GGL RESOURCES CORP.

(formerly, GGL Diamond Corp.)

CONSOLIDATED FINANCIAL STATEMENTS

AUGUST 31, 2010

(UNAUDITED)

MANAGEMENT'S COMMENTS ON UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTICE: *The Company's external auditors have not reviewed the attached unaudited interim Consolidated Financial Statements of GGL Resources Corp. for the period ended August 31, 2010.*

GGL RESOURCES CORP.

Consolidated Balance Sheets as at

		August 31, 2010 (Unaudited)		November 30, 2009 (Audited)
ASSETS				
Current				
Cash	$	157,726	$	162,962
Amounts receivable		379,953		25,052
Prepaid expenses		2,717		3,217
		540,396		191,231
Unproven mineral interests (Note 3)		16,021,762		16,842,998
Property and equipment (Note 4)		170,281		198,117
	$	16,732,439	$	17,232,346
LIABILITIES				
Current				
Accounts payable and accrued liabilities	$	772,068	$	345,993
Deferred revenues (Notes 3(f))		-		44,700
		772,068		390,693
SHAREHOLDERS' EQUITY				
Share capital (Note 5)		35,522,314		35,522,814
Contributed surplus (Note 7)		4,133,619		4,094,639
Deficit		(23,695,562)		(22,775,800)
		15,960,371		16,841,653
	$	16,732,439	$	17,232,346

Subsequent events (Note 14)

On behalf of the Board:

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

"Nick DeMare"
Nick DeMare, Director

GGL RESOURCES CORP.

Consolidated Statements of Operations and Deficit
(Unaudited)

	For the three months ended August 31, 2010	For the three months ended August 31, 2009	For the nine months ended August 31, 2010	For the nine months ended August 31, 2009
Expenses				
Amortization	$ 378	$ 526	$ 1,136	$ 1,579
Consulting fees	26,953	39,871	83,203	73,612
Corporate relations	-	2,147	1,010	-
Exploration costs – general	(36,890)	41,683	2,073	143,042
Legal and audit	1,921	3,057	1,550	7,883
Licences, taxes, insurance and fees	991	1,581	11,112	10,075
Office services and expenses	21,488	42,044	68,850	133,210
Shareholders' meetings and reports	13,446	18,426	15,060	20,186
Stock-based compensation	38,980	243,043	38,980	271,983
Travel	447	3,332	1,136	3,332
Operating loss	(67,714)	(395,710)	(224,110)	(664,902)
Other income (loss)				
Interest income	368	15	520	744
Foreign exchange gain (loss)	99	(227)	(56)	(604)
Gain on sale of property and equipment	-	-	1,479	230,368
Interest expense	(544)	(236)	(1,237)	(725)
Operator's fee	37,085	5,339	78,789	5,339
Sale of data set and technical support	-	-	-	104,850
Write off of property and equipment	(2,785)	-	(2,785)	-
Write off of exploration and unproven mineral interests	(25,676)	(1,086,290)	(772,362)	(3,004,422)
	8,547	(1,081,399)	(695,652)	(2,664,450)
Net loss and comprehensive loss for the period	(59,167)	(1,477,109)	(919,762)	(3,329,352)
Deficit, beginning of period	(23,636,395)	(20,724,753)	(22,775,800)	(18,872,510)
Deficit, end of period	$ (23,695,562)	$ (22,201,862)	$ (23,695,562)	$ (22,201,862)
Loss per share - basic and diluted	$ 0.000	$ (0.010)	$ (0.006)	$ (0.023)
Weighted average number of common shares outstanding - basic and diluted	150,423,693	144,838,677	150,423,693	144,684,806

Please see the notes accompanying these financial statements.

GGL RESOURCES CORP.

