FORM 2A
LISTING STATEMENT

GLR RESOURCES INC.

Date: November 9, 2010

FORM 2A
LISTING STATEMENT

1. Table of Contents

1.1 Include a table of contents with the following headings:

2. Corporate Structure

2.1 State the full corporate name of the Issuer or, if the Issuer is an unincorporated entity, the full name under which the entity exists and carries on business and the address(es) of the Issuer's head and registered office.

The registered and head office of GLR Resources Inc. ("GLR" or the "Corporation") is located at 4 Al Wende Avenue, Kirkland Lake, Ontario P2N 3J5.

2.2 State the statute under which the Issuer is incorporated or continued or organized or, if the Issuer is an unincorporated entity, the laws of the jurisdiction or foreign jurisdiction under which the Issuer is established and exists. If material, state whether the articles or other constating or establishing documents of the Issuer have been amended and describe the substance of the material amendments.

GLR was incorporated pursuant to the Canada Business Corporations Act ("CBCA") on January 1, 2001 under the name 3851419 Canada Inc. ("Newco") as a wholly owned subsidiary of Greater Lenora Resources Corp. ("Greater Lenora"). Pursuant to a plan of arrangement effected on July 24, 2001 under the CBCA involving 3796299 Canada Inc. and Greater Lenora, Newco acquired all of Greater Lenora's assets and liabilities, changed its name to GLR Resources Inc. and commenced active operations as a junior mineral exploration company.

2.3 Describe, by way of a diagram or otherwise, the intercorporate relationships among the Issuer and the Issuer's subsidiaries. For each subsidiary state

(a) the percentage of votes attaching to all voting securities of the subsidiary represented by voting securities beneficially owned, or over which control or direction is exercised, by the Issuer;

(b) the place of incorporation or continuance; and

(c) the percentage of each class of restricted shares beneficially owned, or over which control or direction is exercised, by the Issuer.

GLR has no material subsidiaries.

2.4 If the issuer is requalifying following a fundamental change or is proposing an acquisition, amalgamation, merger, reorganization or arrangement, describe by way of diagram or otherwise these intercorporate relationships both before and after the completion of the proposed transaction.

This item is not applicable to GLR.

2.5 Non-corporate Issuers and Issuers incorporated outside of Canada must describe how their governing legislation or constating documents differ materially from Canadian corporate legislation with respect to the corporate governance principles set out in Policy 4.

This item is not applicable to GLR.

3. General Development of the Business

3.1 Describe the general development of the Issuer's business over its three most recently completed financial years and any subsequent period. Include only major events or conditions that have influenced the general development of the Issuer's business. If the business consists of the production or distribution of more than one product or the rendering of more than one kind of service, describe the principal products or services. Also discuss changes in the business of the Issuer that are expected to occur during the current financial year of the Issuer.

Overview

GLR is a Canadian-based mining and exploration company currently engaged in the acquisition and exploration of precious and base metal deposits. Since the sale of its previously-held principal property located in Uranium City, Saskatchewan, Canada which included the Box Mine and the Athona Deposit (collectively, the "Goldfields Project") completed on August 20, 2009 and where substantially all of the Corporation's activities were then conducted, GLR's activities are currently concentrated on the Sackville Property located in the Adrian, Aldina, Sackville and Marks townships in the Thunder Bay Mining Division, district of Thunder Bay, Ontario (the "Sackville Property") (See item 4.3 for additional information regarding the Sackville Property). Other exploration activities are intended to take place on GLR's Kirkland West Property located in Kirkland Lake, Ontario and its Casa Berardi Property located in Quebec, all of which are at the exploration stage. In addition, the Corporation currently has other exploration properties including, the Omega Property located in Kirkland Lake, Ontario and the Goldie Property, located in Northwestern Ontario.

Three Year History

On February 27, 2006, the Corporation entered into an agreement (together with any amendments thereto, the "Mandate") with Investec Bank (UK) Limited ("Investec") for the provision of project financing services for the then-owned Goldfields Project which was amended on January 31, 2008. The agreement contained terms of reference for Investec to arrange project debt for the Goldfields Project including the following facilities (collectively, the "Facilities"): (i) a term loan facility of US$40 million; (ii) a convertible facility of US$5 million; and (iii) a gold hedging facility during the terms of the term loan facility and the convertible facility. As compensation for its services under the Mandate, an arranging fee of 2.5% of the amount of the Facilities (the "Arranging Fee") was to be paid to Investec on the following basis: (i) a monthly work fee of US$25,000, payable each month in advance, commencing in February, 2006; (ii) a flat fee of US$50,000 payable upon signing of the Facilities and related documentation; and (iii) the balance of the fee due on the earlier of 3 months after the signing of the Facilities and the first drawdown under the Facilities. During August 2008, the Mandate lapsed, and although Investec and GLR continued negotiations, the Mandate was not renewed.

In October 2007, GLR executed a $2.0 million promissory note in favour of Blackfish Capital (Master) Fund 1 spc ("Blackfish"), which note was secured by substantially all

the assets of GLR (the "Note"). The terms of the Note anticipated repayment of $2 million on or before October 31, 2008.

In order to finance the Goldfields Project into production, GLR needed to raise approximately US$65 million. Pursuant to the Mandate with Investec US$45 million was to be made available to the Corporation pursuant to the Facilities and the Corporation was to fund the US$20 million difference either with an equity financing or subordinated debt financing. During the economic downturn of 2008 and related liquidity crisis, the Corporation began to experience financial difficulties as it was unable to raise the necessary funds to develop its then wholly-owned Goldfields Project.

On October 31, 2008, GLR announced that it was unable to repay the Note and began discussions with Blackfish to restructure the said loan.

Effective on the close of trading on January 7, 2009, GLR's Common Shares were delisted from the Toronto Stock Exchange (the "TSX") for failure to meet certain continued listing requirements. On April 27, 2009, the Ontario Securities Commission issued a permanent cease trade order that halted all trading in and all acquisitions of securities of GLR for failure to file continuous disclosure materials as required by Ontario securities law. Substantially similar orders from other provincial securities regulators followed in certain jurisdictions in which GLR is a reporting issuer.

On March 10, 2009, in response to Blackfish's demand for repayment of the Note, GLR applied to the Ontario Superior Court of Justice – Commercial List ("Ontario Court") for protection from its creditors pursuant to the Companies' Creditors Arrangement Act (Canada) ("CCAA"). The CCAA filing was intended to prevent Blackfish from seizing the Corporation's assets and liquidating the Corporation when management and the board believed that greater value could be obtained for all stakeholders through an orderly sale process or recapitalization transaction. The CCAA application, originally returnable March 11, 2009, was adjourned several times pending further discussion with Blackfish which negotiations resulted in GLR and Blackfish entering into a forbearance agreement effective March 30, 2009. The CCAA application was eventually dismissed at the same time as the Proposal (as defined herein) was approved pursuant to the Bankruptcy and Insolvency Act (Canada) (the "BIA").

Effective May 25, 2009, the Corporation entered into a Purchase and Sale Agreement (the "Linear Purchase Agreement") with Linear Gold Corp. ("Linear") which provided for the sale to Linear of the Company's then 100% interest in the Goldfields Project and surrounding exploration properties.

On May 29, 2009, GLR filed with the Official Receiver a notice of intention to make a proposal pursuant to the BIA. Paddon and Yorke Inc. (the "Trustee") was appointed as Proposal trustee.

On June 5, 2009, GLR filed a proposal under the BIA. Some minor amendments were made to the proposal and filed on July 20, 2009. On August 18, 2009, the Ontario Court approved the Corporation's proposal to creditors, as amended (the "Proposal"), and the sale of the Goldfields Project and surrounding exploration properties to Linear (the "Linear Transaction"). The Linear Transaction, which closed on August 20, 2009, provided the Trustee with cash proceeds of US$5.0 million and 727,272 common shares in the capital of Linear (the "Linear Shares"). After repayment of the amounts owed to Blackfish, payment of the unsecured claims in the Proposal and payment of legal and other professional fees, GLR received net cash

proceeds of $1,050,000 and the Linear Shares. In addition, GLR is entitled to receive post-closing reimbursement of deposits made by GLR to each of Gekko Systems Pty. Ltd. and Yantai Jinyuan Mining Machinery Co., Ltd. in respect of certain equipment contracts, which were assigned to a wholly-owned subsidiary of Linear as part of the Linear Transaction. On December 31, 2009, the Corporation received from Linear $300,000 as part reimbursement of a deposit it had made to Gekko Systems Pty. Ltd. in respect of certain equipment ordered in connection with the development of the Goldfields Project.

During September 2009 and during the quarter ended December 31, 2009, the Trustee, with the exception of one disputed claim, in the amount of $360,000 plus unspecified costs, settled all proved creditor claims and legal fees arising before and during the BIA process. The one disputed claim was settled during May 2010. Consequently, GLR is now essentially debt free with exploration prospects in Ontario and Quebec.

During the second quarter of 2010, the Corporation filed an application with the applicable securities regulators to revoke the outstanding cease trade orders described above. In September 2010, all orders were revoked.

During 2010, GLR completed an exploration program of the Sackville Property, Kirkland West Property and the Casa Berardi Property and is currently evaluating potential future targets to explore on these properties. The Corporation has limited resources for further evaluation until such time as the Corporation is able to access the capital markets. As of the date hereof, GLR has sold its entire holding of 727,272 shares of Linear for aggregate gross proceeds of $1,299,222.

Subject to the results of its exploration programs on each of the Sackvile Property, Kirkland West Property and the Casa Berardi Property, the Corporation may consider acquiring additional properties for their exploration potential. During the remainder of 2010, the Corporation may commence work on the exploration and development of its Omega Property near Kirkland Lake.

3.2 Disclose:

(1) (a) any significant acquisition completed by the Issuer or any significant probable acquisition proposed by the Issuer, for which financial statements would be required under Part 6 or 7 of OSC Rule 41-501 if this Listing Statement were a prospectus; and

This item is not applicable to GLR.

(b) any significant disposition completed by the Issuer during the most recently completed financial year or the current financial year for which *pro forma* financial statements would be required under Part 8 of OSC Rule 41-501 if this Listing Statement were a prospectus.

This item is not applicable to GLR.

(2) Under paragraph (1) include particulars of

This item is not applicable to GLR.

