



GGL RESOURCES CORP.

(formerly, GGL Diamond Corp.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

November 30, 2009

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Management's Discussion and Analysis

FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2009 INFORMATION AS OF MARCH 19, 2010 UNLESS OTHERWISE STATED

The following discussion of the results and financial position of the Company for the year ended November 30, 2009 should be read in conjunction with the November 30, 2009 Consolidated Financial Statements and related notes. The information reported here includes events taking place subsequent to the end of the fiscal year, up to and including March 19, 2010.

HIGHLIGHTS 2009 TO DATE

- During the past year the Company changed its name from GGL Diamond Corp. to GGL Resources Corp. to better reflect the diversity of the Company's assets.
- Rio Tinto Exploration Canada Inc. ("Rio") (formerly, Kennecott Canada Exploration Inc.) begins diamond exploration this month on the CH Project area. Program to include ground gravity surveys and drilling.
- Aurora Geosciences Ltd. ("Aurora") completed ground geophysics and an evaluation on three of our Providence Greenstone Belt ("PGB") gold properties, the King John, the Lord Cache and the Noble Count. Aurora recommended an exploration program to include drilling on each of the properties.
- Based on sampling and the airborne VTEM-EM surveys on the PGB claims, the potential for clusters of VMS deposits has been identified and drill target selection is in progress.
- The nickel discovery and new nickel targets announced by Arctic Star Diamond Corp. ("Arctic Star") are located within a belt of basic volcanics. This volcanic belt extends on to the PGB GGL claims both to the east and to the west.
- A high grade zinc-rich boulder (25% Zn) has been traced to its source on the PGB claims where an outcrop rock sample assayed +6% Zn.
- New gold targets located at the McConnell Creek Property, British Columbia, Canada.

DISCUSSION AND ANALYSIS

A number of positive changes have taken place since our 2008 year end report, both for the markets and for commodities which have regained some of their losses since March 2009. This despite the fact that two of the world's largest economies, the USA and Europe, have contributed only a shadow of their former economic activities.

The commodities in particular have benefited from the strength of the BRIC economies. Of these China is foremost. China's long term objective to fulfill the needs of its people has driven its remarkable progress in developing and acquiring the mineral commodities it needs both within its borders and abroad.

China is now the world's largest gold producer, whereas Canada is seventh and fading. Canada is falling behind not only in gold production, but in every metal commodity except uranium. Canada's natural advantage lies in its natural resources. We have been blessed with the economic benefits of NEW wealth to support our economy and social programs. To date this resource potential has barely been tapped.

Consider the tremendous mineral production of China and then consider that the most unexplored area of Canada, with the most promising geology for mineral wealth, is 42% of the entire area of China. This is the combined area of the Northwest Territories and Nunavut.

The mineral future of Canada is in its north and it is here in the Northwest Territories that GGL has acquired an exceptional land package that we believe is our future as well.

THE CASE FOR EXPLORATION OF THE PROVIDENCE GREENSTONE BELT, NORTHWEST TERRITORIES, CANADA

INTRODUCTION

Greenstone belts are one of the world's prime storehouses for mineral deposits and reserves. Early discoveries of mineral deposits, in the late 1800's and early 1900's, were mainly made by surface exposure of mineralization. It has often been said that these easy discoveries are a thing of the past. That may be mainly true for those greenstone belts that have been prospected for over one hundred years. But as GGL's gold, VMS, nickel, silver and zinc surface discoveries at the PGB attest, this is not true for the under-explored greenstone belts of the north.

Recent advancements in exploration techniques allow for the discovery of hidden deposits as demonstrated by the nickel discovery of Arctic Star using geophysical and geochemical methods. Similar methods have been used at GGL's PGB property to outline the potential for buried gold, nickel and VMS deposits.

The discovery of the Horne Mine in Ontario in the early 1920's by Ed Horne was the making of both a \$10 billion mine and of Noranda. This surface discovery and the subsequent understanding of VMS deposits led, some 40 years later, to the discovery of the giant Kidd Creek VMS deposit based on an innovative geological exploration program implemented by Texas Gulf Sulphur ("Texas Gulf") in 1957. These and new advances in geophysics and geological and geochemical exploration methods are now at our disposal.

It was the surface discoveries by prospecting that led to the great gold camps of Red Lake (\$16.7 billion) and Timmins (\$39.1 billion) and the VMS deposit of Noranda. It was these discoveries that led to the successful search for blind deposits by the use of geological models and the applications of modern exploration methods. (Note: \$ amounts based on an average over the 10 year period 1996 to 2005, from "Mineral Deposits of Canada".)

Another important point to be made relates to the large greenstone belts such as the Abitibi Belt, which is 800 km long and 200 km wide. Within this belt are ten discrete volcanic complexes. One of these, 120 km long by 10 to 40 km wide, includes the Timmins area that contains the Kidd Creek VMS deposit and with it a major gold producing district; with most of the gold production contained in an area only 40 km long by 10 km wide. It is the gold bearing portion of the greenstone belt that is important and would be important regardless of the size of the main belt. This fact is again reflected at the Red Lake gold camp, a much smaller district than Timmins.

