



GGL RESOURCES CORP.

***MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF
OPERATIONS FOR THE THREE MONTHS ENDED
FEBRUARY 28, 2018***

REPORT DATE: APRIL 30, 2018

GGL RESOURCES CORP.

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

FOR THE THREE MONTHS ENDED FEBRUARY 28, 2018 INFORMATION AS OF APRIL 30, 2018 UNLESS OTHERWISE STATED

The following discussion of the results and financial position of the Company for the three months ended February 28, 2018 should be read in conjunction with the February 28, 2018 Condensed Interim Financial Statements and the November 30, 2017 Audited Consolidated Financial Statements of GGL Resources Corp. (the "Company"). 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 April 30, 2018.

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 period ended February 28, 2018.

Company Overview

As at February 28, 2018, the Company has working capital of \$960,460 (November 2017 – \$1,205,244) and a deficit of \$34,522,985 (November 30, 2017 - \$34,407,355).

Both of the Company's subsidiaries Rio Sonora Resources Ltd. (86.8% owned) and the Company's wholly-owned US subsidiary, Gerle Gold (U.S.) Inc. have been struck off their respective jurisdiction's registry. Starting with this period ended February 28, 2018, the Company's financial statements will no longer be called "consolidated".

DISCUSSION AND ANALYSIS

Corporate Transaction

Transaction with Silver Range

On September 6, 2017, the Company signed a Property Option Agreement with Silver Range Resources Ltd. ("Silver Range"). Under the terms of this option agreement, the Company retained ownership of the Providence Greenstone Belt Property ("PGB") and the exploration camp on it. The Company also retained the right to explore for diamonds on the PGB Property. Silver Range had the optional right to explore the Company's PGB Project for all metals and minerals, except diamonds, in return for:

- a cash payment of \$33,200 due on signing of a binding letter of intent ;
- issuance of 1,000,000 Silver Range common shares to the Company upon receipt of Exchange acceptance ;
- surveying of certain mineral claims so that they can be converted to mining leases ;
- a commitment to maintain all mineral claims and leases for the entire PGB project in good standing until August 1, 2018;
- a commitment to make annual mining lease payments for all portions of the PGB project it maintained under option in subsequent years;
- a \$1.0 million milestone payment upon completion of a positive Preliminary Economic Assessment relating to a deposit(s) located within the PGB project; and
- granting the Company an 1% NSR on all deposit(s) with mineral resources that are calculated in a manner consistent with NI 43-101. Silver Range may buy back 0.5% of the NSR for \$1.0 million.

On April 18, 2018, Silver Range terminated the option agreement to explore for non-diamond minerals (the Company's press release September 12, 2017) on the Company's 100% owned Providence Greenstone Belt, Northwest Territories.

Transaction with Strategic

Upon completion of the share consolidation, which was approved by a special resolution at the Special Meeting of shareholders held on September 15, 2017, the Company completed a non-brokered private placement financing as part of the restructuring plan announced on August 2, 2017.

The Company completed its private placement financing by issuing a total of 15 million common shares, at a price of \$0.10 per common share, with Strategic purchasing \$1 million of the total \$1.5 million financing. The investment by Strategic resulted in Strategic becoming a control person of the Company (as defined by the policies of the Exchange), holding greater than 20% of the issued and outstanding common shares of the Company. The latter was also approved by an ordinary resolution at the Special Meeting of shareholders.

Board and Management Changes

Upon closing of the transaction and financing discussed above, the Company executed Board and Management changes.

J. Graham Eacott and William Meyer resigned from the board. In addition, Mr. Eacott has resigned as interim chairman and chief executive officer, and Nick DeMare has resigned as chief financial officer.

W. Douglas Eaton, Matthew A. T. Turner and M. Elizabeth Flavelle were appointed to the board. The board now comprises Mr. Eaton, Mr. Turner, Ms. Flavelle, William Barclay and Mr. DeMare.

Mr. DeMare and Mr. Barclay are continuing directors of the Company. Mr. Eaton has also been appointed as chief executive officer, David Kelsch as President and chief operating officer, Larry Donaldson as chief financial officer and Linda Knight as Corporate Secretary.

Bishop Project, Northwest Territories

The 100% owned Bishop property is 30,667 hectares and was acquired by staking in winter 2018 as an expansion to the mining lease held by the Company which contains the diamondiferous Bishop kimberlite discovered in 2006. The property is centered 55 km SSW of the Ekati Diamond Mine and 40 km SW of the Diavik Diamond Mine. It is on trend with the economic diamond deposits of the Ekati Diamond Mine.

