GGL RESOURCES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE YEAR ENDED NOVEMBER 30, 2016

REPORT DATE: MARCH 27, 2017

GGL RESOURCES CORP.

Management's Discussion and Analysis
("MD&A")

FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2016
INFORMATION AS OF MARCH 27, 2017 UNLESS OTHERWISE STATED

The following discussion of the results and financial position of the Company for the year ended November 30, 2016 should be read in conjunction with the November 30, 2016 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 fiscal year, up to and including March 27, 2017.

International Financial Reporting Standards

The Company's financial statements and the financial data included in the MD&A have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee that are effective for the fiscal year ending November 30, 2016.

The IFRS accounting policies set forth in Note 3 of the audited consolidated financial statements have been applied in preparing the financial statements for the year ended November 30, 2016 and comparative information as at and for the year ended November 30, 2015.

Company Overview

As at November 30, 2016, the Company has a working capital deficiency of $286,476 (2015 - $308,481) and a deficit of $38,453,258 (2015 - $38,479,277). The Company's ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to develop properties and to establish future profitable production. To date the Company has not earned 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 the Company's history of negative cash flows from operating activities, operating losses incurred in the past years and working capital deficiencies, 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.

During the year ended November 30, 2016, the Company negotiated a line of credit from certain shareholders to provide bridge loan funding to pay property tenure costs and other corporate overhead costs. One of the lenders is a private company, the officers of which are the brother and sister of one of the directors of the Company, and this director has guaranteed repayment of the loan provided by this private company. The Company has drawn down on this bridge loan financing in the amount of $62,000. The bridge loan bears interest at 8% per year and is secured by a general security agreement. The principal portion of the bridge loan was repaid in 2016 and interest of $1,322 has been accrued in accounts payable.

DISCUSSION AND ANALYSIS

Corporate Transaction

On February 27, 2017, the Company announced that it is advancing its objective of completing a corporate transaction, previously announced on January 21, 2017 to raise necessary financing and have in place a technical and management team to advance the exploration and development of the Company's portfolio of exploration properties in the Northwest Territories ("NWT"). In this regard, the Company has further advanced its negotiations and prepared initial documentation, subject to completion of conditions precedent, with a private corporation, also in the exploration and development stage with assets in the NWT, to complete a transaction to achieve the Company's objectives.

This transaction is the culmination of meetings that the Company held with a number of groups during the last two years.

As we work toward bringing in a new management and technical team, it is appropriate to review:

- our exploration achievements since the Company was incorporated in 1981, since then we have acquired a diverse portfolio of exploration properties;
- consideration of strategic alternatives in planning the Company's future as a going concern; and
- the challenges we have faced in a declining equity market in the last decade raising financing to further advance exploration on these properties and for working capital purposes.

Exploration Success Produces Drill-Ready Targets

The Company's mineral properties have moved beyond the highest risk grass-roots stage of exploration to the discovery and drilling stage. Exploration drilling success is the stage that has the greatest positive impact on a company's market capitalization for a junior mining company. We have reached that point on the Providence Greenstone Belt ("PGB") in the NWT and for McConnell Creek in BC. Success on any one of these properties could transform the Company and increase its market value.

PGB Project in the NWT

The PGB Project is centered in the Slave Craton, 280km northeast of Yellowknife. The land package comprises 11 PGB mineral claims and 29 of the CH mining leases in an area totaling 30,671 hectares.

The Archean greenstone belt underlying the property is a source for gold mineralization in silicified shears and in banded iron formation and polymetallic volcanogenic massive sulphide ("VMS") occurrences. The PGB is analogous to the mineral rich greenstone belts within the Abitibi greenstone belt that spans across the Ontario-Québec border and is one of the world's largest Archean greenstone belts that still hosts several producing mines and untapped mineral wealth.

Compared to other geological settings, the risk/reward ratio for exploration projects on greenstone belts is highly favourable. The Company has flown the entire PGB with either a frequency domain EM system or a time domain VTEM system. The first phase of exploration has been completed with the following drill-ready targets identified:

- 3 drill-ready diamond kimberlite targets, as well as many indicator mineral trains yet to be explored within the PGB. (Other drill ready diamond kimberlite targets lie on GGL leases east and south of the PGB);
- 4 gold drill-ready targets; and
- 4 VMS drill-ready targets, as well as nickel potential.