GGL's portion of the PGB is 120 km long. The smaller volcanic complex at Yellowknife has produced 12 million ounces of gold and the volcanic complex at Hope Bay, held by Newmont, hosts a gold resource of 9 million ounces. The rocks that contain the gold in the Slave Craton are similar in age and composition to the rocks of the Superior Province that contain the Abitibi Belt. What is different is that the PGB is at the early stage of exploration. The first explorers of the Abitibi Belt had no idea that there was 200 million ounces of gold waiting to be found.

Similar discoveries mark the major greenstone belts of the world. Mines were made there but only after surface discoveries revealed the potential.

The Providence Greenstone Belt with new surface discoveries of gold, VMS, silver, zinc, and nickel has all the right attributes to be the focus for exploration.

EXPLORATION IN THE PROVIDENCE GREENSTONE BELT (PGB)

Cratons are good places to look for diamonds and the Slave Craton with three producing diamond mines and a fourth on the way has proved to be an exceptionally good place to do so. The Company conducted several years of diamond exploration in the PGB and was successful in locating a number of indicator mineral trains with high grain counts and good G-10 chemistry. GGL's exploration crews discovered nickel sulfides during the search for diamonds. This discovery led the Company to focus on the komatiites and mafic volcanics as sources of nickel and this exploration found that the PGB hosted extensive areas of massive sulfides and two historic VMS discoveries. Airborne Resolve Geophysical surveys completed during the search for kimberlites highlighted the conductors and prospecting the anomalies led to the first of two separate gold discoveries in late 2007 and late 2008. In the winter of 2008 an airborne VTEM survey was completed over the areas not previously flown by the Resolve survey. These surveys cover the entire 120 km of the PGB, which is wholly owned by GGL. The VTEM proved adept at locating massive sulfides both for nickel and for VMS with new potential deposits added to the two historic VMS discoveries.

THE CASE FOR GOLD

Late in the season of 2007 the Company decided to prospect the less intense EM anomalies in contrast to the strong responses seen from the massive sulfides. An outcrop of mafic volcanics with arsenopyrite and quartz in a shear zone was found in the first area examined and a grab sample assayed 22.72 gpt Au. This is the "King John" property. In late 2008 a second discovery was made, also from an outcrop of mafic volcanics with arsenopyrite; this grab sample assayed 42.7 gpt Au. This is the "Lord Cache" property. These two properties are 10 km apart. Twenty km to the south, a prospective zone in mafic volcanics assayed 1.3 gpt Au. At the far north end of the property a historic gold discovery made by Noranda some 30 years ago reported values of up to 0.52 opt Au (17.82 gpt) from a Banded Iron Formation (BIF) traced by geophysics over 3 km. This is the "Noble Count" property.

In addition to these surface discoveries, a large VTEM and coincident magnetic anomaly over Timiskaming-type conglomerates adjacent to mafic volcanics – similar to gold targets presently being tested in the Abitibi Belt – is ready for drilling.

Consider the gold potential is over 140 km of prospective ground along a mafic volcanic and turbidite sediment contact near major regional faults and consider that we have had not 100 years but only a few months to explore then our discoveries come into perspective.

The Providence Greenstone Belt has high potential for significant gold deposits.

THE CASE FOR VMS

VMS deposits have a tendency to occur in clusters and this fact is important when evaluating a new area for VMS exploration. As an example, the average grade and tonnage of 52 deposits in the Abitibi Belt is 9.2 million tonnes containing 1.47% Cu, 3.43% Zn, 0.07% Pb, 31.7 g Ag/tonne and 0.81 g Au/tonne. In the Flin Flon Greenstone Belt over a length of 140 km and a width of 20 km, a total of 27 VMS deposits have been mined. The grade of the individual deposits varied from 0.15% Cu to 6.63% Cu; from trace to 13.69% Zn; from 4.11 gpt Ag to 55.54 gpt Ag; and from 0.10 gpt Au to 4.87 gpt Au. The Flin Flon deposits vary in size from 80,000 tonnes to 62.5 million tonnes.

A 600 km long northerly-trending rift structure and attendant fault splays cut across the Slave Craton extending from Great Slave Lake in the south to the Coronation Gulf in the north. The PGB lies approximately mid-way along this structure. Some 100 km north of the GGL claims is the Izok Lake VMS deposit discovered in the 1970's by Texas Gulf and recently purchased by MMG of Australia (a private

company controlled by Minmetals of China) who have already mobilized a crew to the property. Of the several VMS deposits discovered to date in the area, Izok Lake and High Lake are the largest. The Izok Lake VMS deposit has a resource of 14.4 million tonnes with a grade of 2.5% Cu, 12.9% Zn, 1.3% Pb, and 71 gpt Ag. The High Lake VMS deposit has a resource of 17.25 million tonnes with a grade of 2.3% Cu, 3.4% Zn, 0.3% Pb, 70 gpt Ag and 1.0 gpt Au.

The last commodity super cycle from the 1960's to early 1980's prompted exploration in the PGB area by Texas Gulf and a few other large mining companies. In addition to Izok Lake, Texas Gulf found and examined a surface outcropping VMS now on the Company's claims named Area 1000. Area 1000 contains a highly visible color anomaly; this gossan is heavily leached and weathered and with little in the way of fresh material to sample. The highest values reported from a series of GGL grab samples taken along 600 m of strike length are 5.2% Cu, 4.1% Zn, 3.0% Pb and 161 gpt Ag. A VTEM anomaly in this area indicates depth continuity to this mineralization.