Consolidated Statements of Cash Flows

	For the three months ended August 31, 2010	For the three months ended August 31, 2009	For the nine months ended August 31, 2010	For the nine months ended August 31, 2009
Cash flows from (used in) operating activities				
Net loss and comprehensive loss for the period	$ (59,167)	$ (1,477,109)	$ (919,762)	$ (3,329,352)
Adjustment for items not involving cash:				
- amortization of property and equipment	378	526	1,136	1,579
- amortization of exploration property and equipment	2,592	12,045	21,394	36,135
- gain on sale of property and equipment	-	-	(1,479)	(230,368)
- stock-based compensation	38,980	243,043	38,980	271,983
- write off of property and equipment	2,785	-	2,785	-
- write off of exploration and unproven mineral interests	25,676	1,086,290	772,362	3,004,422
	11,244	(135,205)	(84,584)	(245,601)
Change in non-cash working capital items:				
- amounts receivable	(33,747)	(2,203)	(354,901)	111,867
- prepaid expenses	(386)	2,566	500	12,048
- accounts payable and accrued liabilities	74,108	51,356	433,512	(719,726)
- deferred revenues	(44,700)	-	(44,700)	(4,000)
	6,519	(83,486)	(50,173)	(845,412)
Cash flows from (used in) financing activities				
Shares issued for cash	-	106,560	-	106,560
Share issuance costs	(500)	(9,599)	(500)	(9,599)
	(500)	96,961	(500)	96,961
Cash flows from investing activities				
(Additions) to deferred exploration costs	100,723	4,734	41,437	192,626
Option payment received	-	-	-	25,000
Proceeds from sale of property and equipment	-	-	4,000	405,100
	100,723	4,734	45,437	622,726
Increase (decrease) in cash	106,742	18,209	(5,236)	(125,725)
Cash, beginning of period	50,984	188,731	162,962	332,665
Cash, end of period	$ 157,726	$ 206,940	$ 157,726	$ 206,940

Please see the notes accompanying these financial statements.

These notes should be read in conjunction with the Audited Consolidated Financial Statements for the year ended November 30, 2009.

1. Nature and Continuance of Operations

The Company changed its name from GGL Diamond Corp. to GGL Resources Corp. to better represent the Company's variety of assets. Trading under the new name began on September 8, 2009. There were no changes to the number of shares issued and outstanding or to the trading symbol.

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 mineral properties and related deferred costs is 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.

The Company intends to continue its exploration programs. In light of negative cash flows from operating activities, operating losses accrued in the past years of $23,695,562 and a negative working capital, the Company's ability to continue its exploration programs is dependent on its ability to secure additional financing. While it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Management is actively pursuing such additional sources of financing.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") applicable to a going concern which assumes that the Company will realize its assets and discharge its liabilities in the normal course of business. Realization values may be substantially different from the carrying values as shown and these consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

2. Adoption of New Accounting Policies

Future Changes in Accounting Policies

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.

3. Unproven Mineral Interests

	Balance November 30, 2009	2010 Mineral interests additions	2010 Exploration cost additions	2010 Written off	Balance August 31, 2010
Doyle Lake	$ 1,298,973	$ -	$ 17,053	$ -	$ 1,316,026
Fishback Lake	829,945	-	2,394	-	832,339
CH	7,078,117	-	(18,904)*	(632,184)	6,427,029
Providence Greenstone Belt	4,793,338	-	(52,536)*	(140,178)	4,600,624
McConnell Creek	2,842,625	-	3,119*	-	2,845,744
	$ 16,842,998	**$ -**	**$ (48,874)**	**$ (772,362)**	**$ 16,021,762**

* See Notes 3(c), (d) and (e)

	Balance November 30, 2009	2010 Additions	2010 Written off	Balance August 31, 2010
Unproven mineral interests	$ 541,132	$ -	$ (29,305)	$ 511,827
Deferred exploration costs	16,301,866	(48,874)	(743,057)	15,509,935
	$ 16,842,998	**$(48,874)**	**$ (772,362)**	**$ 16,021,762**

Exploration costs incurred during the nine months ended:

	August 31, 2010	August 31, 2009
Sampling	$ 636	$ 445
Land use permits and reclamation bonds	-	(25,000)
Licences, recording fees and lease payments	(13,297)	32,209
Project supplies	(91,962)	6,490
Salaries and wages	(237)	30,246
Surveying	-	6,500
Technical and professional services	61,812	184,536
Transportation	(5,826)	6,572
	$ (48,874)	**$ 241,998**