The Company has maintained most of its core property assets, however, in August 2016, the Company sold its remaining Doyle claims and fractional claims (approximately 4,233 hectares) in the NWT to Kennady Diamonds Inc. ("Kennady") for $200,000 in order to repay the principal portion of a bridge loan and loans advanced to the

Company. The Company will retain a 0.75% royalty interest on all mineral products produced from the property. Kennady has the right at any time prior to commencement of production from the property to purchase one-third of the royalty, being 0.25%, for the sum of $1,000,000.

The Company has spent over $20 million in the NWT on claims and leases since 1992.

McConnell Creek Project in BC

The McConnell Creek Project is located 400km northwest of Prince George and 15km southeast of the now closed Kemess South open pit copper-gold mine in BC. The large and highly prospective gold mineralized shear hosted fracture system covers a claim area of 4,878 hectares. The property contains two potential mineral deposits: an advanced gold prospect to the south and a porphyry copper-gold-silver prospect to the north.

The Company and its joint venture partners have spent over $5 million on the BC claims and leases since 1981.

Consideration of Strategic Alternatives

For many years we have been able to stake, maintain, and explore most of our property assets because of the financing and support we have received from our shareholders. However, since 2011 the equity market for junior mining and exploration companies has declined significantly, to the extent that we have had to consider restructuring, refinancing, and joint venturing some or all of our mineral property holdings. Each alternative has its benefits or drawbacks for our shareholders. We have diligently pursued all these possibilities. Joint ventures involve diluting the interest in our mineral holdings, which could be acceptable depending on the terms and the ability of the incoming group to add value to our assets.

In September 2014, we consolidated the Company's share capital on a one new share for five old shares basis resulting in 33,234,738 new shares. There are now 35,484,738 common shares issued and outstanding as at the date of this report.

Gold and base metal commodity prices have shown signs of a recovery during the last year. This situation bodes well for new financings for exploration companies, including GGL with our drill-ready targets, the result of over 30 years of exploration work and expenditures of over $25 million.

GGL has several commodities in its mineral asset exploration portfolio. In years past, when financing was readily available this diversity gave us the flexibility to finance exploration and prioritize spending with the objective of increasing the market value of the Company.

Share Prices of Mining Companies Recover from Historical Lows

We are encouraged to see that the share prices of senior gold companies are recovering from the oversold condition that brought gold companies' share prices to historical lows. Share prices of the mid-tier and junior producers as well as the exploration companies have generally followed this trend, but there is still some reluctance among retail investors to provide financing for exploration programs.

The chart below shows how the S&P/TSX Venture Composite Index has declined approximately 76% over the last 10 years from a peak of around 3,370 in May 2007 to its current level of approximately 805, which is above the 200-day moving average of 781. The index fell sharply by 80% from the peak in 2007 to approximately 690 in December 2008 before rising to 2,420 in March 2011. Since then the index steadily declined to a low of 480 in January 2016 before rising to its current level.

S&P/TSX Venture Composite Index

At December 31, 2016, the S&P/TSX Venture Composite Index comprised a total of 1,648 companies, of which 976, or 59%, were in the mining sector.

Private Placement Financings

The performance of the S&P/TSX Venture Exchange Composite Index shown in the chart above illustrates the declining market value of junior mining companies since 2011, which has adversely impacted their ability to finance ongoing costs of exploration and corporate expenditures. GGL is no exception. Many junior mining companies have not survived during this period.

The following table summarizes GGL's non-brokered private placement financings over the last 13 years.