The geophysical signature over known VMS deposits often conforms well to the actual outline of the mineralization. In the case of Izok Lake the ground geophysics outlined the main zones with a geophysical signature 875 m long by 93 m to 250 m wide; at Kidd Creek the 168 m by 670 m airborne anomaly outlined the deposit – although the Izok Lake anomaly is larger, the several ore bodies at Kidd Creek extend to a depth of over 3,000 m.

A number of VTEM anomalies prospective of VMS deposits have been found by GGL. They have dimensions of: (1) Area 1000 – 1.8 km by 200 m; (2) GGL500 – 1.8 km by 500 m; (3) CAQ11 – 1.4 km by 500 m; and (4) BP9 – 800 m by 100 m. All of these large anomalies have anomalous Cu, Zn, and Ag values associated with them. Many other VTEM anomalies still require examination. Two exploration seasons are not sufficient to explore in detail an area that extends for 120 km.

There is potential for more than one cluster of VMS deposits on the PGB and this potential deserves exploration.

THE CASE FOR NICKEL

The PGB contains extensive areas of 2.7 Ga komatiites and pillow basalts. The chemistry of the komatiites is favourable for nickel deposition as determined by a comparison with the komatiites of Kambalda in Australia and the presence of the nickel sulphides pyrrhotite and pentlandite. Drill targets have been located based on geology and geophysical anomalies. Most important is the discovery of nickel in holes drilled by Arctic Star on claims adjacent to GGL and along a shared volcanic belt. The drill intersections include 5.1 m assaying 1.75% Ni, 1.76% Cu and 0.17% Co plus PGM's.

Nickel deposits tend to have a string of brothers and sisters along favourable ultrabasic volcanic trends, the PGB is not likely to be an exception.

SUMMARY

The development of gold and diamond mines is feasible in remote areas and the gold potential of the PGB is likely to be the most attractive as the infrastructure requirements are modest in comparison to nickel and base metals mines that need road access and large power requirements. However, the growing demand for commodities requires that new areas with the potential for large tonnage and good grade mineral deposits – the type most likely to be found in greenstone belts - be developed. Overcoming the liabilities of remote location has been faced time and again at various times and places in Canada. The iron ore deposits of Quebec and Ontario, the VMS deposits of Flin Flon and the Pine Point zinc-lead ore bodies, to name a few, were not economic without the intervention and help of governments in providing permits and funds to build rail transport and power facilities – funds that were recovered many times over in the form of taxes and royalties from these long lived economic generators. Even now a road to Izok Lake is being contemplated as are plans for power and roads to serve the north.

At this time the sovereignty of Canada's north is much on the mind of Ottawa. Developments that would aid the building of an Arctic seaport and the attendant need to use the Northwest Passage, a reasonably direct route to Japan, Korea or China, would we expect to be favourably considered by government. Hydro and/or nuclear power is a viable option, but would require the support of the native communities, a support that may be achieved if the promise of the economic benefits were seen to accrue to all the peoples of the north.

FUTURE PLANS

The Company needs funds for further exploration and is exploring all strategies for joint ventures and/or financing. The Company's assets are its properties. The PGB claims and the McConnell claims are in good standing and wholly owned by the Company. We continue to mine our dataset to prepare for the exploration that we believe will come.

Trends

The Company's financial success is dependent upon the discovery of mineralization which could be economically viable to develop. Such development could take years to complete and the resulting income, if any, is difficult to determine. The sales value of any mineralization discovered by the Company is largely dependent upon factors beyond the Company's control, such as the market value of the products produced.

Other than as disclosed herein, the Company is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect on the Company's sales or revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

Competitive Conditions

The resource industry is intensely competitive in all of its phases. The Company competes with other mining companies for the acquisition of mineral claims and other mining interests as well as for the recruitment and retention of qualified employees and contractors. There is significant and increasing competition for a limited number of gold and other resource acquisition opportunities and as a result, the Company may be unable to acquire suitable producing properties or prospects for exploration in the future on terms it considers acceptable. The Company competes with many other companies that have substantially greater financial resources.

The Company may, in the future, be unable to meet its obligations under agreements to which it is a party and the Company may have its interest in the properties subject to such agreements reduced as a result.

Environmental Factors and Protection Requirements

The Company conducts exploration and development activities in the Northwest Territories and British Columbia. All phases of the Company's operations are subject to environmental regulations in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulations, if any, will not adversely affect the Company's operations. There is no assurance that regulatory and environmental approvals will be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or to preclude entirely the economic development of a property. Environmental hazards may exist on the properties which are unknown to the Company at present which have been caused by previous or existing owners or operators of the properties.

The approval of new mines on federal lands in Canada is subject to detailed review through a clearly established public hearing process, pursuant to the Federal Canadian Environmental Assessment Act. In addition, lands under federal jurisdiction are subject to the preparation of a costly environmental impact assessment report prior to the commencement of any mining operations. These reports entail a detailed technical and scientific assessment as well as a prediction of the impact on the environment of the proposed development. Further, under such review process, there is no assurance that regulatory and environmental approvals will be obtained on a timely basis or at all.

Provincial mining legislation establishes requirements for the decommissioning, reclamation and rehabilitation of mining properties in a state of temporary or permanent closure. Such closure requirements relate to the protection and restoration of the environment and the protection of public safety. Some former mining properties must be managed for long periods of time following closure in order to fulfill closure requirements. The cost of closure of mining properties and, in particular, the cost of long-term management of mining properties can be substantial. The Company intends to progressively rehabilitate its mining properties during their period of operation so as to reduce the cost of fulfilling closure requirements after the termination or suspension of production.