(a) the nature of the assets acquired or disposed of or to be acquired or disposed of;

(b) the actual or proposed date of each significant acquisition or significant disposition;

(c) the consideration, both monetary and non-monetary paid, or to be paid, to or by the Issuer;

(d) any material obligations that must be complied with to keep any significant acquisition or significant disposition agreement in good standing;

(e) the effect of the significant acquisition or significant disposition on the operating results and financial position of the Issuer;

(f) any valuation opinion obtained within the last 12 months required under Canadian securities legislation or Canadian securities directives of a Canadian securities regulatory authority or a requirement of a Canadian stock exchange or other Canadian market to support the value of the consideration received or paid by the Issuer or any of its subsidiaries for the assets, including the name of the author, the date of the opinion, the assets to which the opinion relates and the value attributed to the assets; and

(g) whether the transaction is with a Related Party of the Issuer and if so, disclose the identity of the other parties and the relationship of the other parties to the Issuer.

3.3 Discuss any trend, commitment, event or uncertainty that is both presently known to management and reasonably expected to have a material effect on the Issuer's business, financial condition or results of operations, providing forward-looking information based on the Issuer's expectations as of the date of the Listing Statement.

Currently GLR is operating with limited funds. The ability of GLR to continue as a going concern will be dependent upon, among other things, being able to obtain financing in the short term.

4 Narrative Description of the Business

4.1 General

(1) Describe the business of the Issuer with reference to the reportable operating segments as defined in the Handbook and the Issuer's business in general. Include the following for each reportable operating segment of the Issuer:

(a) State the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period.

During the next 12 months, GLR intends to raise adequate financing to continue with its exploration activities. GLR is in the business of acquiring early stage prospects for exploration and development and is considered a development stage company.

(b) Describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event.

The ability of GLR to obtain financing will depend on a number of factors, including, among others, market conditions at the relevant time. Accordingly, the timing and costs associated therewith are difficult to predict at this time.

(c) Disclose the total funds available to the Issuer and the following breakdown of those funds:

(i) the estimated consolidated working capital (deficiency) as of the most recent month end prior to filing the Listing Statement; and

As at June 30, 2010, the Corporation had approximately $241,000 in working capital. As at October 31, 2010, the Corporation's working capital is estimated to be approximately $150,000.

(ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b).

In addition, the Corporation is entitled to be reimbursed by Brigus Gold Corp. ("Brigus"; formerly Linear Gold Corp.) approximately US$1.8 million no later than October 31, 2010 and an amount of $696,000 upon certain equipment being made available for delivery to Brigus. These future source amounts aggregate approximately $2.5 million and will be used to conduct exploration and to satisfy on-going working capital requirements.

(d) Describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

The Corporation cannot reasonably estimate at this time the project or future project on which any future funding will be spent.

(e) For principal products or services,

This item is not applicable to GLR.

(i) the methods of their distribution and their principal markets;

(ii) as dollar amounts or as percentages, for each of the two most recently completed financial years, the revenues for each category of principal products or services that accounted for 15 per cent or more of total consolidated revenues for the applicable financial year derived from

(A) sales to customers, other than investees, outside the consolidated entity,

(B) sales or transfers to investees; and

(C) sales or transfers to controlling shareholders; and

(iii) if not fully developed, the stage of development of the principal products or services and, if the products are not at the commercial production stage,

(A) the timing and stage of research and development programs,

(B) the major components of the proposed programs, including an estimate of anticipated costs,

(C) whether the Issuer is conducting its own research and development, is subcontracting out the research and development or is using a combination of those methods, and

(D) the additional steps required to reach commercial production and an estimate of costs and timing.

(f) Concerning production and sales

This item is not applicable to GLR.

(i) the actual or proposed method of production of products and if the Issuer provides services, the actual or proposed method of providing services;

(ii) the payment terms, expiration dates and terms of any renewal options of any material leases or mortgages, whether they are in good standing and, if applicable, that the landlord or mortgagee is a Related Person of the Issuer;

(iii) specialized skill and knowledge requirements and the extent that the skill and knowledge are available to the Issuer;

(iv) the sources, pricing and availability of raw materials, component parts or finished products;

(v) the importance, duration and effect on the segment of identifiable intangible properties such as brand names, circulation lists, copyrights, franchises, licences, patents, software, subscription lists and trademarks;

(vi) the extent to which the business of the segment is cyclical or seasonal;

(vii) a description of any aspect of the Issuer's business that may be affected in the 12 months following the date of the Listing Statement by renegotiation or termination of contracts or sub-contracts and the likely effect;

(viii) the financial and operational effects of environmental protection requirements on the capital expenditures, earnings and competitive position of the Issuer in the current financial year and the expected effect, on future years;

(ix) the number of employees, as at the most recent financial year end or as an average over that year, whichever is more relevant; and

(x) any risks associated with foreign operations of the Issuer and any dependence of the segments upon the foreign operations.

(g) The competitive conditions in the principal markets and geographic areas in which the Issuer operates, including, if reasonably possible, an assessment of the Issuer's competitive position.

The mining industry is intensely competitive and the Corporation must compete in all aspects of its operations with a substantial number of other junior mining companies, some of which have greater technical and financial resources. The Corporation may be at a disadvantage with respect to some of its competitors in the acquisition and/or development of high potential mining properties throughout the principal markets and geographical areas in which the Corporation carries on its business activities.

(h) With respect to lending operations of an Issuer's business, the investment policies and lending and investment restrictions.

This item is not applicable to GLR.

(2) Disclose the nature and results of any bankruptcy, or any receivership or similar proceedings against the Issuer or any of its subsidiaries or any voluntary bankruptcy, receivership or similar proceedings by the Issuer or any of its subsidiaries, within the three most recently completed financial years or the current financial year.

Reference is made to item 3.1 herein.

(3) Disclose the nature and results of any material reorganization of the Issuer or any of its subsidiaries within the three most recently completed financial years or the current financial year.

This item is not applicable to GLR.

4.2 For issuers with asset backed securities outstanding provide the disclosure required by items 6.2 and 10.3 of OSC Form 41-501F1 as if the securities were or were being distributed under a prospectus .

This item is not applicable to GLR.

4.3 For Issuers with a mineral project, disclose the following information for each property material to the Issuer:

The information that follows under this item 4.3 with respect to the Sackville Property has been derived from the technical report prepared in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Properties ("NI-43-101") entitled "Technical Report on Mining Claims - Sackville Project, Adrian, Aldina, Sackville and Marks Townships, Ontario, Canada, Thunder Bay District, Mining Division" dated June 15, 2010 (the "Sackville Technical Report") prepared by Fred J. Sharpley, P.Geo., the qualified person under NI 43-101 (the "QP") and Tammy Perry, BSc., under the supervision of the QP, filed on SEDAR on August 25, 2010 and does not purport to be complete, and is qualified in its entirety by reference to the Sackville Technical Report available for review on SEDAR under GLR's corporate profile at www.sedar.com.

(1) Property Description and Location

(a) The area (in hectares or other appropriate units) and location of the property.

(b) The nature and extent of the Issuer's title to or interest in the property, including surface rights, obligations that must be met to retain the property and the expiration date of claims, licences and other property tenure rights.

(c) The terms of any royalties, overrides, back-in rights, payments or other agreements and encumbrances to which the property is subject.

(d) All environmental liabilities to which the property is subject.

(e) The location of all known mineralized zones, mineral resources, mineral reserves and mine workings, existing tailings ponds, waste deposits and important natural features and improvements.

(f) To the extent known, the permits that must be acquired to conduct the work proposed for the property and whether permits have been obtained.

The Sackville Property is a contiguous assembly of 8 non-patented mining claims and 1 patented claim (106 units, 1696 hectares). The claims occupy parts of Adrian, Aldina, Sackville and Marks Townships in the Thunder Bay (TB) Mining Division, District of Thunder Bay, Ontario, Canada. Relevant Mining Land Tenure Maps are Plan G -0640, 0641, and 0685, respectively (NAD 83). The area is covered by the National Topographic System 52A/5 quadrant (ed. 4 NAD 83). Magnetic declination for this area is 2° 41' (west declination) for the year 2010. The claim group is centred at UTM 5367597mN and 284556mE (Zone 16, NAD 83) and Latitude 48° 25' 28.73"N and Longitude 89° 54' 44.21"W. The maximum extents are 4.8 km north-south and 4.5 km east-west. Table 1 lists particulars of the claim holdings, annual work requirements; and respective interests of GLR and RJK Explorations Ltd. (RJK). The unpatented claims were recorded from 2008 to 2010 with earliest due date on June 10, 2010 and the latest due date on Dec. 10, 2011. Annual assessment totals $45,200 to maintain the maturity of the holdings.

RJK Explorations Ltd. and GLR Resources Inc. have an option agreement on the one patented claim in the area. It is recognized the property vendor and respective interests as being 50% Daniel Macsemchuk and 50% Bruce Macsemchuk with RJK and GLR having the right to purchase (buy back) up to 2.0% of the Net Smelter Royalty (NSR) from the vendors at a rate of $200,000 per 0.5% to a maximum of $800,000 (2.0%). As well there was a cash payment upon signing on September 30, 2001 of $7,000.00 cash and 40,000 shares. The Option is in good standing. RJK and GLR shall have, over and above the NSR (buy back) the right of first refusal on the remaining NSR should the vendors offer it for sale.

The jointly-owned project is 50% GLR Resources Inc. and 50% RJK Explorations Ltd. Each company must pay their 50% share of the cost to maintain their interest.

There are no environmental liabilities on the property.

Table 1: Sackville Property Claims

Township	Claim #	Units	Hectares	Recorded	Due Date	Amount Due	Ownership
Sackville	4219074	13	208	10-Jun-08	10-Jun-11	$5200	RJK 50%-GLR 50%
Sackville	4219075	16	256	10-Jun-08	10-Jun-11	$6400	RJK 50%-GLR 50%
Marks	Patent	1	16	L 6 C 7	S ½		RJK 50%-GLR 50%
Sackville	4244451	14	224	28-Sep-09	28-Sep-12	$5600	RJK 50%-GLR 50%
Sackville	4244452	16	256	28-Sep-09	28-Sep-12	$6400	RJK 50%-GLR 50%
Sackville	4244453	16	256	29-Oct-09	29-Oct-12	$6400	RJK 50%-GLR 50%
Sackville & Adrian	4244454	16	256	10-Dec-09	10-Dec-11	$6400	RJK 50%-GLR 50%
Aldina	4244456	6	96	10-Dec-09	10-Dec-11	$2400	RJK 50%-GLR 50%
Aldina	4244457	16	127	10-Dec-09	10-Dec-11	$3200	RJK 50%-GLR 50%

TOTAL: 8 unpatented mining claims & 1 patented claims representing 106 units covering an area of 1696 hectares

(2) Accessibility, Climate, Local Resources, Infrastructure and Physiography

(a) The means of access to the property.