Gross Funds Raised in Financings
(excluding share issuance costs and finders' fees)

Fiscal Year	Flow-Through Funds ($)	Issue Price ($)	Non-Flow-Through Funds ($)	Issue Price ($)
2016	-	-	-	-
2015	-	-	45,000	0.02
2014	-	-	-	-
2013	60,000	0.05	151,000	0.02
2012	-	-	120,000	0.05
2011	45,000	0.05	35,000	0.05
2010	-	-	150,000	0.05
2009	85,200	0.06	263,800	0.06
2008	4,529,500	0.25	575,000	0.20
2007	189,680	0.18	625,500	0.15
2006	1,158,960	0.26	695,250	0.22
2005	230,000	0.20	2,928,767 *	0.19
2004	1,004,500	0.45	-	-

* of which $1,400,000 was spent on exploration drilling

The table above illustrates the challenges that we have faced during the severe downturn in equity markets in raising high-risk capital to fund exploration programs as well as funding working capital to continue as a public company and a going concern. Many companies' share prices, including GGL, declined to all time lows and any issuance of shares resulted in significant dilution to share capital. As shown in the table, the subscription price in these private placements decreased significantly, reflecting market conditions. Retail investors, who are the mainstay of providing flow-through financing, as well as the few specialized Flow-Through Funds, have generally been risk averse and reluctant to participate in private placements or invest in the secondary market.

Outlook - Planning GGL's Future

As mentioned at the beginning of this Discussion and Analysis, the board of directors and management are working on a corporate transaction to secure the future of the Company and ensure that it can continue as a going concern, which is nevertheless dependent upon its ability to obtain the necessary financing to provide sufficient working capital to sustain operations and advance its exploration properties to establish future profitable production. We look forward to completing this transaction, which we anticipate should increase the market value of the Company to the benefit of our shareholders.

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 or terminated 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 consumption 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 mineral titles are secure there is no guarantee that title to the exploration and evaluation assets in which the Company has a material interest will not be challenged or impugned. The Company's exploration and evaluation assets 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 exploration and evaluation assets 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 exploration and evaluation assets 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 exploration and evaluation assets. 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, 2016, the Company's deficit was $38,453,258.

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. During the financial year ended November 30, 2016, the per share price of the Company's shares fluctuated from a high of $0.05 to a low of $0.015 (52 week high and low for the period ended March 27, 2017 was $0.05 and $0.015, respectively). There can be no assurance that continual fluctuations in price will not occur.

Shares Reserved for Future Issuance: Dilution

As at March 27, 2017 there were 2,250,000 stock options and 3,115,000 share purchase warrants outstanding pursuant to which a total of 5,365,000 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.

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 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. 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

Fourth Quarter

The Company had a net loss of $38,801 for the three months ended November 30, 2016, a decrease of $172,087 from net income of $133,286 for the three months ended August 31, 2016. This decrease is the result of a decrease in interest income (Nov. 2016-$115; Aug. 2016-$116); increases in legal and audit costs (Nov. 2016-$12,633; Aug. 2016-$nil); licences, taxes, insurance and fees (Nov. 2016-$4,091; Aug. 2016-$3.432); office services and expenses (Nov. 2016-$6,928; Aug. 2016-$5,564); and shareholders' meeting and reports (Nov. 2016-$12,173; Aug. 2016-$nil). Offsetting some of the increases were decreases in: general exploration costs (Nov. 2016-$2,479; Aug. 2016-$3,407); interest expense (Nov. 2016-$43; Aug. 2016-$1,289); and the write-off of exploration and evaluation assets (Nov. 2016-$nil; Aug. 2016-$30,679) for the three months ended November 30, 2016 compared to the three months ended August 31, 2016.

Administration and general exploration expenditures increased by $26,441 to $38,879 (213%) for the three months ended November 30, 2016 compared to $12,438 for the three months ended August 31, 2016.

Year ended November 30, 2016 compared to year ended November 30, 2015

As at November 30, 2016, the Company had incurred exploration costs on mineral properties of $77,456 (2015-$75,267): charter aircraft of $6,338 (2015-$nil); licences, recording fees and lease payments of $75,374 (2015-$70,027); salaries and wages of $nil (2015-$289); technical and professional services of ($16,327) (2015-$4,428); geophysics $18,150 (2015-$nil) and project supplies of $18 (2015-$523). Exploration costs for the year ended November 30, 2016 are higher than 2015 by $2,189, an increase of 3%. The small increase in 2016 is due to 2016 cost recoveries from the sale of the remaining Doyle claims. Without the sale and refund of extension deposits of $26,170 in 2016, exploration costs in 2016 would have been higher than 2015 by $28,342.