This region of Lac de Gras was extensively explored by the Company over a decade ago and included multiple seasons of exploration campaigns. Detailed airborne geophysics and heavy mineral sampling dominated the work. High resolution ground geophysical surveys followed up on airborne targets prioritized by indicator mineral results. This work resulted in the discovery of the Bishop kimberlite which returned 11 diamonds from the initial 78.2 kilogram sample. Further review of the Bishop data suggests that additional drilling is required to thoroughly evaluate the geology, geometry and diamond distribution throughout the kimberlite as additional phases may be present.

A large gravity anomaly proximal to Bishop was subsequently tested with several short reverse circulation drill holes. This drilling intercepted a small amount of kimberlite. Further ground geophysics followed by core drilling is required to determine the size and potential grade of this kimberlite discovery.

The remainder of the property contains numerous high priority targets identified in previous exploration campaigns conducted by the Company. The world economic crisis of 2008 essentially eliminated access to capital for exploration companies and as a result the Company was not able to move these targets forward to drill evaluation. The Company plans to continue its target evaluation process which has been on hold since then.

In addition to the reacquisition of historic Company targets in the Bishop staking campaign, the Company was also successful in acquiring the Courageous kimberlite located in the south of the new land tenure. The Courageous kimberlite, initially identified in 2005, was further advanced with core drilling in 2008 by Consolidated Global Diamond Corp (“CK”). The Company’s review of public domain data and news releases identified this historic discovery as open ground. The Courageous kimberlite geophysical anomaly is described by CK as being a coincident magnetic and resistivity anomaly. CK announced drilling into sediments containing various amounts of tuffaceous kimberlite rocks. The crater sediments are further described as occupying a sub circular area of approximately 1,100 meters. Drilling difficulties prevented CK from penetrating beyond the crater sediments and fully evaluating the potential diatreme below. A 78.4 kg sample of the sediments returned eight micro-diamonds indicating the kimberlite source rocks are diamond bearing. GGL intends to complete detailed ground geophysical surveys at Courageous followed by further evaluation of the kimberlite and its diamond potential.

Zeus Project, Northwest Territories

The 100% owned Zeus property was acquired by staking in winter 2018 and consists of 22 mineral claims totaling 14,803 hectares. It covers a portion of Lac de Gras and the north shore and is located only 11 kilometers south of the Ekati Diamond Mine’s Fox kimberlite which is the southerly most kimberlite body in a linear trend of economic deposits at Ekati. The Zeus property is strategically located directly along this trend.

This trend of significantly diamondiferous kimberlite bodies is further validated by New Nadina Exploration Limited’s Monument property adjacent to the southwestern boundary of the Zeus property. Monument contains several kimberlite bodies where initial sampling has collectively returned encouraging diamond counts. The potential for new discoveries in this brownfields area is further emphasized by North Arrow Minerals Inc.’s recent announcement of a new kimberlite discovery on their Loki project adjacent to the southeastern boundary of Zeus and on trend with this string of significantly diamondiferous kimberlite bodies including those in the Ekati mine plan.

The Company intends to employ modern kimberlite exploration techniques along with hands-on discovery knowledge of the Lac de Gras kimberlite field to add additional discovery to this apparent “gap” in the trend. The Zeus property has been open ground and unexplored for over 5 years.

Rhombus Project, Northwest Territories

The Rhombus property was acquired by staking in winter 2018 and lies 40 kilometers northwest of the Ekati Diamond Mine and consists of 25 mineral claims covering 21,336 hectares. This strategic location exploits an apparent periodicity in the Ekati and Diavik economic trends further supported by the nearly one carat per tonne large DO-27 kimberlite resource controlled by Peregrine Diamonds Ltd.

Rhombus contains 4 kimberlites discovered in the early 1990’s, all of which are diamond bearing. A review of data in the public domain suggests there is the potential for additional unidentified kimberlite bodies. The original discoveries were a quarter of a century ago and no work has been conducted on the property area in over a decade.

Kimberlite exploration tools, techniques and understanding have evolved immensely in the past decade and the Company plans to apply these advancements to move the property towards additional discovery. This approach has been successfully demonstrated by Kennady Diamonds Inc. (“KDI”) at the Kelvin-Faraday kimberlite complex initially discovered in 1999-2000. It received no further evaluation for a dozen years due to the initial interpretation and resulting lack of encouragement. In 2012, a new approach including modernized exploration techniques and understanding has developed this kimberlite complex to the resource stage with a recent all share purchase by Mountain Province Diamonds Inc. (“MPVD”) valued at \$162 million (April 2018).