(b) The proximity of the property to a population centre and the nature of transport.

(c) To the extent relevant to the mining project, the climate and length of the operating season.

(d) The sufficiency of surface rights for mining operations, the availability and sources of power, water, mining personnel, potential tailings storage areas, potential waste disposal areas, heap leach pads areas and potential processing plant sites.

(e) The topography, elevation and vegetation.

All season, gravel road access is available via Boreal Road. This traverses west from Secondary Highway 590 to Km 10.5, Aldina East Road (63 km from Kakabeka Falls, ON) and beyond. Aldina West Road, a seasonal (winter-plowing required) sandy road provides generally good vehicle access to a ski-doo trail which provides access to eastern side of the grid. The Boreal Road-Hwy 590 intersection is 13 km west and (then) south of the Hwy 590-TransCanada Highway 11-17 intersection. Kakabeka Falls, Ontario only 2 km to the south of this turn (on Highway 11-17) is the closest town. Known as the "Niagara of the North" for its

principal tourist attraction, it is also central to, and partly dependent upon, surrounding forest resources. A hydroelectric facility and railway are major infrastructure assets of this community. Close proximity to the city of Thunder Bay, 29 km to the east, also makes this locale attractive to commuters. With a population of 149,063 (metropolitan area, 2006 Census), Thunder Bay hosts a major airport, CN and CP rail lines, Ontario's largest port, and shipping service to the Great Lakes, St. Lawrence Seaway and beyond. Bulk commodities handled here are grain, coal, potash, forest products, manufactured and dimension goods. By surface, Thunder Bay is 1387 km from Toronto, Ontario; 700 km from Winnipeg, Manitoba; 581 km from Minneapolis, Minnesota; and 1047 km from Chicago, Illinois, USA. Otherwise, these major centres are a short, 1-2 hour flight away. Thunder Bay also has suppliers, government services and a university (Lakehead) which also support mineral exploration and some mining needs.

Located in the Severn Upland physiographic unit of the James Region, Precambrian Canadian Shield (Carter, M.W., 1990; Thurston, P.C. 1991), the property is generally surrounded by landforms which include bedrock knob and plateau (metavolcanic-felsic intrusive- related); glaciolacustrine plain (low relief); ground moraine (subdued relief, metavolcanic bedrock), glaciofluvial (low lying) and organic terrain types (lowest relief, devoid of outcrop). Elevation varies from 440 to 570 m in the area of the worked claims. Steep hills, deep valleys and likely deep overburden are the result of a terminal moraine. This glacial deposit provides sand and gravel resources at a number of pits (excluded from mineral rights). Drainage and topography slope from the west and from the east toward the north-flowing Serpent Creek. Portions of Serpent Creek are designated as "cold water" habitat- a classification which tightly restricts fording and operations (permits must be applied for in advance of such operations). Much of the property has been harvested for timber. Remaining forest cover includes poplar, black spruce, balsam fir, birch; young jackpine and poplar regrowth.

Temperatures in the Kakabeka Falls/ Thunder Bay area average 2.5˚C and range from an extreme minimum of –41.1 ˚C (January record) to the extreme maximum of +40.3˚C (August record). Averaged daily temperatures recorded by Environment Canada are – 14.8˚ (January) and +24.2˚C (July). Weather conditions on the property are notably cooler (e.g. 5˚ in winter). Moderation of climate by Lake Superior is sometimes visible as a "frost-line" at higher elevations and en-route to the property.

(3) History

(a) The prior ownership of the property and ownership changes and the type, amount, quantity and results of the exploration work undertaken by previous owners, and any previous production on the property, to the extent known.

(b) If a property was acquired within the three most recently completed financial years of the Issuer or during its current financial year from, or is intended to be acquired by the Issuer from, an insider or promoter of the Issuer or an associate or affiliate of an insider or promoter, the name and address of the vendor, the relationship of the vendor to the Issuer, and the consideration paid or intended to be paid to the vendor.

(c) To the extent known, the name of every person or company that has received or is expected to receive a greater than five per cent interest in the consideration received or to be received by the vendor referred to in subparagraph (b).

The Sackville Property was formerly known as the Stares property. Claims belonging to this property were dropped and in 2008-2010; new claims were obtained in the vicinity of the old Stares property and renamed Sackville Property.

In his (NI 43-101) report to GLR Resources and RJK Explorations, Bottrill (2003) chronicles and details the history of the property from 1956-2002 (p. 10, p. 22). The region around the former Dawson road and present Highway 11-17 has seen sporadic mapping (from 1872) and exploration (largely for iron deposits, from 1901) with heightened activity from 1901-1925. The property was explored for iron between 1950 and 1961. Limited prospecting and geophysical surveys in 1991 and 1993 (magnetometer, VLF-EM, government airborne electromagnetic/AEM) included those of American base-metal producer, Asarco Exploration Company (unpublished). Newly-cut forestry roads by Stares Contracting, led to the 1996 discovery of sulphide-rich float (0.6% Cu, 12% Zn, 4.4% Pb, 359 g/t Ag and 5.52 g/t Au). Exploration by Cumberland Resources in 1996 and 1997 included line cutting (additional to ASARCO's existing grid), geological mapping; soil geochemistry, magnetometer, VLF-EM, Pulse DEEPEM (PEM) and drilling (9 holes) - without success. As part of a wider, Shebandowan greenstone belt, and project-area specific surveys, surface till and humus samples were taken by Bajc (1999, 2001).

Further exploration, from 1999, by GLR (or predecessor Greater Lenora Resources) and RJK included time-domain IP, trenching and discovery of heavily-oxidized bedrock mineralization and(1999); initial drilling (winter, spring 2000); and discovery of Boomer and Calvert massive sulphide boulders (10 and 15 t, respectively, summer 2000. The Boomer boulder (southernmost) is predominantly pyrite and the Calvert boulder (northernmost) is comprised of pyrite, chalcopyrite, sphalerite, galena. This was followed in 2000-2001 by line-cutting (main 100 line km grid and 30 deg. local grid, 7 line-km); geophysical (magnetic, IP), prospecting, mapping, geochemical surveys; stripping and trenching; and optioning of the 15-claim Sackville Property). Additional boulders were discovered near a previous pit (and near L 20+00W) in the summer of 2001. Mechanical stripping and discovery of more mineralized outcrop, led to additions to the property, to line-cutting, magnetic surveys and channel sampling; to horizontal loop EM (HLEM), lithogeochemical,

humus geochemistry surveys. The winter 2001- summer 2002 tested the property extensively with an enzyme leach geochemical survey (lab-extraction from till samples) and drilling of enzyme-leach, magnetic and IP anomalies.

Bottrill (2003) also discussed results, specific techniques and limitations of the various detection methods employed on the property. Limitations of previous drilling were also reviewed. By 2002, cumulative diamond drilling, with Cumberland Resources previous 9-hole (1552 m) campaign and GLR-RJK's 63-hole (6916 m) totalled 8468 m. Follow-up drilling (5 holes, 125-175m depth) was recommended close (50-200m) to the known mineralized horizon. This was based on the possibilities that down-plunge extensions
may lie west and north of the original discovery zone (and shallow drilling about this); and that previous drilling in this direction was too shallow and too widely-spaced given suspected faulting of the host rock and related stratigraphy.

Following the 2003 report the companies decided to proceed with an additional IP surveys (2005, 2006), airborne time-domain EM (TDEM) and magnetic surveys and drilling on Claims 1215006, 1215007, 125008, 125009 and 1215056 (MS04-01 to MS04-06) from L 12W 17+00N to L22W 4+00S. Specifics of the 2004 program are as follows,

Hole	***TABLE 2 Property History Grid Position***		***Length***	***Azimuth***	***Dip***
M S-04-01	***12+00W***	***17+00N***	***113 m***	***180°***	***-45°***
M S-04-02	***12+00W***	***14+50N***	***102 m***	***180°***	***-45°***
MS-04-03	***21+00W***	***4+75N***	***199 m***	***180°***	***-50°***
M S-04-04	***21+20W***	***5+60N***	***258 m***	***180°***	***-60°***
MS-04-04a (abandoned)	***21+20W***	***5+60N***	***53 m***	***180°***	***-60°***
MS-04-05	***19+00W***	***5+00N***	***230 m***	***180°***	***-70°***
MS-04-06	***22+00W***	***4+00S***	***210 m***	***180°***	***-50°***
All	***12-22W***		***4S-17N1165m***		

Zinc concentrations were generally in lowest, orders-of-magnitude ppm range. Higher values in MS04-03, MS-04-04 were found. MS-05-05 reported around 1% Zn, but these were in short intervals (0.5-1 m, Parker 2004).

In 2005-2006 GLR Resources and RJK Explorations drilled 9 holes totalling 826m. Drilling of three widely separated targets on the Stares option allowed testing of broader base metal potential on an extensive property. While mineralization was low, it was at least provided other indications and perspective on potential away from the discovery zone. The northern target

zone produced somewhat higher amounts of zinc and copper than the west extension. One hole, SC05 – 08 was drilled on the present claim 4244451.

(4) Geological Setting — The regional, local and property geology.

Regional Geology

An extensive discussion of the geological and tectonic setting of the Stares property was provided by Bottrill (2003). The described setting is within the Shebandowan greenstone belt of the western Wawa Subprovince in the Archean-era Superior Province, Precambrian Shield. Further description of the regional to local geology focuses here on some key characteristics of geological systems at various scales, from pluton to assemblage to sub-province and to geological province scale which may provide geological insight to mineral distributions at a property and drill project scale.