The Company has adopted an environmental policy designed to ensure that it continues to comply with or exceeds all environmental regulations currently applicable to it. All of the Company's activities are in compliance in all material respects with applicable environmental legislation. The Company is engaged in exploration with minimal environmental impact.

Risk Factors

The Company is subject to a number of risk factors due to the nature of its business and the present stage of development. The following risk factors should be considered:

Mineral Exploration and Development

The Company's properties are in the exploration stage and no proven or probable reserves have been defined or delineated. Development of the Company's properties will only proceed upon obtaining satisfactory exploration results. Mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that mineral exploration and development activities will result in the discovery of an economic or commercial deposit on any of the Company's properties. Several years may pass between the discovery of a deposit and its exploitation. Most exploration projects do not result in the discovery of commercially mineralized deposits.

Operating Hazards and Risks

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages and damage to persons or property or the environment and possible legal liability for any and all damage. Fires, power outages, labour disruptions, industrial accidents, environmental hazards, periodic interruptions due to inclement or hazardous weather conditions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are some of the risks involved in the operation of mines and the conduct of exploration programs. Although the Company will, when appropriate, secure liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liability and hazards might not be insurable, or the Company might elect not to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Economics of Developing Mineral Properties

Substantial expenditures are required to establish reserves through drilling, to develop processes to extract diamonds, gold and base metals and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

The majority of the Company's properties are not located in developed areas and as a result may not be served by any appropriate road access, water and power supply and other support infrastructure. These items are often needed for the development of a commercial mine. If these items cannot be procured or developed at a reasonable cost, it may not be economical to develop these properties into a commercial mining operation.

The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection. Depending on the price of minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

Commodity Prices

The Company's revenues, if any, are expected to be in large part derived from the mining and sale of diamonds, gold, silver, nickel, copper, zinc and lead or interests related thereto. The price of commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, global or regional consumptive patterns, speculative activities, levels of supply and demand, increased production due to new mine developments and improved mining and production methods, availability and costs of substitutes, commodity stock levels maintained by producers and others and inventory carrying costs. The effect of these factors on commodity prices and therefore the economic viability of the Company's operations cannot accurately be predicted.

Title

Although we believe that the Company's title is secure there is no guarantee that title to properties in which the Company has a material interest will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or native land claims, and title may be affected by undetected defects.

Governmental Regulation

Operations, development and exploration on the Company's properties are affected to varying degrees by: (i) government regulations relating to such matters as environmental protection, health, safety and labour; (ii) mining law reform; (iii) restrictions on production, price controls, and tax increases; (iv) maintenance of claims; (v) tenure; and (vi) expropriation of property. There is no assurance that future changes in such regulations, if any, will not adversely affect the Company's operations. Changes in such regulations could result in additional expenses and capital expenditures, availability of capital, competition, reserve uncertainty, potential conflicts of interest, title risks, dilution, and restrictions and delays in operations, the extent of which cannot be predicted.

Exploration on the Company's properties requires responsible best exploration practices to comply with government regulations. The Company is required to be registered to do business and have a valid prospecting license (required to prospect or explore for minerals on Crown Mineral Land or to stake a claim)

in any Canadian province or territory in which it is carrying out work. Mineral exploration primarily falls under provincial and territorial jurisdiction. However, the Company is also required to follow the regulations pertaining to the mineral exploration industry that fall under federal jurisdiction, such as the Fish and Wildlife Act.

If any of the Company's projects are advanced to the development stage, those operations will also be subject to various laws and regulations concerning development, production, taxes, labour standards, environmental protection, mine safety and other matters. In addition, new laws or regulations governing operations and activities of mining companies could have a material adverse impact on any project in the mine development stage that the Company may possess.

Land Reclamation

Land reclamation requirements are generally imposed on mineral exploration companies in order to minimize the long term effects of land disturbance. Reclamation may include requirements to control dispersion of potentially deleterious effluents and reasonably re-establish pre-disturbance land forms and vegetation. The Company has land use permits and safekeeping agreements in place that will be returned when the Company is ready to abandon its interests in the claims and reclaim the land to its original state.

Aboriginal Rights

Aboriginal rights may be claimed on Crown properties or other types of tenure with respect to which mining rights have been conferred. The Company is not aware of any aboriginal land claims having been asserted or any legal actions relating to native issues having been instituted with respect to any of the mineral claims in which the Company has an interest. The Company is aware of the mutual benefits afforded by co-operative relationships with indigenous people in conducting exploration activity and is supportive of measures established to achieve such co-operation.

Management

The success of the Company depends to a large extent on its ability to retain the services of its senior management, consultants and key personnel. The loss of their services may have a material, adverse effect on the Company.

Conflicts of Interest

Certain officers and directors of the Company are officers and/or directors of, or are associated with, other natural resource companies that acquire interests in mineral properties. Such associations may give rise to conflicts of interest from time to time. The directors are required by law, however, to act honestly and in good faith with a view to the best interests of the Company and its shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and to abstain from voting as a director for the approval of any such transaction.