PGB Project, Northwest Territories

The PGB Project (Providence Greenstone Belt) is centered in the Slave Craton, 280 km northeast of Yellowknife. The land package comprises: 11 PGB mineral claims; 5 Black Smoker mineral claims staked in 2017; and 29 of the CH mining leases in an area totaling 33,626 hectares. The 11 PGB mineral claims have been taken to lease and the documents are in the process of being finalized by the Mining Recorder.

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, 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 high priority targets identified:

- kimberlite targets, as well as many indicator mineral trains yet to be explored within the PGB;
- 4 gold drill-ready targets; and
- 4 VMS drill-ready targets, as well as nickel potential.

McConnell Creek Project, British Columbia

The McConnell Creek Project is located 400km northwest of Prince George and 15km southeast of the past producing Kemess open pit copper-gold mine in BC. The McConnell Creek property is comprised of 7,549 hectares of mineral claims encompassing a large and highly prospective gold mineralized shear hosted fracture system. The property contains two potential mineral deposits: an advanced gold prospect to the south and a porphyry copper-gold-silver prospect to the north.

Diamond Royalties

Doyle leases

The Company maintains two diamond royalties on the Doyle mineral leases sold to KDI in 2013 and 2016. In April 2018, KDI was acquired by MPVD and as such the leases are controlled by MPVD. De Beers Canada Inc. and MPVD are 51%/49% joint owners in the Gahcho Kue Diamond Mine, Northwest Territories, Canada.

These royalties are within 2 to 15 kilometers of the Gahcho Kue diamond mine and along trend with the KDI Kelvin-Faraday diamond resource as well as the Gahcho Kue mine. The 2013 royalty covers 5,051 hectares on 9 mineral leases. The royalty is 1.5% with a 0.5% buyback for \$2,000,000. The 2016 royalty covers 4,233 hectares on 6 mineral leases. The royalty is 0.75% with a 0.25% buyback for \$1,000,000.

Proxima

In 2014 the Company entered into an agreement with Proxima Diamond Corp. (“Proxima”) whereby the Company provided access to a portion of the Company's diamond database in return for a cash payment of \$100,000 and 500,000 common shares of Proxima. Proxima was able to select land for acquisition, exploration and development and the Company is entitled to receive a 1.5% NSR type royalty (“Royalty”) from diamond production, from certain properties, subject to Proxima having the right to purchase one third of the Royalty for \$1,000,000 and a further third (0.5%) for \$5,000,000. To date, Proxima has not advanced any properties to production stage.

Qualified Person

The Company’s exploration programs are directed by David Kelsch, P.Geo., the President of the Company, who is a “qualified person” as defined by National Instrument 43-101 and who also prepared and approved the scientific and technical information contained in this MD&A.

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 February 28, 2018, the Company’s deficit was \$34,522,985.

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 period ended February 28, 2018, the per share price of the Company's shares fluctuated from a high of \$0.17 to a low of \$0.12 (52 week high and low for the period ended April 27, 2018 was \$0.19 and \$0.10, respectively). There can be no assurance that continual fluctuations in price will not occur.

Shares Reserved for Future Issuance: Dilution

As at April 30, 2018 there were 1,725,000 stock options and 527,000 share purchase warrants outstanding pursuant to which a total of 2,252,000 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

Period ended February 28, 2018 compared to the period ended February 28, 2017

As at February 28, 2018, the Company had incurred exploration costs on mineral properties of \$28,104 (2017 - \$19,714): licenses, recording fees and lease payments \$1,709 (2017 - \$19,697), project supplies of \$191 (2017 - \$17) and technical and professional fees of \$26,204 (2017 - \$Nil). Compared to February 28, 2017, exploration costs for the period ended February 28, 2018 are higher for project supplies and technical and professional fees and lower for licenses and recording fees. The increase in the three month period ended February 28, 2018 of \$8,390 (43%) was for the payment of technical and professional fees. The financing from the fourth quarter ended November 30, 2017 provided the Company with the funds to look at some new claims (see Acquisition and Disposition of Resource Properties and Write-offs).