Within the Shebandowan belt volcanic cycles consist of a lower sequence of (tholeiitic) basalt flows and an upper sequence of andesite, dacite, and rhyolite (calc-alkalic) flows (Williams et al 1991). This bi-modal volcanic cycle is accompanied by abundant mafic sills and differentiated gabbro-anorthosite plutons. Stratigraphic units are near-vertical. These volcanics – including some magnesian (komatiitic) units can be overlain, unconformably by sedimentary and volcanic rocks that resemble rocks of the Timiskaming Group near Kirkland Lake, ON in the Abitibi belt. Sediments include metamorphosed equivalents of wacke, minor conglomerate and iron formation. The broader Wawa Subprovince is described as a "sea" of granitoid (intrusive) rocks with well-defined greenstone belts such as the Shebandowan belt. Shearing often masks stratigraphic and structural relationships between lithological units. Mineralization associated with the Shebandowan greenstone includes iron, nickel-copper sulphide (Shebandowan Mine, in a komatiitic flow unit) copper, copper-gold, copper-zinc and gold- in short a wide range of commodities generally found in the Superior Province. Consequently, the Shebandowan greenstone belt is not particularly distinctive in this respect or at this scale- neither are the associated processes.

At a much larger scale- 2 million square km- the Superior Province is differentiated into plutonic, granite-greenstone, metasedimentary and gneissic subprovinces (Card and Poulsen, 1998). This might offer little else than a modal analysis of igneous, mixed igneous-supracustal, sedimentary and metamorphic domains- with one exception. The granite-greenstone sub-provinces contain virtually all of the economically important mineral deposits of the Superior Province- Zn-Cu-Pb, lode gold, vein copper, magmatic nickel sulphides, Cr-Ti-V, iron-ore deposits of the Algoma type, and rare-metal pegmatite deposits including lithium and tantalum. While not usually discussed in the same context as lateral variation of the provinces, subprovinces, assemblages and local

geology- vertical differentiation might also be considered. By geophysical inference (gravity, seismic characteristics), greenstone belts can have depths of 5 km with roots to 7 to 12 km while metasedimentary and granitic rocks may, by virtue of lower density, may show negative anomalies. An upper layer approximately 10 km thick layer of greenschist-amphibolite (metamorphic facies) rocks appears to be cut by plutons and mainly steep-dipping discordant structures. Below this is an intermediate plutonic (tonalite-granodiorite-remnant supracrustal rocks) layer, 15 km thick, with shallow-dipping (seismically reflective), ductile structures. Further below are granulite-facies rocks (plutonic and supracrustal) that extends to an average depth of 40 km.

While geological settings and associated models may vary, lithologies, associated processes and potentials in granite-greenstone (greenschist to amphibolite) in as little as a 5 to 10 km radius might be considered as geologically and spatially significant- from property scale to Superior Province-wide scale. Within a local geological setting, distribution of bimodal volcanic rocks - among the most significant hosts of Archean mineral deposits- provide an additional focus. A mineralized "system"- might therefore significantly include some combination of, metavolcanic-metasedimentary rocks (greenschist-amphibolite metamorphic-grade, "greenstones"); specifically bi-modal volcanics; mafic sills; other intrusives or plutons.

Local Geology

The local stratigraphic sequence is characteristic of many greenstone belts in areas associated with volcanic hosted base and precious metal mineralization. This sequence is primarily a basal iron tholeiite basalt overlain by variable thicknesses of felsic volcanic rocks and in turn by a thick sequence of turbiditic graywackes.

The felsic rocks are predominantly rhyolites which can be further divided into a younging sequence from subaqueous quartz-phyric high-silica rhyolites upwards to progressively more subaerial quartz-feldspar phyric rhyolite tuffs. The basal high-silica rhyolites include thinly bedded ignimbrite units which include basal tuff-breccia to agglomeratic horizons with similar coarse fragmental textures to those seen in sulphide mineralization. The tops of these units are finely laminated and graded ash-tuffs.

Additional signs of probable subaerial volcanism include distinctive phreatic breccias restricted to single horizons in highly siliceous ash tuffs. Throughout the sequence there are abundant ironstones and cherty tuffites, the latter being more abundant in the rhyolite units. The ironstones include chert-magnetic jasperoids as well as magnetite-silicate (amphibole-garnet) facies. The distribution of the different ironstones facies corresponds to probable water depths and each type is associated with a correspondingly appropriate rock type

consistent with the appropriate water depth. The iron-oxide rich units are associated with the subaerial units, whereas separate pyretic and carbonaceous chert tuffites are located in progressively more subaqueous hosts. This facies distribution may reflect an original volcanic topography with a volcanic high in the area around the known sulphide mineralization progressively deepening to the north and east into the turbiditic graywacke basin.

These units are deformed and metamorphosed. The intensity of deformation is different among the various rocks types, with some such as the original mudstones showing the development of schistosity, whereas, by contrast, units such as the rhyolite ignimbrites, are almost internally pristine and mostly show brittle failure in locally closely-spaced faults. The ironstones, especially magnetite-silicate facies ironstones are very finely laminated and unlike the many banded jasperoid ironstones show none of the classical internal folding.

The overall structure on the property is a southern isoclinally folded, steeply dipping overturned antiform, with the central area a corresponding synform underlain by the turbitic graywackes, with a further antiform in the northern part of the property. Each of these folds have east-west axial planes. They appear to have been re-folded around later northeast striking axes providing the oroclinal form of the folds, convex to the northeast. To a large extent the interpretation of the property geology has been based on the 1991 OGS airborne magnetic and electromagnetic survey, and the relationship between the local geology on the grid area with the ground magnetic data. The fold pattern that is very apparent on the grid has been used as a model for interpretation of the entire property.

The only major faults which cross and off-set the units within the fold are orientated northeast and appear from the differences on either side to be original basin margin faults active during volcanism and sedimentation.

The eastern and northeastern section of the grid consisted mainly of rhyolites with clastic sediments near the southeast. A section of gabbro can be seen on the northwest and southwest. All units strike NW-SE with the majority of the area being mafic volcanics.

(5) Exploration Information — The nature and extent of all exploration work conducted by, or on behalf of, the Issuer on the property, including

(a) the results of all surveys and investigations and the procedures and parameters relating to surveys and investigations;

(b) an interpretation of the exploration information;

(c) whether the surveys and investigations have been carried out by the Issuer or a contractor and if by a contractor, identifying the contractor; and

(d) a discussion of the reliability or uncertainty of the data obtained in the program.

All exploration on the Sackville Property was carried out by or under the supervision of Tammy Perry BSc. (Hons), geological consultant for GLR and RJK Explorations. The work was carried out according to industry standards. From the years 2009 – 2010 a total of $491,745.14 of exploration has been spent on the claims. The type of exploration and expenditures are itemized as follows:

WORK EXPENSES

Crew Members	***Title***	***Function***	***Days of Work***	***Salary***
Tammy Perry	*Geologist*	*core logging, mapping Report production*		*$33, 983.87*
Donald Kasner		*Supervised field activities*		*$5590.29*
Robbie Sheldon	*Core Cutter*			*$5899.62*
Jimmy Everett				*$300.00*
			TOTAL 1	***$45, 773.78***

DRILLING EXPENSES (1908m of Drilling)

Peter Huard	*Driller*	*Drilling work/mob-demob*	*days*
Andrew Huard	*Driller*	*Drilling work/mob-demob*	*76*
Shaun Bowen	*Drill Helper*	*Drilling work/mob-demob*	*76*
Larry Milot Jason	*Drill Helper*	*Drilling work/mob-demob*	*76*
Jolette	*Drill Helper*	*Drilling work/mob-demob*	*53*
			23

Meters drilling + expenses + salary TOTAL 2 $338,837.09

Analyses

Core Assays	*372 samples*
Rock Assays	*83 samples*
Soil Assays	*62 samples*

TOTAL Core + Rock + Soil $10,062.65

Geophysical Survey (21.75 km)

GeoSig (Consultants)	*$44,000.40*

OTHER

Room + Board	*$11,872.81*
Project Administration	*$4,355.44*
Insurance	*$781.82*
Rentals, Equipment, etc.	*$12,096.96*
	TOTAL $29,107.03
	GRAND TOTAL $491,745.14

Geophysical Work

On behalf of GLR GeoSig carried out an Induced Polarization survey from Oct. 15, 16, and 17th 2009 and Oct. 27 and 28th 2009 on the Sackville Property. The survey was done on a NS grid and NE-SW grid with lines spaced at 200 m covering approximately 21.75 km and partially covered claim blocks; 4219074, 4219075, 4244451, 4244452, and 4244453. The IP survey was done using dipole-dipole array, in time domain mode with a standard 2 seconds ON, 2 seconds OFF. The dipole-dipole ran with a=25m electrode spacing and N=1 to 6. Readings were taken every 25m and stainless steel pin electrodes were used for the receiver to improve the signal to noise ratio.

14 anomalies were located over the grid area with the strongest anomalies on lines 22, 24, 26, & 28 E and lines 20, 22, & 24 N. 6 of the 14 anomalies were drilled.

Geochemical Surveying

A geochemical soil survey of Au by atomic absorption and Aqua Regia ICP was carried out on the Sackville Property on a portion of NS grid and NE-SW grid with lines spaced at 200 m covering approximately 21.75 km (FIGURE 19 & 19a). The soil survey was done using a hand held auger with the majority of samples taken at 25m intervals and a depth that reaches the B – horizon. Clear Ziploc bags were labelled showing sample number, location, and line number, then sample were placed in the bag. 62 Samples were sent to ACTLabs, Thunder Bay, ON for analysis using packages; Code 1A2-Tbay Au-Fire Assay AA which used 30g samples and Code 1 E3-Tbay Aqua Regia ICP (AQUAGEO) which used 0.5g samples and a 3:1 ratio HCL acid to Nitrate acid for the leaching process.

Samples were analysed for Au, Ag, Cd, Cu, Mn, Mo, Ni, Pb, Zn, Al, As, B, Ba, Be, Bi, Ca, Co, Cr, Fe, Ga, Hg, K, La, Mg, Na, P, S, Sb, Sc, Sr, Ti, Te, Tl, U, V, W, Y, and Zr.

The Geochemical results for the elements of interest Au, Ag, Cu, Mn, Pb, and Zn are presented in Table 5 which represents values received in parts per billion for Au and parts per million for the remaining elements. Some anomalous values occurred on line 8 and line 2 on the western portion of the property.

