GGL RESOURCES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED MAY 31, 2014

Report date: July 29, 2014

GGL RESOURCES CORP.

Management's Discussion and Analysis

FOR THE SIX MONTHS ENDED MAY 31, 2014
INFORMATION AS OF JULY 29, 2014 UNLESS OTHERWISE STATED

The following discussion of the results and financial position of the Company for the six months ended May 31, 2014 should be read in conjunction with the May 31, and February 28, 2014 Consolidated Interim Financial Statements and the November 30, 2013 Audited Consolidated Financial Statements and related notes. The Company adopted International Financial Reporting Standards ("IFRS") and the following disclosure and associated financial statements are presented in accordance with IFRS. All comparative information provided is in accordance with IFRS. Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at *www.sedar.com*. The information reported here includes events taking place subsequent to the end of the period, up to and including July 29, 2014.

Company Overview

As at May 31, 2014, the Company has a negative working capital of $571,824 (November 30, 2013 - $588,745) and a deficit of $38,563,740 (November 30, 2013 - $38,451,016). 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 consistently earned any 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 it may be difficult to impossible to secure or raise additional funds when required. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

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.

DISCUSSION AND ANALYSIS

The Company has had and continues to have meetings and discussions with several groups who expressed interest in a corporate transaction with us and/or optioning the Company's diamond assets. The Company continues to evaluate some of these proposals as well as direct financing opportunities.

The Company continues to maintain mineral leases prospective for diamonds, gold, VMS and nickel in the Northwest Territories as well as the McConnell gold and copper-gold-silver porphyry property in British Columbia.

On May 12, 2014 the Company announced the signing of an agreement with Proxima Diamonds Corp. ("Proxima"), an arm's length private corporation which is planning an initial public offering. Proxima has purchased a portion of the area of the Company's database in the Northwest Territories of Canada (The "Target Area Database"). The Target Area Database includes the area of the "Corridor of Hope" that includes all of the presently operating diamond mines and is considered prime diamond exploration ground. Within this area, Proxima has already staked 16 prospects covering approximately 177,000 acres. Proxima has made all payments as required to date consisting of $75,000 of the $100,000 total, and the delivery of a certificate for 500,000 treasury shares (with an ascribed value of $0.05 per share) of Proxima (subject to regulatory approval). The balance of $25,000 is to be paid on or before August 31, 2014.

The GGL Diamond Database includes heavy mineral samples and kimberlite indicator mineral results, microprobe analysis, drill holes and logs, striation measurements, geology, geophysics, bathymetry, air photos, soil samples and results, kimberlite locations, topography and man-made features and a proprietary software program to access the data. In particular, the database has incorporated thorough and rigorous QA/QC of kimberlite indicator mineral sampling results which is critical to target selection and appraisal.

Proxima Diamonds Corp. is a new private company founded by geologists with extensive exploration and development mining experience throughout North America with particular experience within the Northwest Territories and Nunavut. The group has been involved with all aspects of diamond exploration since the first diamond discovery in 1991.

Proxima will have exclusive use of the Target Area Database until November 30, 2014 and non-exclusive use thereafter. GGL shall have the right to select five targets that may be acquired by Proxima as royalty targets. With respect to each royalty target, GGL shall be entitled to receive and Proxima shall pay GGL a 1.5% NSR type royalty from production, subject to Proxima having the right to prior to production to purchase one third of the Royalty for $1,000,000 and a further third (0.5%) for $5,000,000.

GGL Resources Corp. separately owns mineral claims and leases with established targets with diamond potential and exploration diamond indicator mineral trains. GGL also owns claims and leases in the NT with gold, VMS and nickel prospects; and gold and porphyry copper-gold-silver claims in British Columbia.

<u>Limited Operating History: Losses</u>

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 May 31, 2014, the Company's deficit was $38,563,740.

<u>Price Fluctuations: Share Price Volatility</u>

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. During the period ended May 31, 2014, the per share price of the Company's shares fluctuated from a high of $0.025 to a low of $0.01 (52 week high and low for the period ended July 29, 2014 was $0.03 and $0.005, respectively). There can be no assurance that continual fluctuations in price will not occur.

<u>Shares Reserved for Future Issuance: Dilution</u>

As at July 29, 2014 there were 5,155,000 stock options and 12,750,000 share purchase warrants outstanding pursuant to which a total of 17,905,000 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.

<u>Stock Option Plan</u>

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 a fixed number stock option plan, 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 based on the most recent trading prices and subject to the TSX Venture Exchange policies.

