Evaluation Assets, continued

(c) CH, Northwest Territories, Canada

The Company owns 51 claims (103,230 acres), north-northeast of Yellowknife, acquired by staking during the years 2000 to 2003. These claims include the Courageous, Mackay, Seahorse, Starfish, Winterlake North, Winterlake South, GDC, BP, Zip and Mill claims. 17 of these claims are leases and 12 claims were taken to lease (4 of the claims will be surveyed in 2013) during the period ended August 31, 2012.

During the period, 31 claims (73,696 acres) were allowed to lapse and the related costs of $483,606 were written off.

5 of the claims (12,912 acres) (Nov. 2011 - 30 claims) are subject to a February 11, 2009 exploration and option agreement with Rio Tinto Exploration Canada Inc. ("RIO"). RIO must make payments totalling $1,000,000 and incur cumulative expenditures of $10,000,000 in order to earn a 100% interest, subject to a gross overriding royalty of 1.5% of the appraised value of all gem and industrial diamonds recovered, sorted and graded from the property and a 1.5% net smelter returns royalty on the net value of all ores, minerals, metals and materials except diamonds, mined and removed from the property and sold or deemed to have been sold. To November 30, 2011 RIO has spent over $2.8 million. During the period, RIO returned 25 CH claims back to the Company. See Subsequent Events Note 17 (c).

(d) Providence Greenstone Belt, Northwest Territories, Canada

The Company owns 61 claims (129,388 acres) in the Providence Greenstone Belt ("PGB") area of the Northwest Territories. These claims lie within an extensive belt of rocks previously identified by a mapping project funded by the Geological Survey of Canada and reported as having the potential for hosting magmatic nickel mineralization.

On August 4, 2011 the Company signed an agreement with Emerick Resources Corp. ("Emerick") whereby Emerick had the option to acquire a 75% interest in the PGB group of claims by completing a financing and incurring certain expenditures. During the period, Emerick terminated the agreement before meeting its commitments. As part of the termination, Emerick was required to pay for costs incurred by GGL on behalf of Emerick and settle other payments for services completed on their behalf. A residual amount of $13,376 paid to GGL is included in income for the period ended August 31, 2012.

During the period, 23 claims (56,386 acres) were allowed to lapse and the related costs of $767,123 were written off.

(e) McConnell Creek, British Columbia, Canada

The Company owns 2 mineral tenures (4,878 hectares) in the Omineca Mining Division of British Columbia.

(Unaudited – Expressed in Canadian Dollars)

8. Property and Equipment

	Office Furniture	Exploration Equipment	Total
Cost			
Balance as at November 30, 2010	$ 58,953	$ 663,959	$ 722,912
Addition	-	2,966	2,966
Disposal	-	(1,635)	(1,635)
Balance as at November 30, 2011	$ 58,953	$ 665,290	$ 724,243
Additions	-	3,362	3,362
Balance as at August 31, 2012	**$ 58,953**	**$ 668,652**	**$ 727,605**
Accumulated Depreciation			
Balance as at November 30, 2010	$ 43,528	$ 480,876	$ 524,404
Depreciation	3,085	37,141	40,226
Disposal	-	(1,292)	(1,292)
Balance as at November 30, 2011	$ 46,613	$ 516,725	$ 563,338
Depreciation	1,851	22,789	24,640
Balance as at August 31, 2012	**$ 48,464**	**$ 539,514**	**$ 587,978**
Carrying Amounts			
At November 30, 2010	**$ 15,425**	**$ 183,083**	**$ 198,508**
At November 30, 2011	**$ 12,340**	**$ 148,565**	**$ 160,905**
At August 31, 2012	**$ 10,489**	**$ 129,138**	**$ 139,627**

9. Share Capital

(a) Authorized: unlimited common shares without par value;

(Unaudited – Expressed in Canadian Dollars)

9. Share Capital, continued

(b) Issued:

	Number of Shares	Amount
Balance, November 30, 2010	**153,423,693**	**$ 35,668,860**
Private placement, net of share issuance costs	700,000	31,764
Private placement – flow-through shares, net of share issuance costs	900,000	41,557
Flow-through share renunciation	-	(11,025)
Other share issue costs	-	(3,799)
Balance, November 30, 2011	**155,023,693**	**$ 35,727,357**
Private placement, net of share issuance costs	2,400,000	118,894
Balance, August 31, 2012	**157,423,693**	**$ 35,846,251**

(c) During the period ended August 31, 2012, the Company completed a private placement of 2,400,000 non flow-through units at $0.05 per unit for gross proceeds of $120,000. Each unit consists of one common non flow-through share and one non-transferable non-flow through warrant. Each warrant entitles the holder to purchase one non flow-through common share until August 17, 2017 at $0.10 per share, subject to an Acceleration Event. The securities have a hold period until December 18, 2012.

If GGL's common shares trade on the TSX Venture Exchange at a closing price greater than $0.40 per share for twenty consecutive trading days at any time after four months and one day from the closing date, GGL may accelerate the expiry of the warrants by giving notice to the holders thereof, and in such case the warrants will expire on the 30th day after the date on which such notice is given ("Acceleration Event"). The proceeds from the sale of the non flow-through units will be used for exploration and general corporate purposes.

(d) During the period ended August 31, 2012, the Company received $10,000 in gross proceeds for the non-brokered private placement announced August 9 and 22, 2012 to raise up to $120,000 at $0.05 per flow-through unit. Each unit will consist of one common non flow-through share and one non-transferable non-flow through warrant. Each warrant will entitle the holder to purchase one non flow-through common share for three years from the closing date at $0.05 per share during the first year and $0.10 per share for years two and three, subject to the financing meeting the requirements of the TSXV Temporary Relief Measures dated August 17, 2012 and an Acceleration Event (see Note 9(c)). See Subsequent Events Note 17 (a).

The proceeds from these flow-through shares will be spent on Canadian Exploration Expenditures on the Company's exploration and evaluation assets. The private placement is subject to acceptance for filing by the TSX Venture Exchange.

(Unaudited – Expressed in Canadian Dollars)

9. Share Capital, continued

(e) During the year ended November 30, 2011, the Company completed a private placement of 700,000 non flow-through units at $0.05 per unit for gross proceeds of $35,000 (share issuance costs of $3,236) and 900,000 flow-through units at $0.05 per unit for gross proceeds of $45,000 (share issuance costs of $3,443). Each non flow-through unit consists of one non flow-through common share and one non-transferable common share purchase warrant exercisable until September 20, 2014 at $0.10 per share. Each flow-through unit consists of one flow-through common share and one non-transferable non flow-through common share purchase warrant. Each warrant entitles the holder to purchase one non flow-through common share until September 20, 2014 at $0.10 per share. Both the non flow-through and flow-through shares had a hold period until January 21, 2012.

The proceeds from these flow-through shares will be spent on Canadian Exploration Expenditures on the Company's exploration and evaluation assets. At the end of the period August 31, 2012, $21,206 remains to be spent before December 31, 2012. The Company intends to spend all of the flow-through proceeds before December 31, 2012.

(f) Changes in warrants during the nine months ended August 31, 2012 and 2011 are as follows:

	2012		2011	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding, beginning of period	6,798,334	$0.16	12,655,000	$0.19
Issued	2,400,000	$0.10	-	-
Expired	(888,000)	$0.30	-	-
Outstanding, end of period	8,310,334	$0.13	12,655,000	$0.19

The Company has the following share purchase warrants outstanding as at August 31, 2012:

Number of warrants	Exercise Price	Expiry Date
3,000,000	$0.10	Sept. 17, 2012
1,310,334	$0.30	Sept. 21, 2012
1,600,000	$0.10	Sept. 20, 2014
2,400,000	$0.10	Aug. 17, 2017
8,310,334		

(Unaudited – Expressed in Canadian Dollars)

10. Stock Options

In 2006, the Company amended its Stock Option Plan to a 10% rolling plan whereby the Company may grant stock options to purchase up to 10% of the issued capital of the Company at the time of the grant of any option. Under the policies of the TSX Venture Exchange, options granted under the 10% rolling plan will not be required to include the mandatory vesting provisions required by the Exchange for fixed number stock option plans, except for stock options granted to investor relations consultants which vest over 12 months. Awarded stock options are exercisable over a period not exceeding five years at exercise prices determined by the Board of Directors based on the most recent trading prices and subject to the TSX Venture Exchange policies.