3. Unproven Mineral Interests, continued

(a) Doyle Lake, Northwest Territories, Canada

(i) Under the De Beers Agreement ("the Agreement") dated May 25, 1995, De Beers has earned a 60% interest in the Doyle Lake Properties, which consist of 5 claims and 3 fractional claims (12,972 acres); and

(ii) in addition, the Company holds 17 claims (16,206 acres) in the Doyle Lake area that are not subject to the Agreement. 16 of these claims are leases.

(b) Fishback Lake, Northwest Territories, Canada

The Company owns 7 claims (13,301 acres). One of these claims is a mining lease.

(c) CH, Northwest Territories, Canada

In 2009 the Company signed an exploration and option agreement on 73 of its 121 CH claims in the Northwest Territories (10 of these claims (23,477 acres) were written off in 2009). Rio Tinto Exploration Canada Inc. (formerly, Kennecott Canada Exploration Inc.) 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 received the first payment of $25,000 in 2009.

During the period, 8 claims (19,239 acres) were allowed to lapse and the related costs of $632,184 were written off. The Company received a refund of $24,448 of extension deposits previously filed with the Mining Recorder for assessment work.

46 of the remaining claims (93,787) are considered part of the Providence Greenstone Belt property for exploration purposes (see Note 3(d)).

(d) Providence Greenstone Belt, Northwest Territories, Canada

The Company owns 108 claims (239,337 acres) in the Providence Greenstone Belt area and 46 CH claims (93,787 acres) (see Note 3(c)) in 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.

During the period, 21 claims (43,969 acres) were allowed to lapse and the related costs of $140,178 were written off.

During the period, the Company sold some of its fuel inventory and core boxes for $98,410.

3. Unproven Mineral Interests, continued

(e) McConnell Creek, British Columbia, Canada

The Company owns 2 mineral tenures (4,878 hectares) in the Omineca Mining Division of British Columbia. Subsequent to the end of the period, the Company received $21,335 (recorded as amounts receivable at August 31, 2010) in BC Mineral Exploration Tax Credits for some of its 2009 exploration work in BC.

(f) General exploration, Northwest Territories, Canada

In 2009 the Company signed a non-exclusive licence agreement for the use of its Slave Geological Province data set for diamond exploration for $100,000 and would provide 500 hours of technical support at a price of $50,000 prepaid. During the third quarter, technical support for the data set expired and the balance of deferred revenues of $44,700 was forfeited to the Company (netted against general exploration costs).

4. Property and Equipment

	August 31, 2010		
	Cost	Accumulated Amortization	Net book Value
Exploration equipment	$ 607,208	$ 454,529	$ 152,679
Office furniture and fixtures	61,741	44,139	17,602
	$ 668,949	**$ 498,668**	**$ 170,281**

	November 30, 2009		
	Cost	Accumulated Amortization	Net book Value
Exploration equipment	$ 626,889	$ 452,001	$174,888
Vehicle	10,500	7,979	2,521
Office furniture and fixtures	61,741	41,033	20,708
	$ 699,130	**$ 501,013**	**$ 198,117**

During the period ended August 31, 2010, the Company sold the vehicle for $4,000. The gain on the sale of the vehicle was $1,479.

During the third quarter, a lightning strike at Zip camp damaged the solar and wind power energy system. Repairs were completed subsequent to the end of the quarter. Insurance will cover most, if not all, of the costs to repair and replace the damaged equipment, subject to a $10,000 deductible. The remaining book value of the equipment, $2,785, was written off.