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

Period ended May 31, 2014 compared to the period ended May 31, 2013

As at May 31, 2014, the Company had incurred exploration costs on mineral properties of $(114,748) (May 31, 2013 - $31,252): aircraft $nil (2013 - $49,792); licences, recording fees and lease payments $ 9,583 (2013 - $1,565); salaries and wages $nil (2013 - $265); surveying $nil (2013 - $8,802); technical and professional services $(125,000) (2013 - $6,994); transportation $nil (2013 - ($34,496)) and project supplies of $669 (2013 - ($1,670)). Exploration costs for the period ended May 31, 2014 are lower than 2013 for most categories except project supplies and licences, recording fees and payments. The decrease in 2014 of $146,000 (467%) is due to the sale of a portion of the Company's Diamond database (see Acquisition and Disposition of Resource Properties and Write Offs) and the lack of work performed during the period ended May 31, 2014. Technical and professional services in 2014 include $125,000 relating to the sale of a portion of the Company's Diamond database. Project supplies in 2013 included the sale of $4,875 of diesel fuel from inventory. If fuel had not been sold in 2013, the project supplies costs would have been higher in 2013 than 2014.

On a per project basis, the $(114,748) of exploration costs were as follows: $(62,476) on the Doyle Lake project; $58 on the McConnell Creek project; $1,709 on the Fishback Lake property; $(54,650) on the CH claims and $611 on the Providence Greenstone Belt.

The Company reported a net loss of $(112,724) for the period ended May 31, 2014 compared to a net loss of $139,670 for the period ended May 31, 2013. General administration and exploration expenses for the period ended May 31, 2014 were $81,926 compared to $91,582 for the period ended May 31, 2013 (a decrease of 11 % from 2013 to 2014). The change in general administration and exploration expenses was due to a decrease in the following expenditures during the period: amortization of property and equipment $252 (2013 - $314); general exploration costs $15,439 (2013 - $18,971); licences, taxes, insurance and fees $14,737 (2013 - $15,163); office services and expenses $36,219 (2013 - $41,434); and legal and audit $1,007 (2013 - $2,578). Offsetting the decreases were increases in 2014 of travel expenses $397 (2013 - $268) and Shareholders' meetings and reports $1,375 (2013 - $354).

Office services and expenses were lower in 2014 due to declining staff costs. Legal and audit costs for 2014 were lower due to less legal consultation in 2014. Shareholders' meetings and reports increased in 2014 from the issuance of news releases.

Revenue for the period ended May 31, 2014 was $372 of interest income. Revenue for the period ended May 31, 2013 was $200,337 ($338 of interest income and $199,999 from the sale of the Shoe and Doyle mineral leases).

Acquisition and Disposition of Resource Properties and Write offs

During the period ended May 31, 2014, the Company recorded total write offs of exploration and evaluation assets of $30,718 (May 31, 2013 - $238,378):

(a) 4 CH claims (8,271 acres) were allowed to lapse and the related costs of $5,707 were written off;

(b) 12 PGB claims (30,473 acres) were allowed to lapse and the related costs of $25,011 were written off;

(c) 1 Fishback Lake claim (1,399 acres) was allowed to lapse; and

(d) a portion of the Company's Diamond database in the Northwest Territories was sold to Proxima Diamonds Corp. for a total of $100,000 cash ($25,000 received at May 31, 2014) and 500,000 treasury shares (with an ascribed value of $0.05 per share) of Proxima (subject to regulatory approval). See Discussion and Analysis and Event after the Reporting Period.

Property and Equipment

No purchases or write offs of property and equipment during the period ended May 31, 2014.

Related Party Disclosures

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.

There are two related parties: one director and officer and one consultant. The related parties may demand payment of their outstanding fees, which are non-interest bearing, at any time.

May 31, 2014	Consulting Fees	Technical and professional services	Consulting Fees Payable
Management	$ 12,500	$ -	$ 485,276
Non-management	$ -	$ -	$ 146,725
Total	$ 12,500	$ -	$ 632,001

May 31, 2013	Consulting Fees	Technical and professional services	Amounts owed to related parties
Management	$ 12,500	$ -	$ 471,466
Non-management	$ -	$ 9,053	$ 146,725
Total	$ 12,500	$ 9,053	$ 618,191

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 exploration and evaluation assets 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. 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.

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

Critical Accounting Policies

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 the valuation of share-based payments. Actual results may differ from those estimates.