Limited Operating History: Losses

The Company has experienced, on a consolidated basis, losses in all years of its operations and expects to incur losses for the foreseeable future. There can be no assurance that the Company will operate profitably in the future, if at all. As at November 30, 2009, the Company's deficit was \$22,775,800.

Price Fluctuations: Share Price Volatility

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many mineral exploration companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. In particular, during the financial year ended

November 30, 2009, the per share price of the Company's shares fluctuated from a high of \$0.14 to a low of \$0.02. There can be no assurance that continual fluctuations in price will not occur.

Shares Reserved for Future Issuance: Dilution

As at March 19, 2010, there were 13,933,333 stock options and 5,783,334 share purchase warrants outstanding pursuant to which a total of 19,716,667 shares may be issued in the future, all of which will result in further dilution to the Company's shareholders and pose a dilutive risk to potential investors.

Stock Option Plan

The Company has a 10% rolling Stock Option 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. Under the 10% rolling plan, the number of shares available for grant increases as the issued capital of the Company increases. Awarded stock options are exercisable over a period not exceeding five years at exercise prices determined by the Board of Directors.

Corporate Governance

The Company has a Corporate Disclosure Policy, an Insider Trading Policy and a Whistle Blower Policy. To view a copy of these policies, please go to www.gglresourcescorp.com.

Overall performance/results of operations

Fourth Quarter

The Company had a net loss of \$573,938 for the three months ended November 30, 2009, a decrease of \$903,171 from a net loss of \$1,477,109 for the three months ended August 31, 2009. This decrease is a result of smaller write offs of exploration and unproven mineral interests in the three months ending November 30, 2009 compared to the three months ended August 31, 2009 and a decrease in the administration expenses.

Administration and general exploration expenditures decreased by \$155,432 to \$240,514 for the three months ended November 30, 2009 compared to \$395,946 for the three months ended August 31, 2009. This decrease was due primarily to a decrease in stock-based compensation expenses and was offset by increases in legal and audit costs (accrual of yearly audit fees), licences, taxes, insurance and fees (accrual of yearly insurance costs) and an increase in general exploration costs during the three months ended November 30, 2009.

Year ended November 30, 2009 compared to year ended November 30, 2008

As at November 30, 2009, the Company had incurred exploration costs on mineral properties of \$355,830 (charter aircraft \$13,114; drilling and sampling \$4,466; licences, recording fees and lease payments \$32,552; salaries and wages \$37,592; surveys \$6,500; technical and professional services \$287,375; transportation \$11,954, project supplies of \$12,277, option payment received (\$25,000) (see Note (f) under Acquisition and Disposition of Resource Properties and Write offs) and refund of land use permit (\$25,000)). Exploration costs for the year ended November 30, 2009 are lower than 2008 by \$4,662,147 a decrease of 93%. Exploration costs were lower in 2009 than 2008 for all categories of expenditures.

In 2009 the Company was able to secure financing only for a small exploration program.

On a per project basis, the Company spent the \$355,830 exploration costs as follows: (\$22,070) on the CH project net of Rio's option payment of \$25,000 and a refund of \$40,000 from the 2006 and 2007 assessment report deposits; (\$3,093) on the Doyle Lake project net of a \$25,000 refund of a land use permit), \$76,305 on the McConnell Creek project, \$5,663 on the Fishback Lake Property and \$299,025 on the Providence Greenstone Belt.

The Company reported a net loss of \$3,903,290 for the year ended November 30, 2009 compared to a net loss of \$664,911 for the year ended November 30, 2008 (an increase of 487 % from 2008 to 2009). General administration and exploration expenses for the year ended November 30, 2009 were \$801,291 compared to \$1,529,014 for the year ended November 30, 2008 (a decrease of 48% from 2008 to 2009). The change in general administration and exploration expenses was due to a decrease in all expenditures during the year: office services and expenses (2009-\$160,699; 2008-\$209,668); consulting fees (2009-\$99,447; 2008-\$245,265); licences, taxes, insurance and fees (2009-\$30,244; 2008-\$40,905); legal and audit (2009-\$37,788; 2008-\$77,029); stock-based compensation (2009-\$272,068; 2008-\$703,094); travel (2009-\$3,798; 2008-\$22,255); and shareholders' meetings and reports (2009- \$23,101; 2008-\$33,253). Limited financing during the year required cost cutting measures such as letting go of a full time employee, decreasing head office rental space, selling the Yellowknife house to reduce expenditures and implementing a smaller exploration program. The reduction in exploration activity resulted in a decrease in the number of press releases, corporate relations costs, legal costs, audit fees and insurance costs.

In 2008 there were higher consulting fees due to more time spent by management on corporate matters, a financial and advisory contract and payments to the Vice President of Administration. Licences, taxes, insurance and fees decreased in 2009 due to a partial refund of the Yellowknife house insurance and a decrease in the TSX Venture Exchange Annual Sustaining fee which is based on the closing price of the Company's shares at December 31 (2008-\$0.03; 2007-\$0.24). Stock-based compensation decreased due to the lower market price of the shares and smaller price fluctuations within the last two years. Shareholders' meetings and reports decreased in 2009 due to fewer news releases being issued and lower costs for the mailing of shareholder materials and the annual general meeting. Legal and audit costs were lower during the period also due to fewer corporate activities. General exploration costs were lower during the year ended November 30, 2009 due to the sale of the Yellowknife house which reduced office and house expenses.