On a per project basis, the $77,456 of costs were as follows: $51,774 on the CH project; ($11,964) on the Doyle Lake project, net of recoveries of $22,424 from the sale of the remainder of Doyle claims; $nil on the McConnell Creek project; $1,709 on the Fishback Lake property and $35,937 on the Providence Greenstone Belt ("PGB"), net of extension refunds of $3,746.

The Company reported net income of $26,019 for the year ended November 30, 2016 compared to a net loss of $19,365 for the year ended November 30, 2015 (an increase of 234% from 2015 to 2016). General administration and exploration expenses for the year ended November 30, 2016 were $86,671 compared to $170,333 for the year ended November 30, 2015 (a decrease of 49% from 2015 to 2016). The change in general administration and exploration expenses was due to a decrease in the following expenditures during the year: depreciation of property and equipment (2016-$141; 2015-$176); general exploration costs (2016-$12,031; 2015-$19,338); office services and expenses (2016-$25,777; 2015-$61,225); stock-based compensation (2016-$nil; 2015-$29,355) and travel (2016-$nil; 2015-$627). Offsetting the decreases were increases in legal and audit (2016-$13,779; 2015-$12,672); licences, taxes, insurance and fees (2016-$22,015; 2015-$21,318); and shareholders' meetings and reports (2016-$12,938; 2015-$622).

Office services and expenses were lower in 2016 due to the closing of the office in June 2015. The landlords had converted most of the floors in the building to full floor lease rentals and the Company could not afford to lease a whole floor.

The higher costs for licences, taxes, insurance and fees and shareholders' meetings and reports in 2016 represent filing fees and the printing and mailing costs related to the annual general meeting held in 2016. No annual general meeting was held in 2015.

The increase in legal and audit costs in 2016 relate mainly to the general security agreement for the loans from shareholders during 2016. See Related Party Disclosure.

General exploration costs were lower during the year ended November 30, 2016 due to a decrease in professional fees relating to the monitoring of claims in the Northwest Territories and a decrease in the depreciation of property and equipment.

Revenue for the year ended November 30, 2016 was $178,102 ($526 of interest income and $177,576 from the sale of the remaining Doyle claims to Kennady Diamonds Inc.). Revenue for the year ended November 30, 2015 was $506 of interest income.

Acquisition and Disposition of Resource Properties and Write-offs

During the year ended November 30, 2016:

(a) the Company allowed one PGB claim (1,045 hectares) to lapse and the related costs of $30,679 were written off;

(b) the Company returned the grant it received in 2015 of $17,759 to the Government of the Northwest Territories ("GNWT"). The Company was required to finance a portion of an exploration program by March 31, 2016 in order to keep the funds or the grant would have to be returned. The Company did not have enough funds to finance a program before the deadline;

(c) the Company allowed two CH claims (1,254 hectares) to lapse and the related costs of $32,420 were written off; and

(d) the Company sold its interest in the remaining four Doyle claims and two fractional claims (4,233 hectares) to Kennady Diamonds Inc. for $200,000. The Company will retain a 0.75% royalty interest (the "Royalty") on all mineral products produced from the property. Kennady has the right at any time prior to commencement of production from the property to purchase one-third (1/3) of the Royalty, being 0.25%, for the sum of $1,000,000.

Property and Equipment

No changes during the year ended November 30, 2016.

Investment

The Company wrote down its investment in Proxima Diamonds Corp. from $25,000 to $1.

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 debts owing to two former related parties, one being Mr. Ray Hrkac, a former director and a former officer (prior to November 16, 2016) and the other being Mr. Chris Hrkac, the son of Mr. Ray Hrkac, and a consultant who has provided services to the Company. At November 30, 2015, Mr. R. Hrkac agreed to write down the $499,085 debt owed to him to $100,000. The debt to related parties is a current liability and is past due. The debts are non-interest bearing.

During the year ended November 30, 2016, the Company negotiated a line of credit from certain shareholders to provide bridge loan funding to pay property tenure costs and other corporate overhead costs. One of the lenders is a private company, the officers of which are the brother and sister of one of the directors of the Company, and this director has guaranteed repayment of the loan provided by this private company. The other lender, Mr. William Barclay, became a director of the Company as of November 16, 2016. The Company has drawn down on this bridge loan financing in the amount of $62,000 during the year ended November 30, 2016. The bridge loan bears interest at 8% per year and is secured by a general security agreement (GSA). The principal portion of the bridge loan was repaid in 2016 and interest of $1,322 has been accrued in accounts payable.