TABLE 5: SACKVILLE PROPERTY: SOIL SPLS

Sample #	x	y	Easting	Northing	Au	Ag	Cu	Mn	Pb	Zn	Type	Colour	Trees and Vegitation,Terrain	Other Comments	Depth
					ppb	ppm	ppm	ppm	ppm	ppm					
SL10400N	10+00E	4+00N	283574	5368388	< 5	< 0.2	19	204	4	34	Sandy	Brown	Pine,mossy,lab tea,flat lowland	none	20 cm
SL10375N	10+00E	3+75N	283571	5368364	< 5	< 0.2	19	202	4	36	Clay/Sand	br/grey	balsalm,pine,mossy,flat lowland	none	20 cm
SL10350N	10+00E	3+50N	283577	5368328	< 5	< 0.2	26	314	19	44	Clay/Sand	br/grey	Pine,mossy,lab tea,flat lowland	none	20 cm
SL10325N	10+00E	3+25N	283568	5368282	< 5	< 0.2	21	1110	4	43	Clay	grey	Pine,mossy,boulders,Flat lowland	none	20 cm
SL10300N	10+00E	3+00N	283570	5368282	< 5	< 0.2	59	329	5	33	Mud/Clay	black	Pine,Spruce,Flatting out to creek	none	20 cm
SL10275N	10+00E	2+75N	283569	5368261	< 5	< 0.2	83	254	5	17	Muddy	black	Pine,mossy,boulders,Flat lowland	none	20 cm
SL10250N	10+00E	2+50N	283567	5368232	< 5	< 0.2	50	417	9	85	Mud/Clay	black	Pine,Tags,flat beside creek	edge of creek	30 cm
SL10225N	10+00E	2+25N	283572	5368212	< 5	< 0.2	10	245	2	11	Muddysoil	black	balsalm,pine,mossy,flat lowland	N or creek stinky soil	20 cm
SL10200N	10+00E	2+00N	283573	5368185	< 5	< 0.2	6	189	2	15	Muddy	black	Pine,mossy,boulders,Flat lowland	none	20 cm
SL8350N	8+00E	3+50N	283356	5368331	< 5	< 0.2	42	106	5	38	Clay	grey/br	Pine,Blk spruce,tags,Grassy river basi	n none	30cm
SL8325N	8+00E	3+25N	283358	5368306	< 5	< 0.2	31	176	5	55	Clay	Blueish/Gr	Pine,Blk spruce,tags,Grassy river basi	n Never seen soil before	25 cm
SL8300N	8+00E	3+00N	283355	5368282	< 5	< 0.2	14	278	5	42	Clay/Mud	Dark grey	Grassy flood path of creek	Pyr+ryst in sample	20 cm
SL8275N	8+00E	2+75N	283356	5368261	< 5	< 0.2	8	127	2	31	Clay/Mud	Dark grey	Grassy flood path of creek	Pyr+ryst in sample	20 cm
SL8250N	8+00E	2+50N	283347	5368237	11	< 0.2	26	82	14	43	Soil		BlackPine,Balsalm,Moss y,boulders next to cre	ek beside creek	20 cm
SL8225N	8+00E	2+25N	283354	5368215	< 5	< 0.2	45	238	6	48	Sandysoil	Br/Blk	Pine,mossy,lots of boulders incline	multi hole sample	5 cm's
SL8200N	8+00E	2+00N	283341	5368181	< 5	0.3	24	370	5	147	Sandgravel	Brown	Pine,Balsalm.Mossy side of hill	pebbles in sample	20 cm
SL8175N	8+00E	1+75N	283355	5368165		6 < 0.2	30	219	6	92	Sand	Brown	Pine,moss,in a gulley with boulders	in a small valley	20 cm
SL8150N	8+00E	1+50N	283346	5368135		5 < 0.2	21	191	11	65	Clay	Br/Grey	Pine,Bal,tags mossey boulders	Side of hill	20 cm
SL6400S	6+00E	4+00S	283180	5367582	< 5	< 0.2	30	431	5	58	sand/pebb	brown	pop,bal, slope to north	skidder rd 25m North	20 cm
SL6375S	6+00E	3+75S	283187	5367611	< 5	< 0.2	12	196	3	51	fine sand	reddish/br	pop,bal, tags flatting out	other side of road	20 cm
SL6350S	6+00E	3+50S	283188	5367633	< 5	< 0.2	31	423	5	53	Sand	br/greyish	pop,pine,bal,tags, flat	sloping dn to north	20 cm
SL6325S	6+00E	3+25S	283174	5367661	< 5	< 0.2	10	206	6	63	clay/sand	grey/brown	pop,pine,bal,tags, flat	none	20 cm
SL6300S	6+00E	3+00S	283130	5367688	< 5	< 0.2	10	192	3	40	fine sand	brown	pop,pine, some tags	none	20 cm
SL6275S	6+00E	2+75S	283179	5367706	< 5	< 0.2	10	157	4	29	fine sand	brown	pop,pine, some tags	none	20 cm
SL6250S	6+00E	2+50S	283173	5367740	< 5	< 0.2	10	154	3	25	sandy/clay	light brown	pines open area	next to road	20 cm
SL6225S	6+00E	2+25S	283176	5367759	< 5	< 0.2	13	153	3	33	sand/clay	browish/rd	pines open area	next to road	20 cm
SL6200S	6+00E	2+00S	283178	5367783	< 5	< 0.2	37	400	8	57	clay	indian red	pines,old and young	hard sample	20 cm
SL6300N	6+00E	3+00N	283163	5368277	< 5	< 0.2	35	287	5	78	sand	brown	pine,bal	next to creek	20 cm

SL6325N	6+00E	3+25N	283155	5368302	< 5	< 0.2	12	239	7	65	sand	brown	pine,bal	next to creek	20 cm
SL6350N	6+00E	3+50N	283156	5368327	< 5	< 0.2	16	191	5	37	sand	lt br/ dk br	pine,lab tea	opening to cut	20 cm
SL6375N	6+00E	3+75N	283158	5368351	< 5	< 0.2	25	290	4	42	clay/sand	lt brown	young pine,tamarack	in cut	20 cm
SL6400N	6+00E	4+00N	283156	5368377		6< 0.2	34	349	5	52	gran/sand	brown	open	still in cut	20 cm
SL6425N	6+00E	4+25N	283159	5368404	< 5	< 0.2	15	239	5	72	sand	brown	open	still in cut	20 cm
SL6450N	6+00E	4+50N	283158	5368426	< 5	< 0.2	19	232	5	74	sandy/clay	orange/br	open	still in cut	20 cm
SL6475N	6+00E	4+75N	283157	5368481	< 5	< 0.2	25	194	11	49	gran/sand	brown	open	still in cut	20 cm
SL6500N	6+00E	5+00N	283157	5368481	< 5<	0.2	31	270	6	66	gran/sand	rusty/br	open some veg	in cut some boulders	20 cm
SL6525N	6+00E	5+25N	283152	5368524	< 5	< 0.2	19	156	4	31	sand/clay	grey/br	hard sample lots of boulders	small sample	20 cm
SL6550N	6+00E	5+50N	283152	5368524	< 5	< 0.2	43	467	4	63	sand/clay	grey/br	hard sample lots of boulders	still in cut	20 cm
SL200EBL	2+00E	0+00	282774	5367954	< 5<	0.2	11	278	3	30	sand	light brown	in cut young pines,tags grassy	none	20 cm
SL2025N	2+00E	0+25N	282775	5367981	< 5	< 0.2	14	234	4	46	sand	orange/br	in cut young pines,tags grassy	none	20 cm
SL2050N	2+00E	0+50N	282774	5368006	< 5	< 0.2	28	246	5	53	sand	orange/br	in cut young pines,tags grassy	none	20 cm
SL2075N	2+00E	0+75N	282773	5368027	< 5	< 0.2	11	191	5	47	sand	brown	in cut young pines,tags grassy	none	20 cm
SL2100N	2+00E	1+00N	282773	5368054	< 5	< 0.2	10	423	4	61	sand	orange/br	pop,tags,pines,grassy boulders	none	20 cm
SL2125N	2+00E	1+25N	282772	5368080	< 5	< 0.2	14	205	5	61	sand	light brown	pop,tags,pines,grassy boulders	none	20 cm
SL2150N	2+00E	1+50N	282772	5368101	< 5	< 0.2	19	300	5	47	sand	light brown	pop,tags,pines,grassy boulders	next to road	20 cm
SL2425N	2+00E	4+25N	282766	5368369	< 5	< 0.2	39	467	12	54	clay	dark grey	tags	2m north of road	20 cm
SL2450N	2+00E	4+50N	282763	5368393		8< 0.2	20	375	8	73	sand	orang/brown	bals,pop,tags	bottom of gulley	20 cm
SL2475N	2+00E	4+75N	282769	5368416	< 5	< 0.2	18	319	5	75	sand	dark br/red	tags	bottom of gulley	20 cm
SL2500N	2+00E	5+00N	282759	5368436	< 5	< 0.2	11	279	7	65	sand	red/brown	birch,tags	bottom of gulley	20 cm
SL2525N	2+00E	5+25N	282766	5368462	< 5	< 0.2	17	279	5	62	fine sand	orang/brown	birch,pine	still desending	20 cm
SL2550N	2+00E	5+50N	282762	5368492	< 5	< 0.2	62	366	7	115	gran/sand	orang/brown	birch,pine	desending off hill	20 cm
SL2575N	2+00E	5+75N	282761	5368515	< 5	< 0.2	26	310	5	59	sand	or/rd/brown	pines,tags	top oif hill	20 cm
SL2600N	2+00E	6+00N	282764	5368539	< 5	< 0.2	22	290	4	53	sand	brown/red	birch,pop,tags,ferns.grass	uphill to south	20 cm
SL2625N	2+00E	6+25N	282754	5368565	< 5	< 0.2	12	266	5	88	sand	brown/red	birch,pop,tags,ferns.grass	side of slope to north	30 cm
SL2650N	2+00E	6+50N	282761	5368589	< 5	< 0.2	30	237	4	55	sand	brown	birch,pop,tags,ferns.grass	side of slope to north	20 cm
BL2450E	24+50E	0+00N	285399	5366292	< 5<	0.2	17	137	6	5	clay	grey/black	pine,bal,	bottom of cliff	30 cm
BL2475E	24+75E	0+00N	285360	5366259	< 5	< 0.2	10	168	3	8	silty sand	orang/brown	toung pine,bal hit bedrock	top of hill	5 cm's
BL2500E	25+00E	0+00N	285379	5366249		7< 0.2	8	602	5	5	silty sand	brown	pop,pine,bal,grass	top of hill	5 cm's
BL2525E	25+25E	0+00N	285402	5388241	< 5	< 0.2	14	476	5	6	silty sand	red/brown	pop,pine,bal,grass	depression t.o.h	20 cm
BL2550E	25+50E	0+00N	285424	5366228	< 5	< 0.2	23	379	10	2	silty sand	dk red/brown	pop,pine,bal,grass	slopeing down	5 cm's

BL2575E	25+75E	0+00N	285446	5366214		6< 0.2	46	360	3	6	silty sand	orang/brown	young bal,ferns	side of hill	20 cm
BL2600E	26+00E	0+00N	285467	5366204	< 5	< 0.2	12	554	2	5	sand	brown	birch,pop,tags,ferns	end of new grid	20 cm

(6) Mineralization — The mineralization encountered on the property, the surrounding rock types and relevant geological controls, detailing length, width, depth and continuity together with a description of the type, character and distribution of the mineralization.