Please see Notes 2, 3, 13 and 14 of the audited consolidated financial statements for the year ended November 30, 2013 for a current listing of accounting policies followed by the Company.

Changes in Accounting Policies

The Company adopted the following accounting policies during the period:

(a) Consolidated Financial Statements - 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*. The Company has two subsidiaries which are inactive.

(b) Joint Arrangements - 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*. The Company has one joint arrangement.

(c) Disclosure of Interest in Other Entities - IFRS 12 applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. The Company has one joint arrangement.

(d) Fair Value Measurement - 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).

Summary of Quarterly Information

The following table sets forth a comparison of revenues and earnings for the previous eight quarters ending with May 31, 2014. Figures are reported in Canadian $.

Quarter Ended:	May 31, 2014 ($)	February 28, 2014 ($)	November 30, 2013 ($)	August 31, 2013 ($)	May 31, 2013 ($)	February 28, 2013 ($)	November 30, 2012 ($)	August 31, 2012 ($)
Total Revenue[1]	248	124	17,983	603	150,220	50,117	118	5,364
Net Income (Loss)[2]	(54,187)	(58,537)	(104,511)	(1,315,735)	(41,650)	(98,020)	(6,740,891)	(100,237)
Net income (loss) per share	(0.001)	(0.000)	(0.001)	(0.008)	(0.000)	(0.001)	(0.043)	(0.001)

Note:

(1) For the period ended May 31, 2014, revenue is comprised of $372 of interest income. In 2013, revenue is comprised of $1,424 of interest income and $217,499 from the sale of exploration and evaluation assets. In 2012, revenue is comprised of $875 of interest income, $5,323 of operator's fees, and a termination payment of $13,376.
(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 2014, 2013 or 2012. 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 exploration and evaluation assets will be retained and which exploration and evaluation assets 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.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions.

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 exploration and evaluation assets. 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 exploration and evaluation assets.

The Company is dependent on raising funds by the issuance of shares or disposing of interests in its exploration and evaluation assets (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 May 31, 2014 of $571,824 compared with a deficiency of $588,745 as at November 30, 2013. The Company's current liabilities exceeded its current assets at May 31, 2014 and November 30, 2013. The Company has no material income from operations and any improvement in working capital results primarily from the issuance of share capital.

As at May 31, 2014, included in current liabilities, consulting fees payable is $632,001 owed to related parties for consulting and technical and professional fees (November 30, 2013-$622,358). See Related Party Disclosures.

For the period ended May 31, 2014, the Company generated negative cash flows of $(72,827) (November 30, 2013-$46,549 positive)) (before allowing for changes in non-cash operating working capital balances) from operating activities. Changes in operating activities resulted primarily from the lack of financing during the period ended May 31, 2014. (See Overall performance/results of operations for further information.)

The Company's cash position as at May 31, 2014 was $20,443 (November 30, 2013-$70,152). The decrease in cash position compared to November 30, 2013 was due to the lack of financing during the period ended May 31, 2014.

Share Capital

There were no changes in share capital during the period ended May 31, 2014.

See Notes 8 and 9 of the consolidated interim financial statements for the period ended May 31, 2014.

Advance Notice Policy

The Board of Directors approved the adoption of an advance notice policy for the purpose of providing shareholders, directors and management of the Company with a clear framework for nominating directors. A copy of the policy is available via SEDAR under the Company's issuer profile at www.sedar.com or upon request by contacting the Company. A brief summary is provided in the Company's March 19, 2014 news release.

Event After the Reporting Period

The Company received $50,000, the second instalment payment from Proxima. See Discussion and Analysis and Note (d) in Acquisition and Disposition of Properties and Write Offs.

Outstanding Share data as at July 29, 2014:

(a) Authorized and issued share capital:

Class	Par Value	Authorized	Issued (Number of shares)
Common	No par value	Unlimited	166,173,693

(b) Summary of options outstanding:

Security	Number	Exercise Price	Expiry Date
Options	4,275,000	$0.10	Aug. 19, 2014
Options	880,000	$0.10	June 24, 2015
Total	**5,155,000**		

(c) Summary of warrants outstanding:

Security	Number	Exercise Price	Expiry Date
Warrants	1,600,000	$0.10	Sept. 20, 2014
Warrants	1,200,000	$0.10	January 24, 2016
Warrants	2,400,000	$0.10	August 17, 2017
Warrants	7,550,000	$0.10	May 8, 2018
Total	**12,750,000**		

(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	Nick DeMare
President and CEO	Director and CFO