See Events After the Reporting Period.

November 30, 2016	Consulting Fees	Technical and professional services	Consulting Fees Payable	Interest Expense
Management	$ -	$ -	$ 100,000	$ 1,322
Non-management	-	-	160,525	-
Total	$ -	$ -	$ 260,525	$ 1,322

November 30, 2015	Consulting Fees	Technical and professional services	Consulting Fees Payable	Interest Expense
Management	$ 25,000	$ -	$ 100,000	$ -
Non-management	-	5,915	161,554	-
Total	$ 25,000	$ 5,915	$ 261,554	$ -

The related parties may demand payment of their outstanding fees, which are non-interest bearing.

Commitments

The Company has no commitments.

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.

Changes in Accounting Policies

IFRS Implementation

The Canadian Accounting Standards Board established 2011 as the year that Canadian companies' financial reporting requirements should comply with IFRS. Accordingly, the Company began reporting on an IFRS basis in 2012.

Accounting Standards Issued but Not Yet Adopted:

The following accounting standards have been issued, but are not effective until annual periods beginning on or after January 1, 2018, unless otherwise indicated, earlier application is permitted. As at the date of these consolidated financial statements, the following standards have not been applied in these consolidated financial statements.

i) IFRS 9 *Financial Instruments:* This standard partially replaces IAS 39 – Financial Instruments: Recognition and Measurement. IFRS 9 measures financial assets, after initial recognition, at either amortized cost or fair value. Existing IAS 39 classifies financial assets into four measurement categories. The standard is effective for annual periods beginning on or after January 1, 2018. In the year of adoption, the Company is required to provide additional disclosures relating to the reclassified financial assets and liabilities.

ii) IFRS *15 Revenue from contracts with customers:* IFRS 15 is effective for annual periods beginning on or after January 1, 2018. IFRS 15 specified how and when to recognize revenue as well as requires entities to provide users of financial statements with more informative, recent disclosures. The standard supersedes IAS 18, Revenue, IAS 11, Construction Contracts, and a number of revenue related interpretations. The new standard will apply to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts.

iii) IFRS *16 Leases*: IFRS 16 is effective for reporting periods beginning on or after January 1, 2019. IFRS 16 specifies how to recognize, measure, present and disclose leases. The standard provides a single lease accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 22 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor IAS 17.

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

Please see Notes 2, 3 and 15 of the audited consolidated financial statements for the year ended November 30, 2016 for a current 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, 2016. 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 IFRS. All information is reported in Canadian $.

	November 30, (Audited)		
	2016 ($)	**2015 ($)**	**2014 ($)**
Total Revenues	178,102	506	228,055
Income from continuing operations	-	-	-
Net income (loss) for the year	26,019	(19,365)	(8,896)
Net income (loss) per share (basic and diluted)	0.000	(0.001)	(0.000)
Total Assets	2,130,928	2,129,806	2,679,705
Total Non-current 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.

Net loss and comprehensive loss is comprised of administration and general exploration costs, other income (expenses) and the write-off and impairment of exploration and evaluation assets, if any, incurred each year. Revenue in 2016 is comprised of $526 of interest income and $177,576 from the sale of the remaining Doyle claims to Kennady Diamonds Inc. Revenue in 2015 is comprised of $506 of interest income. Revenue in 2014 is comprised of $634 of interest income and $227,421 from the sale of four Doyle claims to De Beers. 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 the write-off and impairment of exploration and evaluation assets. 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 evaluation assets and impairment of exploration and evaluation assets 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, 2016. Figures are reported in Canadian $.

Quarter Ended:	November 30, 2016 ($)	August 31, 2016 ($)	May 31, 2016 ($)	February 29, 2016 ($)	November 30, 2015 ($)	August 31, 2015 ($)	May 31, 2015 ($)	February 28, 2015 ($)
Total Revenue(1)	122	177,685	66	229	148	124	105	129
Net Income (Loss)(2)	(38,801)	133,280	(48,955)	(19,505)	340,657	(77,969)	(238,856)	(43,197)
Net income (loss) per share(3)	(0.002)	0.004	(0.001)	(0.001)	0.009	(0.002)	(0.007)	(0.001)

Note:

(1) In 2016, revenue is comprised of $526 of interest income and $177,576 from the sale of the remaining Doyle claims. In 2015, revenue is comprised of $506 of 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 2016 or 2015. Fully diluted earnings (loss) per share is not presented as the exercise of warrants and stock options would be anti-dilutive.
(3) Net Income (Loss) per share has been adjusted to give effect to the consolidation of shares in 2014. (See Share Capital).