Mineralization occurring in the drill core and outcrop on the Sackville Property is mainly disseminated pyrite (as well as stringers) with very minor chalcopyrite. The majority of mineralization occurred in the rhyolite and graphitic units that ranged from 5 – 30%. As well felsic rocks with classic mill-rock were encountered during drilling on the east side of the property

(7) Drilling — The type and extent of drilling including the procedures followed and an interpretation of all results.

Drill Holes location performed in 2009 – 2010 at the Sackville Project of claims 4219074, 4219075, 4244451 – 4244454, & 4244456 – 4244457 are shown in Figure 6 and Table 6.

Hole #	Easting	Northing	Azimuth	Dip	Length
S09-01	283899	5367693	360	-45	150m
S09-02	283891	5367599	360	-45	248m
S09-03	283336	5367621	220	-45	137m
S09-04	284737	5367815	220	-45	163m
S09-05	284732	5367631	30	-45	203m
S09-06	285374	5367526	30	-45	152m
S09-07	284727	5367576	30	-45	227m
S10-08	284730	5367941	45	-45	230m
S10-09	283356	5368189	45	-45	160m
S10-10	285424	5366551	30	-45	238m

TOTAL: 1908m

TABLE 6 Drill hole location, 2009 – 2010.

Drill hole sections are also presented earlier in the report in FIGURES 7 - 14.

A summary of the main results obtained of the core samples submitted for assaying for the 10 drill holes S09-01 to S09-07 and S10-08 to S10-10 are presented below and on TABLE 7. Zn and Cu values are displayed on figures of the drill hole sections

FIGURES 7 - 14.

DDH S09-01 - 140.67 ppm Cu (0.01 %) and 885.00 ppm Zn (0.09%) over 3m (76m – 79m).

155.4 ppm Cu (0.02%) and 592.90 ppm Zn (0.06%) over 10m (82m

– 92m).
306.67 ppm Cu (0.03%) and 1086.33 ppm Zn (0.11 %) over 3m (87m – 90m).

DDH S09-02 – 160.43 ppm Cu (0.02%) and 952.50 ppm Zn (0.10) over 8m (186.5m – 194.5m).
107.00 ppm Cu (0.01 %) and 1288.00 ppm Zn (0.13%) over 1 m 187.5m – 188.5m).
613.80 ppm Cu (0.06%) and 4116.20 ppm Zn (0.41 %) over 1.10m (190.9m – 192m).

DDH S09-03 – 589.33 ppm Cu (0.06%) over and 2308.33 ppm Zn (0.23%) over 3m (24 – 27m).
764 ppm Cu (0.08%) and 6512 ppm Zn (0.65%) over 1 m (26m – 27m).
191.00 ppm Cu (0.02%) and 900 ppm Zn (0.09%) over 1 m (35m – 36m).
219 ppm Cu (0.02%) and 2321.00 ppm Zn (0.23%) over 1 m (38m – 39m).
172 ppm Cu (0.02%) and 1875 ppm Zn (0.19%) over 1 m (52.5m – 53.5m).
146.5m ppm (0.01 %) and 519.25 ppm Zn (0.05%) over 4m (56m – 60m).
467 ppm Cu (0.05%) and 80 ppm Zn (0.01 %) over 1 m (131 m – 132m).

DDH S09-04 – 403.29 ppm Cu (0.04%) and 530.00 ppm Zn (0.05%) over 7m (156m – 163m).
808.67 ppm Cu (0.08%) and 5451.67 ppm Zn (0.55%) over 3m (159 – 162m).

DDH S09-05 – 288.33 ppm (0.03%) Cu and 1708.75 ppm Zn (0.17%) over 12m (109m – 121 m).
319.00 ppm Cu (0.03%) and 2311 ppm Zn (0.23%) over 3m (111 m – 114m).
453.50 ppm Cu (0.05%) and 2882.75 ppm Zn (0.29%) over 4m (115m – 119m).

DDH S09-06 - 124.00 ppm Cu (0.01 %) and 1209 ppm Zn (0.12%) over 1 m (63m – 64m).

DDH S09-07 –111.3 ppm Cu (0.01 %) and 569.60 ppm Zn (0.06%) over 20m (156 – 176m).
287.00 ppm Cu (0.03%) and 2309.25 ppm Zn (0.23%) over 4m (167 – 171 m).

DDH S10-08 – 505.16 ppm Cu (0.05%) and 3603.18 ppm Zn (0.36%) over 21.61m (162 – 183.61m).
653.15 ppm Cu (0.07%) and 4483.31 ppm Zn (0.45%) over 13m

(170m – 183m).

764 ppm Cu (0.08%) and 5721.00 ppm Zn (0.57%) over 2m (174m – 176m).

DDH S10-09 – 121 ppm Cu (0.01 %) and 308 ppm Zn (0.03%) over 1 m (14 – 15m).

33 ppm Cu (0.00%) and 244 ppm Zn (0.02%) over 1 m (68 – 69m).

27 ppm Cu (0.00%) and 311 ppm Zn (0.03%) over 1 m (150m – 151 m).

DDH S1 0-1 0 – 60 ppm (0.01 %) and 43.25 ppm Zn (0.00%) over 1 m (43.25m – 44.25m).

165 ppm Cu (0.02%) and 46.25 ppm Zn (0.00%) over 1 m (46.25 – 47.25m).
39 ppm Cu)0.00%) and 59.00 ppm Zn (0.01 %) over 1 m (59m – 60m).
220 ppm Cu (0.02%) and 111 ppm Zn (0.01 %) over 1 m (111 m – 112m).
54 ppm Cu (0.01 %) and 114 ppm Zn (0.01 %) over 1 m (114m – 115m).
11.61 ppm Cu (0.00%) and 197 ppm zn (0.02%) over 1.29m (152.71 m – 154m)

(8) Sampling and Analysis — The sampling and assaying including

(a) a description of sampling methods and the location, number, type, nature, spacing and density of samples collected;

(b) identification of any drilling, sampling or recovery factors that could materially impact the accuracy or reliability of the results;

(c) a discussion of sample quality and whether the samples are representative of any factors that may have resulted in sample biases;

(d) rock types, geological controls, widths of mineralized zones, cut-off grades and other parameters used to establish the sampling interval; and

(e) quality control measures and data verification procedures.

Rock cores and rock samples were submitted for chemical assaying at Accurrassay laboratories (Thunder Bay, ON). Core samples were split in half with a diamond saw blade, one half was placed in a sample bag and the other in the core box for reference. The majority of samples were at 1 m intervals, the minimum sample was 0.4m and the maximum sample was 1.59m. All samples were processed, crushed, and sieved. Soil samples were submitted for chemical assaying at ActLabs (Thunder Bay, ON).

Core samples were split in half with a diamond saw blade, one half was placed in a sample bag and the other in the core box for reference. Once placed in the bag sample bags were labelled by sample number as well a sample tag was placed in the bag. Samples were then taken to the lab by the onsite geologist and the

remaining core was stored in a secure area that cannot be entered without a key. The core and rock samples were processed for at Accurrassay laboratories in Thunder Bay, ON using procedures ALFA1 and AL1 CPMA; 67 core samples and 29 rock samples were assayed for WR and MA; 305 core samples and 54 rock samples were analysed for AUMA using 30g samples. Also, 62 soil samples were submitted for chemical assaying at Actlabs in Thunder Bay, ON; 62 samples were analysed using packages; Code 1A2- Tbay Au-Fire Assay AA and Code 1 E3-Tbay Aqua Regia ICP(AQUAGEO).

(9) Security of Samples — The measures taken to ensure the validity and integrity of samples taken.

Blanks, standards, and duplicates were submitted during sampling. The blank is a marble piece purchased at the local hardware store which was inserted every 20 samples. The standard OREAS 37 was provided by Analytical Solutions Ltd. and contains Au, As, Cu, Fe, Mn, Pb, Tl, Zn, and S. A standard was submitted at the end of every 20th sample interval. Also duplicate of assayed samples was done every 20 samples.

Accurassay Lab took both duplicates and replicates of samples submitted. Duplicates were taken at approximately every 10 samples which took 2 cut taken off 1 sample. Replicates were taken every 60 samples which split 1 sample twice.

(10) Mineral Resources and Mineral Reserves — The mineral resources and mineral reserves, if any, including

(a) the quantity and grade or quality of each category of mineral resources and mineral reserves;

(b) the key assumptions, parameters and methods used to estimate the mineral resources and mineral reserves; and

(c) the extent to which the estimate of mineral resources and mineral reserves may be materially affected by metallurgical, environmental, permitting, legal, title, taxation, socio-economic, marketing, political and other relevant issues.

Mineral resources and reserves are not yet evident on the property.

(11) Mining Operations — For development properties and production properties, the mining method, metallurgical process, production forecast, markets, contracts for sale of products, environmental conditions, taxes, mine life and expected payback period of capital.

This item is not applicable to GLR.

(12) Exploration and Development — A description of the Issuer's current and contemplated exploration or development activities, to the extent they are material.

GLR intends to carry out a more detailed soil sampling program as recommended in the Sackville Technical Report.