On a per project basis, the \$28,104 (2017 - \$19,714) of exploration costs were as follows: \$3,400 (2017 - \$18,758) on the CH project; \$1,709 (2017 - \$1,709) on the Fishback Lake property, \$2,338 (2017 - \$Nil) on the Bishop, \$10,891 (2017 - \$Nil) on the Rhombus, \$6,116 (2017 - \$Nil) on the Zeus, \$Nil (2017 - recovery \$753) on the Providence Greenstone Belt and \$3,650 (2017 - \$Nil) on the McConnell Creek property.

The Company reported a net loss of \$115,630 for the three month period ended February 28, 2018 compared to a net loss and comprehensive loss of \$29,947 for the three month period ended February 28, 2017 (an increase of 286% from 2017 to 2018). General administration and exploration expenses for the three month period ended February 28, 2018 were \$133,484 compared to \$29,860 for the three month period ended February 28, 2017 (an increase of 347% from 2017 to 2018). The change in general administration and exploration expenses was due to the following increases during the period: consulting \$12,750 (2017 - \$Nil); general exploration costs \$11,229 (2017 - \$2,417); legal and audit \$5,964 (2017 - \$4,568); licenses, taxes, insurance and fees \$12,069 (2017 - \$10,708); office services

and expenses \$25,788 (2017 - \$11,732); promotion \$1,080 (2017 - \$Nil); shareholders' meetings and reports \$4,298 (2017 - \$Nil) and stock-based compensation \$59,895 (2017 - \$Nil). Offsetting these increases were the following decreases: depreciation \$23 (2017 - \$28); and travel \$388 (2017 - \$407).

Consulting fees and general exploration costs for the three month period ended February 28, 2018 were higher than the three month period ended February 28, 2017 due to paid work provided by the President for administration and exploration.

Legal and audit costs for the three month period ended February 28, 2018 were slightly higher due to extra audit costs for information requested by Strategic Metals Ltd.'s auditors and higher audit fees than first estimated for the year ended November 30, 2017.

Office services and expenses were higher in the three month period ended February 28, 2018 due to more administrative and accounting services for work related to the annual general meeting and charges for office rental and administrative support that were not available in the three month period ended February 28, 2017.

The annual general meeting ("meeting") in January 2018 also increased the shareholders' meetings and reports costs and the licenses, taxes, insurance and fees in the first quarter. Last year's meeting was held in November so there were no costs for shareholders' meetings and reports for the three month period ended February 28, 2017.

Stock-based compensation expenses were for the stock options granted in November 2017 which are vested over one year with $\frac{1}{4}$ of the stock options exercisable every three months.

Other income (loss) for the three month period ended February 28, 2018 was \$17,854 (2017 - \$87) which increased due to the unrealized gain on marketable securities \$15,000 (2017 - \$Nil) and interest income \$2,854 (2017 - \$113).

Acquisition and Disposition of Resource Properties and Write-offs

During the period ended February 28, 2018, the Company:

- a) staked 37 claims (29,640 hectares) called Bishop in the Northwest Territories;
- b) staked 35 claims (21,336 hectares) called Rhombus in the Northwest Territories;
- c) staked 22 claims (14,803 hectares) called Zeus in the Northwest Territories; and
- d) staked 2 claims (2,671 hectares) adjacent to the existing McConnell Creek claims in British Columbia.

The Company did not write off any exploration and evaluation assets.

Property and Equipment

No changes during the period ended February 28, 2018.

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. During the period ended February 28, 2018:

- (a) The Chief Financial Officer charged \$1,000 which is accrued in consulting fees and \$6,500 remains in accounts payable as at February 28, 2018;
- (b) The President and Chief Operations Officer invoiced the Company \$39,950 in fees: \$12,750 in consulting fees; \$27,200 in technical and professional services and \$14,238 remains in accounts payable as at February 28, 2018;

- (c) A director and secretary of Strategic Metals Ltd. (45.255% owner of the Company) provided \$1,712 of legal services to the Company. \$642 remains in accounts payable as at February 28, 2018; and
- (d) Archer, Cathro & Associates (1981) Limited (“Archer Cathro”) charged \$6,493 for the rental of office space and office support to the Company. \$1,704 remains in accounts payable as at February 28, 2018. The Company’s Chief Executive Officer (“CEO”) is the President, CEO and a director of Strategic Metals Ltd. and a director of Archer Cathro.

During the year ended November 30, 2017, the Company granted 1,275,000 stock options to directors, officers and consultants. \$20,869 was recorded as stock-based compensation at November 30, 2017 and \$14,322 is attributable to related parties. For the three months ended, the Company recorded an additional \$59,895 of stock-based compensation. \$41,104 of this amount is attributable to related parties during the three months ended February 28, 2018.