Revenue for the year ended November 30, 2009 was \$343,938 (\$744 of interest income, \$7,526 in operator's fees, \$105,300 from the sale of the data set and technical support and a gain on the sale of property and equipment of \$230,368). Revenue for the year ended November 30, 2008 was \$76,548 of interest income.

Acquisition and Disposition of Resource Properties and Write offs

During the period ended November 30, 2009 the total write offs of exploration and unproven mineral interests was \$3,467,154:

- (a) 19 Doyle mining leases (23,520 acres) were allowed to lapse and the related costs of \$1,344,203 were written off. These are separate from the Doyle Lake Properties which are under the De Beers Agreement dated May 25, 1995. The relinquished leases do not include the Doyle diamond-bearing kimberlite sill which is 100% owned by the Company.
- (b) In addition 11 Doyle mining leases (25,579 acres) acquired in 2005 were allowed to lapse after informing Mountain Province Diamonds Inc., Camphor Ventures Inc., and De Beers Canada Inc. and the related costs of \$845,532 were written off.
- (c) 10 CH claims (23,477 acres) were allowed to lapse and the related costs of \$634,250 were written off.
- (d) 8 Fishback Lake claims (16,260 acres) were allowed to lapse and the related costs of \$402,375 were written off.

- (e) 22 Providence Greenstone Belt claims (45,556 acres) were allowed to lapse and the related costs of \$240,794 were written off.
- (f) On February 11, 2009 the Company signed an exploration and option agreement with Rio on 73 of its 121 CH claims in the Northwest Territories. 10 of these claims were allowed to lapse (see (c) above). 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. The payments and both royalties are payable to the Company. The Company has received the first payment of \$25,000 to date.

Related Party Transactions

During the year, the Company was billed \$150,000 by a director (2008 - \$145,000), including \$88,945 (2008 - \$100,550) for consulting fees and \$61,055 (2008 - \$44,450) for technical and professional services. Included in the November 30, 2009 accounts payable is \$210,447 (2008 - \$75,830) owed by the Company to the director. Transactions with related parties are measured at the exchange amount which is the amount agreed to by transacting parties.

Commitments

The Company has no commitments. Its office space is rented on a month to month basis.

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.

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 out dividends.

The Company's common shares are listed on Tier 2 of the TSX Venture Exchange ("TSX-V"). The TSX-V's policies impose certain minimum capital requirements upon the Company. Due to current market conditions, the TSX-V granted temporary relief from certain policy requirements on a case by case basis to listed issuers which were facing conditions of immediate or imminent financial hardship. The Company applied and received approval from the TSX-V for temporary relief from the minimum six month working capital requirement.

Critical Accounting Policies

New accounting policies were introduced in 2009.

Adoption of New Accounting Policies

Current Changes in Accounting Policies

(a) Goodwill and Intangible Assets, Section 3064

Effective December 1, 2008, the Company implemented the new Handbook section 3064, “Goodwill and Intangible Assets”, which replaces section 3062, “Goodwill and Intangible Assets”. The new standard establishes revised standards for the recognition, measurement, presentation and disclosure of goodwill and intangible assets. The new standard also provides guidance for the treatment of preproduction and start-up costs and requires that these costs be expensed as incurred. The adoption of the new section had no impact on the Company’s consolidated financial statements.

(b) Going Concern – Amendments of Section 1400

Effective December 1, 2008, the Company implemented the amendments to CICA Section 1400, General Standards of Financial Statements Presentation. This section was amended to include requirements to assess and disclose an entity’s ability to continue as a going concern. The adoption of the amendments to this section had no impact on the Company’s consolidated financial statements.

Future Changes in Accounting Policies

(c) Business combinations, consolidated financial statements and non-controlling interests - Sections 1582, 1601 and 1602

The CICA issued three new accounting standards in January 2009: Section 1582, Business Combinations, Section 1601, Consolidated Financial Statements, and Section 1602, Non-Controlling Interests. These new standards will be effective for fiscal years beginning on or after January 1, 2011. The Company is in the process of evaluating the requirements of the new standards.

Section 1582 replaces Section 1581, Business Combinations, and establishes standards for the accounting for a business combination. The 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. Sections 1601 and 1602 together replace Section 1600, Consolidated Financial Statements. Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1601 applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Section 1602 establishes standards of accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. The section applies to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011.

(d) International Financial Reporting Standards (“IFRS”)

In 2006, the Canadian Accounting Standards Board (“AcSB”) published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008 the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada’s own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of December 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended November 30, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

During the year 2009, the Company started the scoping and planning phase of its changeover plan. The Company has identified the following four phases of its conversion plan: scoping and planning, detailed assessment, operations implementation and post implementation. The Company expects to have the scoping and planning phase completed during the 2010 fiscal year. The detailed assessment phase will include (a) identifying accounting policy choices under IFRS1- First Time Adoption of International Financial Reporting Standards and other IFRS standards that affect the Company; (b) quantifying the impact of the choices on the financial statements and identifying the business processes and resources impacted; and (c) preparing templates for the financial statements. The operations implementation phase will include the design of business, reporting and system processes to support the IFRS compliant financial data for the opening balance sheet at December 1, 2010 and thereafter and testing of the internal control environment and updated processes for disclosure controls and procedures. The final phase involves maintaining IFRS compliant financial data and processes for the first fiscal reporting year 2011 and in future.