4.4 Issuers with Oil and Gas Operations — For Issuers with oil and gas operations, disclose the following (in tabular form, if appropriate):

This item is not applicable to GLR.

(a) Drilling Activity — The number of wells the Issuer has drilled or has participated in drilling, the number of these wells that were completed as oil wells and gas wells that are capable of production, each stated separately, and the number of dry holes, expressed in each case as gross and net wells, during each of the two most recently completed financial years of the Issuer.

(b) Location of Production — The geographical areas of the Issuer's production, the groups of oil and gas properties, the individual oil and gas properties and the plants, facilities and installations that, in each case, are owned or leased by the Issuer and are material to the Issuer's operations or exploratory activities.

(c) Location of Wells — The location, stated separately for oil wells and gas wells, by jurisdiction, if in Canada, by state, if in the United States, and by country otherwise, of producing wells and wells capable of producing, in which the Issuer has an interest and which are material, with the interest expressed in terms of gross and net wells.

(d) Interest in Material Properties — For interests in material properties to which no proved reserves have been attributed, the gross acreage in which the Issuer has an interest and the net interest of the Issuer, and the location of acreage by geographical area.

(e) Reserve Estimates — To the extent material, estimated reserve volumes and discounted cash flow from such reserves, stated separately by country and by categories and types that conform to the classifications, definitions and disclosure requirements of National Policy Statement No. 2-B Guide for Engineers and Geologists Submitting Oil and Gas Reports to Canadian Provincial Securities Administrators or any successor instrument, on both a gross and net basis as at the most recent financial year end, including information on royalties.

(f) Source of Reserve Estimates — The source of the reserve estimates and whether the reserve estimates have been prepared by the Issuer or by independent engineers or other qualified independent persons and any other information relating to reserve estimates required to be disclosed in a prospectus by any successor instrument to National Policy Statement No. 2-B.

(g) Reconciliation of Reserves — A reconciliation of the reserve volumes by categories and types that conform to the classifications, definitions and disclosure requirements of National Policy Statement No. 2-B or any successor instrument, as at the financial year end immediately preceding the most recently completed financial year to the reserve

volume information furnished under paragraph 5, with the effects of production, acquisitions, dispositions, discoveries and revision of estimates shown separately, if material.

(h) History — For each quarter of the most recently completed financial year of the Issuer, with comparative data for the same periods in the preceding financial year,

(i) the average daily production volume, before deduction of royalties, of

(A) conventional crude oil,

(B) natural gas liquids, and

(C) natural gas;

(ii) the following on a per barrel basis for conventional crude oil and natural gas liquids and on a per thousand cubic feet basis for natural gas

(A) the average net product prices received,

(B) royalties,

(C) operating expenses, specifying the particular items included, and

(D) netback received;

(iii) the average net product price received for the following, if the Issuer's production of the following is material to the Issuer's overall production,

(A) light and medium conventional crude oil,

(B) heavy conventional crude oil, and

(C) synthetic crude oil; and

(iv) the dollar amounts expended on

(A) property acquisition,

(B) exploration, including drilling, and

(C) development, including facilities.

(i) Future Commitments — A description of the Issuer's future material commitments to buy, sell, exchange or transport oil or gas, stating for each commitment separately

(i) the aggregate price;

(ii) the price per unit;

(iii) the volume to be purchased, sold, exchanged or transported; and

(iv) the term of the commitment.

(j) Exploration and Development — A description of the Issuer's current and contemplated exploration or development activities, to the extent they are material.

5. Selected Consolidated Financial Information

5.1 Annual Information — Provide the following financial data for the Issuer in summary form for each of the last three completed financial years and any period subsequent to the most recent financial year end for which financial statements have been prepared, accompanied by a discussion of the factors affecting the comparability of the data, including discontinued operations, changes in accounting policies, significant acquisitions or significant dispositions and major changes in the direction of the Issuer's business:

(a) Net sales or total revenues.

See table below.

(b) Income from continuing operations, in total and on a per share basis and fully diluted per share basis, calculated in accordance with the Handbook.

See table below.

(c) Net income or loss, in total and on a per share and fully diluted per share basis, calculated in accordance with the Handbook.

See table below.

(d) Total assets.

See table below.

(e) Total long-term financial liabilities as defined in the Handbook.

See table below.

(f) Cash dividends declared per share for each class of share.

See table below.

(g) Such other information as the Issuer believes would enhance an understanding of and would highlight other trends in financial condition and results of operations.

See table below.

Selected Annual Financial Information

Expressed in Canadian dollars, except share amounts	2009 $	2008 $	2007 $
Cash and cash equivalents	154,070	114,963	1,753,741
Property, plant and equipment	128,449	6,970,944	9,264,252
Mineral interests	1,936,657	2,400,865	2,758,888
Total assets	4,355,805	9,904,015	17,581,020
Working capital (deficiency)	226,166	(3,023,944)	(889,069)
Long-term liabilities	46,462	-	460,000
Cash used in operations	(2,869,497)	(1,410,901)	(297,069)
Common shares issued for cash	-	3,945,125	5,891,786
Common shares outstanding	63,595,024	63,595,024	53,868,024
Income	6,907,946	369,422	216,632
Expenses before taxes	9,855,226	12,626,987	3,020,261
Net income (loss)	(2,417,280)	(11,002,253)	(2,273,930)
Other comprehensive income (loss)	(85,156)	(73,000)	63,746
Net income (loss) per share- basic and diluted	(0.04)	(0.18)	(0.05)
Dividends paid	0.00	0.00	0.00

5.2 Quarterly Information — For each of the eight most recently completed quarters ending at the end of the most recently completed financial year, provide the information required in paragraphs (a), (b) and (c) of Section 5.1

See table below.

Selected Quarterly Information

2009	Q1 $	Q2 $	Q3 $	Q4 $
Income	90	294	6,942,153	(34,591)
Expenses	239,649	885,491	8,495,251	234,835
Net income (loss)	(239,559)	(885,197)	(1,553,098)	260,574
Basic and fully diluted loss per share	(0.00)	(0.01)	(0.02)	0.00

2008	Q1 $	Q2 $	Q3 $	Q4 $
Revenues	71,943	75,273	104,235	117,971
Expenses	467,644	763,090	6,114,821	5,281,432
Net income (loss)	(395,701)	(687,817)	(6,010,586)	(3,908,149)
Basic and fully diluted loss per share	(0.01)	(0.01)	(0.12)	(0.06)

5.3 Dividends

(a) Describe any restriction that could prevent the Issuer from paying dividends.

This item is not applicable to GLR as there are no such restrictions.

(b) Disclose the Issuer's dividend policy and if a decision has been made to change the dividend policy, disclose the intended change in dividend policy.

The Corporation has not declared nor paid dividends during the last three financial years. The Corporation is in the exploration stage and has had no revenues or net income from which to pay dividends. The board of directors of the Corporation (the "Board") will make decisions regarding any future dividends based upon the Corporation's financial position at such time. Currently, the Board does not intend to pay any dividends.

5.4 Foreign GAAP — An Issuer may present the selected consolidated financial information required in this section on the basis of foreign GAAP if

This item is not applicable to GLR.

(a) the Issuer's primary financial statements have been prepared using foreign GAAP; and

(b) if the Issuer is required under applicable securities legislation to have reconciled its financial statements to Canadian GAAP at the time of filing its financial statements or the Issuer has otherwise done so, a cross reference to the notes to the financial statements containing the reconciliation of the financial statements to Canadian GAAP is included.

6. Management's Discussion and Analysis

Annual MD&A

A copy of the Corporation's annual MD&A for the year ended December 31, 2009 is attached as Schedule 6A. items 6.1 through 6.14 below are addressed in such MD&A, to the extent applicable.

Date

6.1 Specify the date of the MD&A. The date of the MD&A must be no earlier than the date of the auditor's report on the financial statements for the Issuer's most recently completed financial year.

Overall Performance

6.2 Provide an analysis of the Issuer's financial condition, results of operations and cash flows. Discuss known trends, demands, commitments, events or uncertainties that are reasonably likely to have an effect on the Issuer's business. Compare the Issuer's performance in the most recently completed financial year to the prior year's performance. The analysis should address at least the following:

(a) operating segments that are reportable segments as those terms are used in the Handbook;

(b) other parts of the business if

(i) they have a disproportionate effect on revenues, income or cash needs; or

(ii) there are any legal or other restrictions on the flow of funds from one part of the Issuer's business to another;

(c) industry and economic factors affecting the Issuer's performance;

(d) why changes have occurred or expected changes have not occurred in the Issuer's financial condition and results of operations; and

(e) the effect of discontinued operations on current operations.

Selected Annual Information

6.3 Provide the following financial data derived from the Issuer's financial statements for each of the three most recently completed financial years:

(a) net sales or total revenues;

(b) income or loss before discontinued operations and extraordinary items, in total and on a per-share and diluted per-share basis;

(c) net income or loss, in total and on a per-share and diluted per-share basis;

(d) total assets;

(e) total long-term financial liabilities; and

(f) cash dividends declared per-share for each class of share.

6.4 Discuss the factors that have caused period to period variations including discontinued operations, changes in accounting policies, significant acquisitions or dispositions and changes in the direction of the Issuer's business, and any other information the Issuer believes would enhance an understanding of, and would highlight trends in, financial condition and results of operations.

Results of Operations

6.5 Discuss management's analysis of the Issuer's operations for the most recently completed financial year, including

(a) net sales or total revenues by operating business segment, including any changes in such amounts caused by selling prices, volume or quantity of goods or services being sold, or the introduction of new products or services;

(b) any other significant factors that caused changes in net sales or total revenues;

(c) cost of sales or gross profit;

(d) for issuers that have significant projects that have not yet generated operating revenue, describe each project, including the Issuer's plan for the project and the status of the project relative to that plan, and expenditures made and how these relate to anticipated timing and costs to take the project to the next stage of the project plan;

(e) for resource issuers with producing mines, identify milestones such as mine expansion plans, productivity improvements, or plans to develop a new deposit;

(f) factors that caused a change in the relationship between costs and revenues, including changes in costs of labour or materials, price changes or inventory adjustments;

(g) commitments, events, risks or uncertainties that you reasonably believe will materially affect the Issuer's future performance including net sales, total revenue and income or loss before discontinued operations and extraordinary items;

(h) effect of inflation and specific price changes on the Issuer's net sales and total revenues and on income or loss before discontinued operations and extraordinary items;

(i) a comparison in tabular form of disclosure you previously made about how the Issuer was going to use proceeds (other than working capital) from any financing, an explanation of variances and the impact of the variances, if any, on the Issuer's ability to achieve its business objectives and milestones; and

(j) unusual or infrequent events or transactions.