5. Share Capital

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

(b) 150,423,693 common shares issued (no changes during the period);

(c) During the period ended August 31, 2010, 1,153,333 stock options expired unexercised;

(d) 50,000 stock options granted May 12, 2006 at an exercise price of $0.26 were repriced to $0.10 per common share;

(e) 300,000 stock options granted July 31, 2007 at an exercise price of $0.56 were repriced to $0.10 per common share;

(f) 600,000 stock options granted May 23, 2008 at an exercise price of $0.20 were repriced to $0.10 per common share;

(g) 2,875,000 warrants expired unexercised; and

(h) At August 31, 2010, the Company had the following share purchase warrants outstanding:

Number of warrants	Exercise Price	Expiry Date
710,000	$0.10	Sept. 21, 2010
888,000	$0.20/ $0.30	Aug. 20, 2012
1,310,334	$0.10/ $0.20/ $0.30	Sept. 21, 2012
2,908,334		

6. 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. Awarded stock options are exercisable over a period not exceeding five years at exercise prices determined by the Board of Directors.

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

During the period ended August 31, 2010, the Company granted 930,000 stock options to consultants exercisable at $0.10 per share to expire June 24, 2015 (50,000 of these shares will expire August 11, 2011).

6. Stock options, continued

Stock options outstanding as at August 31, 2010:

	Shares	Weighted Average Exercise Price
Options outstanding as at Nov. 30, 2009	**14,133,333**	$0.21
Expired	(1,153,333)	$0.21
Granted	930,000	$0.10
Options outstanding as at August 31, 2010	**13,910,000**	$0.19
August 31, 2010 options exercisable	13,910,000	$0.19
August 31, 2009 options exercisable	14,133,333	$0.21

	2010	**2009**
Weighted average remaining contractual life	2.81 years	3.53 years
Weighted average fair value of options granted during the period	$0.04	$0.07

7. Contributed Surplus

Contributed surplus for August 31, 2010 and 2009 is comprised of:

	2010	**2009**
Balance, beginning of the period	**$ 4,094,639**	**$ 3,822,571**
Stock-based compensation on options granted	35,341	243,068
Stock-based compensation on repriced options	3,639	28,915
Balance, August 31,	**$ 4,133,619**	**$ 4,094,554**

8. Related Party Transactions

During the nine months ended August 31, 2010, the Company was billed $112,500 (2009 - $112,500) by a director, including $83,203 (August 31, 2009 - $65,234) for consulting fees and $29,297 (August 31, 2009 - $47,266) for technical and professional services. Included in the August 31, 2010 accounts payable is $314,947 (2009 - $174,947) 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.

9. 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, 2010 and 2009.

10. Financial Instruments and Risk Management

Fair value estimates of financial instruments are made at the balance sheet date, based on relevant market information and other information about the financial instruments.

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

Credit risk

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.

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.

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to interest rate 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 monitoring carefully its operating requirements.

11. Supplementary Cash Flow Information

Non-cash operating, financing, and investing activities were conducted by the Company during the periods ended August 31, 2010 and 2009 as follows:

	2010	2009
Operating activities		
Accounts payable for deferred exploration costs	$ 180,640	$ 154,391
Financing activities	$ -	$ -
Investing activities		
Accounts payable for deferred exploration costs	$ (180,640)	$ (154,391)

11. Supplementary Cash Flow Information, continued

Other supplementary cash flow information:

Cash paid for interest charges	$ 1,237	$ 725
Cash paid for income taxes	$ -	$ -

12. 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 dividends.

13. Comparative Figures

Certain 2009 figures have been reclassified to conform to the presentation used in the current period.

14. Subsequent Events

Subsequent to August 31, 2010:

(a) 25,000 stock options expired unexercised;

(b) 710,000 warrants expired unexercised;

(c) The Company completed a private placement of 3,000,000 units at $0.05 per unit for gross proceeds of $150,000. Each unit consists of one common share and one warrant exercisable for two years at $0.10 per share;

(d) The Company received $21,335 (recorded as amounts receivable at August 31, 2010) in BC Mineral Exploration Tax Credits relating to some of its 2009 exploration work in BC; and

(e) Repairs were completed to Zip Camp's solar and wind power energy systems. Insurance will cover most if not all of the costs of the repairs and replacement of equipment, subject to a $10,000 deductible.