Please see Notes 2 and 3 of the Consolidated Financial Statements for the year ended November 30, 2009 for a complete listing of accounting policies followed by the Company.

Selected Annual Information

The following table sets forth selected consolidated financial information of the Company for, and as at the end of, each of the last three financial years of the Company up to and including November 30, 2009. This financial information is derived from the consolidated financial statements of the Company which were audited by D+H Group LLP. The Company prepares financial information according to Generally Accepted Accounting Principles (“GAAP”) and all information is reported in Canadian \$.

	November 30		
	(Audited)		
	2009	2008	2007
	(\$)	(\$)	(\$)
Total Revenues	343,938	76,548	54,582
Income from continuing operations	-	-	-
Net loss for the year	(3,903,290)	(664,911)	(3,255,724)
Net loss per share (basic and diluted)	(0.03)	(0.00)	(0.03)
Total Assets	17,232,346	20,861,776	16,852,331
Total Long-term financial liabilities	-	-	-

No cash dividends have been declared or paid since the date of incorporation and the Company has no present intention of paying dividends on its common shares. The Company anticipates that all available funds will be invested to finance the growth of its business.

The Net Loss number is the result of administration and general exploration costs and the write off of exploration and unproven mineral interest costs incurred each year. Revenue from 2009 is comprised of \$744 of interest income, \$7,526 of operators’ fees, \$105,300 from the sale of the data set and technical support and a gain of \$230,368 on the sale of property and equipment. Revenue from 2008 is \$76,548 of interest income. Revenue from 2007 is comprised of \$41,063 of interest income and a gain on the sale of equipment of \$13,519.

Interest income is dependent upon interest rates and the amount of financing raised each year by the Company. Interest rates will vary due to market conditions and the Company has no control over the fluctuation of rates.

Expenses are mainly composed of administration costs, general exploration costs and write off of exploration and unproven mineral interests. The write off in each year is dependent upon the costs spent to date on the project(s) that is (are) being abandoned and management's decision as to whether to continue exploration on certain claims. Write offs of exploration and unproven mineral interests will vary from year to year and affect the Net Loss.

All of the above factors must be taken into consideration when comparing Total Revenues and Net Loss for each year.

Summary of Quarterly Information

The following table sets forth a comparison of revenues and earnings for the previous eight quarters ending with November 30, 2009. Financial information is prepared according to GAAP and is reported in Canadian \$.

<u>Quarter Ended:</u>	November 30, 2009	August 31, 2009	May 31, 2009	February 28, 2009	November 30, 2008	August 31, 2008	May 31, 2008	February 28, 2008
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Total Revenues ⁽¹⁾	112,826	15	645	230,452	14,681	8,440	21,144	32,283
Net Income (Loss) ⁽²⁾	(573,938)	(1,477,109)	(1,654,476)	(197,767)	(176,302)	359,815	(1,463,445)	615,021
Net income (loss) per share	(0.008)	(0.010)	(0.011)	(0.001)	(0.000)	0.003	(0.011)	0.005

Note:

(1) In 2009, revenue is comprised of \$744 of interest income, \$7,526 of operators' fees, \$105,300 from the sale of the data set and technical support and a gain of \$230,368 on the sale of property and equipment. In 2008 revenue is from interest income.

(2) Income (loss) before discontinued operations and extraordinary items is the same as Net Income (Loss) as there are no discontinued operations or extraordinary items in 2009 or 2008. Fully diluted earnings (loss) per share is not presented as the exercise of warrants and stock options would be anti-dilutive.

During the year, management decides which properties will be retained and which properties will be abandoned based on results from work performed during the field season and the analysis of sample assays. Properties that will be abandoned are written off when management makes its decision to cease any further work which will increase the Net Loss.

Liquidity and Capital Resources

The Company does not have operating revenues and must finance its exploration activity by raising funds through joint ventures or equity financing. The exploration and subsequent development of the Company's properties depend on the Company's ability to obtain required financing. There is no assurance that additional funding will be available to allow the Company to fully explore its existing properties. The Company requires sufficient funds to complete further exploration work (see Management of Capital). Failure to obtain financing could result in delays or indefinite postponement of further exploration and the possible, partial or total loss of the Company's interest in certain properties.

The Company is dependent on raising funds by the issuance of shares or disposing of interests in its unproven mineral interests (by options, joint ventures or outright sales) in order to finance further acquisitions, undertake exploration and development of mineral interests and meet general and administrative expenses in the immediate and long term. There can be no assurance that the Company will be successful in raising its required financing.

The Company's financial performance is dependent on many external factors. The Company expects that any revenues it may earn from its operations in the future will be from the sale of minerals. Both prices and markets for metals and minerals are cyclical, difficult to predict, volatile, subject to government price fixing and controls and respond to changes in domestic and international, political, social and economic environments. In addition, the availability and cost of funds for exploration, development and production costs are difficult to predict. These changes in events could materially affect the financial performance of the Company.

The Company had a working capital deficiency at November 30, 2009 of \$199,462 compared with a deficiency of \$216,841 as at November 30, 2008. The Company's current liabilities exceeded its current assets at November 30, 2009. The Company has no material income from operations and any improvement in working capital results primarily from the issuance of share capital.

As at November 30, 2009 and 2008, the Company had no long term debt.