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 current and previous work including the analysis of sample assay results. 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.

During the year ended November 30, 2016, the Company negotiated a line of credit from certain shareholders to provide bridge loan funding to pay property tenure costs and other corporate overhead costs. One of the lenders is a private company, the officers of which are the brother and sister of one of the directors of the Company, and this director has guaranteed repayment of the loan provided by this private company. The Company has drawn down on this bridge loan financing in the amount of $62,000 during the year ended November 30, 2016. The bridge loan bears interest at 8% per year and is secured by a general security agreement (GSA). The principal portion of the bridge loan was repaid in 2016 and interest of $1,322 has been accrued in accounts payable. See Events After the Reporting Period.

The Company had a working capital deficiency at November 30, 2016 of $286,476 compared with a deficiency of $308,481 as at November 30, 2015. The Company's current liabilities exceeded its current assets at November 30, 2016 and 2015. Amounts owed to related parties are included in current liabilities, accounts payable and accrued liabilities and consulting fees payable at November 30, 2016 and 2015 (see Related Party Disclosures). The Company has no material income from operations and any improvement in working capital results primarily from the issuance of share capital.

For the year ended November 30, 2016, the Company reported cash flows of $99,461 (2015 – ($128,487)) (before allowing for changes in non-cash operating working capital balances) from operating activities. Changes in operating activities for 2016 resulted primarily from an increase in revenues in 2016 from the sale of exploration and evaluation assets.

The Company's cash position as at November 30, 2016 was $53,528 (2015 - $33,591). The sale of exploration and evaluation assets in 2016 resulted in an increase in cash position compared to November 30, 2015 (2016-$177,576; 2015-$nil).

Share Capital

During the year ended November 30, 2016:

(a) Changes in warrants during the years ended November 30, 2016 and 2015 are as follows:

	2016		2015	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding, beginning of year	3,355,000	$0.35	2,230,000	$0.50
Issued	-	-	1,125,000	$0.05
Expired	(240,000)	$0.50	-	-
Outstanding, end of year	3,115,000	$0.34	3,355,000	$0.35

(b) The Company has the following warrants outstanding and exercisable as at November 30, 2016:

Number of warrants	Exercise Price	Expiry Date
480,000	$0.50	August 17, 2017
1,510,000	$0.50	May 8, 2018
1,125,000	$0.05	November 25, 2018
3,115,000		

See Notes 10 and 11 of the audited consolidated financial statements for November 30, 2016.

Events After the Reporting Period

Subsequent to November 30, 2016:

(a) the Company was advanced $25,342 from one director and a company wholly owned by another director for the payment of property tenure costs and working capital.

(b) the Company announced that it has recently entered into an agreement with a private corporation, also in the exploration and development stage with assets in the NT, to provide an exclusivity period to deal with the Company in regards to completing a corporate transaction. See news releases dated January 21 and February 27, 2017 on www.sedar.com or the Company's website.

Outstanding Share data as at March 27, 2017:

(a) Authorized and issued share capital:

Class	Par Value	Authorized	Issued (Number of shares)
Common	No par value	Unlimited	35,484,738

(b) Summary of options outstanding:

Security	Number	Exercise Price	Expiry Date
Options	**2,250,000**	$0.05	Nov. 30, 2020

(c) Summary of warrants outstanding:

Security	Number	Exercise Price	Expiry Date
Warrants	480,000	$0.50	August 17, 2017
Warrants	1,510,000	$0.50	May 8, 2018
Warrants	1,125,000	$0.05	Nov. 25, 2018
Total	**3,115,000**		

(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

"J. Graham Eacott"	*"Nick DeMare"*
J. Graham Eacott	Nick DeMare
Interim Chairman and CEO	Director and CFO