Under this plan, the number of shares available for grant increases as the issued capital of the Company increases.

	# of Shares	Weighted Average Exercise Price
Options outstanding as at November 30, 2010	**13,885,000**	**$0.19**
Expired	(1,480,000)	$0.20
Options outstanding as at August 31, 2011	**12,405,000**	**$0.19**
Options outstanding as at November 30, 2011	**12,405,000**	**$0.19**
Expired	(3,425,000)	$0.34
Options outstanding as at August 31, 2012	**8,980,000**	**$0.14**

	2012	2011
Weighted average remaining contractual life	1.52 years	2.07 years
Weighted average fair value of options granted during the year	N/A	N/A

	# of Shares	Weighted Average Exercise Price
August 31, 2011 options exercisable	12,405,000	$0.19
August 31, 2012 options exercisable	8,980,000	$0.14

(Unaudited – Expressed in Canadian Dollars)

10. Stock Options, continued

The following table sets forth information relating to stock options outstanding as at August 31, 2012:

Expiry Dates	Exercise prices	Number outstanding and exercisable at August 31, 2012	Weighted average remaining contractual life (years)
May 1/13	$0.20	450,000	0.67
May 23/13	$0.10 and $0.20	3,350,000	0.73
July 31/13	$0.20	25,000	0.92
Aug. 19/14	$0.10	4,275,000	1.97
June 24/15	$0.10	880,000	2.82
		8,980,000	

11. Share-based Payments Reserve

There were no changes to the share-based payments reserve of $4,133,619 for the nine months ended August 31, 2012 and 2011.

12. Related Party Transactions and Balances

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

During the nine months ended August 31, 2012, the Company was billed $70,925 (August 2011-$187,025) by a director and a consultant, including $18,750 (August 2011-$50,195) for consulting fees and $52,175 (August 2011-$136,830) for technical and professional services. Included in the August 31, 2012 accounts payable is $587,714 (August 2011-$509,625) owed by the Company to a director and a consultant. Transactions with related parties are measured at the exchange amount which is the amount agreed to by transacting parties.

13. Segmented Information

The Company is involved in mineral exploration and development activities, which are conducted in Canada. The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating results for each of the nine months ended August 31, 2012 and 2011.

(Unaudited – Expressed in Canadian Dollars)

14. Financial Instruments

The Company classifies all financial instruments as fair value through profit or loss ("FVTPL"), held-to-maturity, loans and receivables, or other financial liabilities. The carrying values of the Company's financial instruments are classified into the following categories:

(a) Fair Value

The fair value of financial instruments at August 31, 2012 and 2011 is summarized as follows:

	August 31, 2012		August 31, 2011	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
FVTPL				
Cash	$ 111,945	$ 111,945	$ 284,012	$ 284,012
Loans and receivables				
Amounts receivable	$ 86,816	$ 86,816	$ 81,751	$ 81,751
Financial Liabilities				
Other Financial liabilities				
Accounts payable and accrued liabilities	$ 844,161	$ 844,161	$ 721,434	$ 721,434
Subscription advances	$ 10,000	$ 10,000	$ 60,000	$ 60,000

The recorded amounts for cash, amounts receivable and accounts payable and accrued liabilities approximate their fair value due to their short-term nature. The Company's fair value of cash under the fair value hierarchy is measured using Level 1 inputs. See Note 3(n).

(b) Financial Risk Management

The Company's activities potentially expose it to a variety of financial risks, including credit risk, foreign exchange (currency) risk and liquidity risk.