For the year ended November 30, 2009, the Company experienced negative cash flow of \$368,270 (2008 - \$732,495) (before allowing for changes in non-cash operating working capital balances) from operating activities. Changes in operating activities resulted primarily from a decrease in all administration costs. (See Overall performance/results of operations for further information.)

The Company's cash position as at November 30, 2009 was \$162,962 (2008 - \$332,665). The decrease in cash position compared to November 30, 2008 was due principally to declines in the funds raised for general administrative expenditures and from the exercise of stock options and share purchase warrants during the year. See Notes 6 and 7 – Share Capital and Stock Options in the Notes to the Consolidated Financial Statements.

During the year ended November 30, 2009:

- (a) The Company completed a private placement of 4,396,668 non flow-through units at \$0.06 per unit for gross proceeds of \$263,800. Each non flow-through unit consists of one non flow-through common share and one half of one non-transferable common share purchase warrant. Each whole warrant entitles the holder to purchase one non flow-through common share for three years from the closing date at \$0.10 per share in the first year, \$0.20 per share in the second year and \$0.30 per share in the third year.

In addition, the Company completed a private placement of 1,420,000 flow-through units at \$0.06 per unit for gross proceeds of \$85,200. Each flow-through unit consists of one flow-through common share and one half of one non-transferable non flow-through warrant. Each whole warrant entitles the holder to purchase one non flow-through common share for one year from the closing date at \$0.10 per share.

If the common shares trade on the TSX Venture Exchange at a closing price greater than \$0.50 per share for twenty consecutive trading days at any time after four months and one day from the closing date, the Company 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.

- (b) 2,730,000 warrants expired unexercised;
- (c) 1,365,000 stock options expired unexercised;

- (d) 830,000 stock options granted May 1, 2007 at an exercise price of \$0.63 were repriced to \$0.10 per share;
- (e) 725,000 stock options granted July 31, 2007 at an exercise price of \$0.56 were repriced to \$0.10 per share;
- (f) 62,500 stock options granted May 1, 2008 at an exercise price of \$0.20 were repriced to \$0.10 per share;
- (g) The Company's Board of Directors approved and granted 4,475,000 stock options (2008 – 4,292,500) to directors, officers, employees, and consultants. Each option entitles its holder to acquire one common share of the Company at \$0.10 per common share exercisable until August 19, 2014 (100,000 of these stock options expired on December 29, 2009 due to a termination in employment); and
- (h) The Company recorded \$272,068 (2008 - \$703,094) of stock-based compensation expense for the stock options granted.

At November 30, 2009, the Company had the following share purchase warrants outstanding:

Number	Exercise Price	Expiry Date
2,855,000	\$0.40	Aug.13, 2010
20,000	\$0.40	Aug.18, 2010
710,000	\$0.10	Sept. 21, 2010
888,000	\$0.10/ \$0.20/\$0.30	Aug. 20, 2012
1,310,334	\$0.10/ \$0.20/\$0.30	Sept. 21, 2012
5,783,334		

See Notes 6 and 7 of the Consolidated Financial Statements for November 30, 2009.

Subsequent Event

Subsequent to November 30, 2009, 200,000 stock options expired unexercised.

Outstanding Share data as at March 19, 2010:

- (a) Authorized and issued share capital:

Class	Par Value	Authorized	Issued Number
Common	No par value	Unlimited	150,423,693

(b) Summary of options outstanding:

Security	Number	Exercise Price	Expiry Date
Options	300,000	\$0.20	May 12, 2010
Options	50,000	\$0.20	June 7, 2010
Options	210,000	\$0.20	July 8, 2010
Options	25,000	\$0.20	October 28, 2010
Options	775,000	\$0.20	March 23, 2011
Options	495,000	\$0.26	May 12, 2011
Options	53,333	\$0.20	Aug. 15, 2011
Options	100,000	\$0.63	May 1, 2012
Options	800,000	\$0.10	May 1, 2012
Options	2,050,000	\$0.56	July 31, 2012
Options	725,000	\$0.10	July 31, 2012
Options	600,000	\$0.20	May 1, 2013
Options	3,350,000	\$0.20	May 23, 2013
Options	25,000	\$0.20	July 31, 2013
Options	4,375,000	\$0.10	Aug 19, 2014
Total	13,933,333		

(c) Summary of warrants outstanding:

Security	Number	Exercise Price	Expiry Date
Warrants	2,855,000	\$0.40	Aug. 13, 2010
Warrants	20,000	\$0.40	Aug. 18, 2010
Warrants	710,000	\$0.10	Sept. 21, 2010
Warrants	888,000	\$0.10/\$0.20/\$0.30	Aug. 20, 2012
Warrants	1,310,334	\$0.10/\$0.20/\$0.30	Sept. 21, 2012
Total	5,783,334		

(d) There are no escrowed or pooled shares.

Other Information

The Company's web site address is www.gglresourcescorp.com. Other information relating to the Company may be found on SEDAR at www.sedar.com.

Forward Looking Statements

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 future production, reserve potential, exploration drilling, exploration activities and events or developments that the Company expects, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "advance", "expects", "plans", "anticipates", "believes", "intends", "allocated", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could", "should" or are "subject to" occur. 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 the actual results to differ materially from those in forward-looking statements include market prices, exploitation 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. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

BY ORDER OF THE BOARD

"Raymond A. Hrkac"

"Nick DeMare"

Raymond A. Hrkac
President and CEO

Nick DeMare
Director and CFO