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 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.

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

Accounting Standards Issued but Not Yet Adopted:

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the International Accounting Standards (“IAS”) Board or International Financial Reporting Standards Interpretation Committee (“IFRIC”) that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- 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.

The Company has initially assessed that there will be no material reporting changes as a result of adopting the new standards, however there may be enhanced disclosure requirements. IFRS 16 Leases does not apply to the Company currently. The Company does not have any leases and did not have any in its past

There were no changes in the Company's significant accounting policies during the three month period ended February 28, 2018 that had a material effect on its condensed interim financial statements. The Company's significant policies are disclosed in Notes 3 and 4 of the audited consolidated financial statements for the year ended November 30, 2017 and 2016.

Summary of Quarterly Information

The following table sets forth a comparison of quarterly results for the previous eight quarters ending with February 28, 2018. Figures are reported in Canadian \$.

<u>Quarter Ended:</u>	February 28, 2018	November 30, 2017	August 31, 2017	May 31, 2017	February 28, 2017	November 30, 2016	August 31, 2016	May 31, 2016
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Total Revenue	-	-	-	-	-	-	-	-
Net Income (Loss) ⁽¹⁾	(115,630)	(94,969)	(31,507)	(15,294)	(29,946)	(38,801)	133,280	(48,955)
Net income (loss) per share ⁽²⁾	(0.005)	(0.011)	(0.005)	(0.000)	(0.005)	(0.010)	0.020	(0.005)

Note:

- (1) 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 2018 or 2017. Fully diluted earnings (loss) per share is not presented as the exercise of warrants and stock options would be anti-dilutive. In 2016, Other income (loss) is comprised of \$526 of interest income and \$177,576 from the sale of the remaining Doyle claims.
- (2) Net Income (Loss) per share has been adjusted to give effect to the consolidation of shares in 2017.

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.

The Company had working capital of at February 28, 2018 of \$960,460 (November 2017 – \$1,205,244). The Company's current assets exceeded its current liabilities at February 28, 2018 and November 30, 2017. The Company has no material income from operations and any improvement in working capital results primarily from the issuance of share capital.

For the three month period ended February 28, 2018, the Company reported a net loss for the period of \$115,630 (2017 - \$29,947), which after allowing for changes in non-cash operating working capital balances from operating activities, provided a net decrease in cash flows to \$85,775 (2017 - \$20,579). Changes in operating activities for the three month period ended February 28, 2018 resulted primarily from an increase in almost all categories of expenses except for depreciation and travel. See Overall performance/results of operations.

The Company's cash position as at February 28, 2018 was \$807,435 (November 30, 2017 - \$1,140,174).

Share Capital

During the three month period ended February 28, 2018, there were no changes in share capital, warrants or stock options.

See Notes 9 and 10 of the condensed interim financial statements for the three month period ended February 28, 2018.

Outstanding Share data as at April 30, 2018:

(a) Authorized and issued share capital:

Class	Par Value	Authorized	Issued (Number of shares)
Common	No par value	Unlimited	22,096,949

(b) Summary of options outstanding:

Security	Number	Exercise Price	Expiry Date
Options	450,000	\$0.25	Nov. 30, 2020
Options	1,275,000	\$0.15	Nov. 6, 2022
Total	1,725,000		

(c) Summary of warrants outstanding:

Security	Number	Exercise Price	Expiry Date
Warrants	302,000	\$2.50	May 8, 2018
Warrants	225,000	\$0.25	Nov. 25, 2018
Total	527,000		

(d) There are no escrowed or pooled shares.

Events After the Reporting Period

- (a) Subsequent to February 28, 2018, the Company announced that Silver Range Resources Ltd. has terminated the option agreement to explore for non-diamond minerals (press release September 12, 2017) on the Company's 100% owned Providence Greenstone Belt, Northwest Territories.
- (b) Subsequent to February 28, 2018, the Company announced the acquisition of three 100% owned diamond properties prominently located in the prolific Lac de Gras diamond district, Northwest Territories. The Company acquired the mineral tenures in early 2018 by way of staking and retains a 100% undivided interest in each property with no underlying conditions or royalties. The properties are strategically located taking advantage of proven economic trends, historic diamondiferous kimberlite discoveries, positive exploration results from the Company's previous exploration campaigns and proprietary exploration dataset as well as a thorough review of information in the public domain.

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.