<u>Credit risk</u>

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and amounts receivable. The maximum credit risk represented by the Company's financial assets is represented by their carrying amounts. The Company deposits the majority of its cash with high credit quality financial institutions in Canada.

(Unaudited – Expressed in Canadian Dollars)

14. Financial Instruments, continued

(b) Financial Risk Management, continued

Currency risk
The Company operates in Canada and transacts business with foreign vendors and is therefore exposed to foreign exchange risk arising from transactions denominated in foreign currencies. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial liabilities. The Company manages liquidity by carefully monitoring its operating requirements.

15. Supplementary Cash Flow Information

Non-cash operating, financing, and investing activities were conducted by the Company during the nine months ended August 31, 2012 and 2011 as follows:

	2012	2011
Operating activities		
Accounts payable for deferred exploration costs	$ 567,139	$ 409,525
Financing activities		
Issuance of common shares as finder's fee	$ -	$ -
Investing activities		
Accounts payable for deferred exploration costs	$ (567,139)	$ (409,525)
Other supplementary cash flow information:		
Cash paid for interest charges	$ 741	659
Cash paid for income taxes	$ -	$ -

16. Management of Capital

The Company's objectives when managing capital are to safeguard its 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.

In the management of capital, the Company includes the components of shareholders' equity as well as cash and cash equivalents.

16. Management of Capital, continued

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 its capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents.

In order to maximize ongoing development efforts, the Company does not pay dividends.

17. Subsequent Events

Subsequent to August 31, 2012:

(a) the Company received share subscription proceeds of $50,000 for the flow-through non-brokered private placement announced August 9 and 22, 2012. See Share Capital Note 9 (d);

(b) 3,000,000 warrants exercisable at $0.10 per share and 1,310,334 warrants exercisable at $0.30 per share expired unexercised; and

(c) RIO terminated the CH agreement and returned five CH claims back to the Company. One of the claims is a lease and four claims were taken to lease during the period ended August 31, 2012 and await regulatory approval.

18. Transition to IFRS

The Company's consolidated financial statements for the year ending November 30, 2012 will be the first annual consolidated financial statements that comply with IFRS and these condensed consolidated interim financial statements were prepared as described in Note 2, including the application of IFRS 1. IFRS 1 requires an entity to adopt IFRS in its first annual financial statements prepared under IFRS by making an explicit and unreserved statement, in those financial statements, of compliance with IFRS. The Company will make this statement when it issues its November 30, 2012 annual consolidated financial statements.

IFRS 1 also requires that comparative financial information be provided. As a result, the first date at which the Company has applied IFRS was December 1, 2010 (the "transition date"). IFRS 1 requires first-time adopters to retrospectively apply all effective IFRS standards as of the reporting date, which for the Company will be November 30, 2011. IFRS 1 does provide for certain optional exemptions and certain mandatory exceptions for first-time IFRS adoption.

18. Transition to IFRS, continued

Initial election upon IFRS adoption

Below are the IFRS 1 applicable exemptions applied in the conversion from Canadian GAAP to IFRS:

IFRS optional exemptions

IFRS 2 – Share-based Payments encourages application of its provisions to equity instruments granted on or before November 7, 2002, but permits the application only to equity instruments granted after November 7, 2002 that had not vested by the transition date. The Company has chosen to apply the exemption under IFRS 1 and applied IFRS 2 for all equity instruments granted after November 7, 2002 and that had not vested by the transition date.

IAS 27 - Investment in subsidiaries, jointly controlled entities and associates has been applied to the measurement of the cost of investments in its subsidiaries. The deemed cost for both subsidiaries is the previous GAAP carrying amount.

IFRS Mandatory exceptions

Hindsight is not used to create or revise estimates. The estimates previously made by the Company under Canadian GAAP were not revised for application of IFRS except where necessary to reflect any difference in accounting policies.

Reconciliation of Canadian GAAP to IFRS

IFRS 1 requires an entity to reconcile equity, comprehensive income and cash flows for prior periods. The Company's first time adoption of IFRS did not have an effect on any of these items.