Summary of Quarterly Results

6.6 Provide the following information in summary form, derived from the Issuer's financial statements, for each of the eight most recently completed quarters:

(a) net sales or total revenues;

(b) income or loss before discontinued operations and extraordinary items, in total and on a per-share and diluted per-share basis; and

(c) net income or loss, in total and on a per-share and diluted per-share basis.

Discuss the factors that have caused variations over the quarters necessary to understand general trends that have developed and the seasonality of the business.

Liquidity

6.7 Provide an analysis of the Issuer's liquidity, including

(a) its ability to generate sufficient amounts of cash and cash equivalents, in the short term and the long term, to maintain the Issuer's capacity, to meet the Issuer's planned growth or to fund development activities;

(b) trends or expected fluctuations in the Issuer's liquidity, taking into account demands, commitments, events or uncertainties;

(c) its working capital requirements;

(d) liquidity risks associated with financial instruments;

(e) if the Issuer has or expects to have a working capital deficiency, discuss its ability to meet obligations as they become due and how you expect it to remedy the deficiency;

(f) balance sheet conditions or income or cash flow items that may affect the Issuer's liquidity;

(g) legal or practical restrictions on the ability of subsidiaries to transfer funds to the Issuer and the effect these restrictions have had or may have on the ability of the Issuer to meet its obligations; and

(h) defaults or arrears or anticipated defaults or arrears on

(i) dividend payments, lease payments, interest or principal payment on debt;

(ii) debt covenants during the most recently completed financial year; and

(iii) redemption or retraction or sinking fund payments,

and how the Issuer intends to cure the default or arrears.

Capital Resources

6.8 Provide an analysis of the Issuer's capital resources, including

(a) commitments for capital expenditures as of the date of the Issuer's financial statements including

(i) the amount, nature and purpose of these commitments;

(ii) the expected source of funds to meet these commitments; and

(iii) expenditures not yet committed but required to maintain the Issuer's capacity, to meet the Issuer's planned growth or to fund development activities;

(b) known trends or expected fluctuations in the Issuer's capital resources, including expected changes in the mix and relative cost of these resources; and

(c) sources of financing that the Issuer has arranged but not yet used.

Off-Balance Sheet Arrangements

6.9 Discuss any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Issuer including, without limitation, such considerations as liquidity and capital resources. This discussion shall include their business purpose and activities, their economic substance, risks associated with the arrangements, and the key terms and conditions associated with any commitments, including

(a) a description of the other contracting party(ies);

(b) the effects of terminating the arrangement;

(c) the amounts receivable or payable, revenues, expenses and cash flows resulting from the arrangement;

(d) the nature and amounts of any other obligations or liabilities arising from the arrangement that could require the Issuer to provide funding under the arrangement and the triggering events or circumstances that could cause them to arise; and

(e) any known event, commitment, trend or uncertainty that may affect the availability or benefits of the arrangement (including any termination) and the course of action that management has taken, or proposes to take, in response to any such circumstances.

Transactions with Related Parties

6.10 Discuss all transactions involving related parties as defined by the Handbook.

Fourth Quarter

6.11 Discuss and analyze fourth quarter events or items that affected the Issuer's financial condition, cash flows or results of operations, including extraordinary items, year-end and other adjustments, seasonal aspects of the Issuer's business and dispositions of business segments.

Proposed Transactions

6.12 Discuss the expected effect on financial condition, results of operations and cash flows of any proposed asset or business acquisition or disposition if the Issuer's board of

directors, or senior management who believe that confirmation of the decision by the board is probable, have decided to proceed with the transaction. Include the status of any required shareholder or regulatory approvals.

Changes in Accounting Policies including Initial Adoption

6.13 Discuss and analyze any changes in the Issuer's accounting policies, including

(a) for any accounting policies that management has adopted or expects to adopt subsequent to the end of the most recently completed financial year, including changes management has made or expects to make voluntarily and those due to a change in an accounting standard or a new accounting standard that you do not have to adopt until a future date,

(i) describe the new standard, the date the Issuer required to adopt it and, if determined, the date the Issuer plans to adopt it;

(ii) disclose the methods of adoption permitted by the accounting standard and the method management expects to use;

(iii) discuss the expected effect on the Issuer's financial statements, or if applicable, state that management cannot reasonably estimate the effect; and

(iv) discuss the potential effect on the Issuer's business, for example technical violations or default of debt covenants or changes in business practices; and

(b) for any accounting policies that management has initially adopted during the most recently completed financial year,

(i) describe the events or transactions that gave rise to the initial adoption of an accounting policy;

(ii) describe the accounting principle that has been adopted and the method of applying that principle;

(iii) discuss the effect resulting from the initial adoption of the accounting policy on the Issuer's financial condition, changes in financial condition and results of operations;

(iv) if the Issuer is permitted a choice among acceptable accounting principles,

(A) state that management made a choice among acceptable alternatives;

(B) identify the alternatives;

(C) describe why management made the choice that you did; and

(D) discuss the effect, where material, on the Issuer's financial condition, changes in financial condition and results of operations under the alternatives not chosen; and

(v) if no accounting literature exists that covers the accounting for the events or transactions giving rise to management's initial adoption of the accounting policy, explain management's decision regarding which accounting principle to use and the method of applying that principle.

Financial Instruments and Other Instruments

6.14 For financial instruments and other instruments,

(a) discuss the nature and extent of the Issuer's use of, including relationships among, the instruments and the business purposes that they serve;

(b) describe and analyze the risks associated with the instruments;

(c) describe how management manages the risks in paragraph (b), including a discussion of the objectives, general strategies and instruments used to manage the risks, including any hedging activities;

(d) disclose the financial statement classification and amounts of income, expenses, gains and losses associated with the instrument; and

(e) discuss the significant assumptions made in determining the fair value of financial instruments, the total amount and financial statement classification of the change in fair value of financial instruments recognized in income for the period, and the total amount and financial statement classification of deferred or unrecognized gains and losses on financial instruments.

Interim MD&A

A copy of the Corporation's interim MD&A for the six months period ended June 30, 2010 is attached as Schedule 6B. items 6.15 through 6.17 below are addressed in such MD&A, to the extent applicable.

6.15 Specify the date of the interim MD&A.

6.16 Interim MD&A must update the Issuer's annual MD&A for all disclosure required by sections 6.2 to 6.14 except sections 6.3 and 6.4. This disclosure must include

(a) a discussion of management's analysis of

(i) current quarter and year-to-date results including a comparison of results of operations and cash flows to the corresponding periods in the previous year;

(ii) changes in results of operations and elements of income or loss that are not related to ongoing business operations;

(iii) any seasonal aspects of the Issuer's business that affect its financial condition, results of operations or cash flows; and

(b) a comparison of the Issuer's interim financial condition to the Issuer's financial condition as at the most recently completed financial year-end.

Additional Disclosure for Issuers without Significant Revenue

6.17

(1) Unless the information is disclosed in the financial statements to which the annual or interim MD&A relates, an Issuer that has not had significant revenue from operations in either of its last two financial years must disclose a breakdown of material components of

(a) capitalized or expensed exploration and development costs;

(b) expensed research and development costs;

(c) deferred development costs;

(d) general and administration expenses; and

(e) any material costs, whether capitalized, deferred or expensed, not referred to in paragraphs (a) through (d)

and if the Issuer's business primarily involves mining exploration and development, the analysis of capitalized or expensed exploration and development costs must be presented on a property-by-property basis.

(2) The disclosure in the annual MD&A must be for the two most recently completed financial years and the disclosure in the interim MD&A for the each year-to-date interim period and the comparative period presented in the interim statements.

7. Market for Securities

7.1 Identify the exchange(s) and quotation system(s) on which the Issuer's securities are listed and posted for trading or quoted.

This item is not applicable to GLR.

8. Consolidated Capitalization

8.1 Describe any material change in, and the effect of the material change on, the share and loan capital of the Issuer, on a consolidated basis, since the date of the comparative financial statements for the Issuer's most recently completed financial year contained in the Listing Statement.

This item is not applicable to GLR.

9. Options to Purchase Securities

9.1 State, in tabular form, as at a specified date not more than 30 days before the date of the Listing Statement, information as to options to purchase securities of the Issuer or a subsidiary of the Issuer that are held by

(a) all executive officers and past executive officers of the Issuer as a group and all directors and past directors of the Issuer who are not also executive officers as a group, indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies, without naming them;

See table below.

(b) all executive officers and past executive officers of all subsidiaries of the Issuer as a group and all directors and past directors of those subsidiaries who are not also executive officers of the subsidiary as a group, in each case, without naming them and excluding individuals referred to in paragraph (a), indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies;

See table below.

(c) all other employees and past employees of the Issuer as a group, without naming them;

See table below.

(d) all other employees and past employees of subsidiaries of the Issuer as a group, without naming them;

See table below.

(e) all consultants of the Issuer as a group, without naming them; and

See table below.

(f) any other person or company, including the underwriter, naming each person or company.

See table below.

The following table provides information as of October 31, 2010 (except where indicated), with respect to GLR common shares that may be issued under GLR's stock option plan, which is GLR's only equity compensation plan.

	Aggregate Number of Applicable Individuals	Number of GLR Common Shares to be issued upon exercise of outstanding options held	Exercise Price	Market Value at Date of Grant	Market Value as at January 7, 2009[1]	Expiry Date
Executive officers and past executive officers	***2***	***900,000***	***$0.60***	***540,000.00***	***9,000.00***	***April 10, 2011 to October 29, 2012***
Directors and past directors	***5***	***525,000***	***Ranging from $0.35 to $0.50***	***242,500.00***	***5,626***	***March 25, 2011 to August 2, 2012***
Executive officers and past executive officers of GLR subsidiaries	***Nil***	***Nil***	***Nil***	***Nil***	***Nil***	***Nil***
Directors and past directors of GLR subsidiaries	***Nil***	***Nil***	***Nil***	***Nil***	***Nil***	***Nil***
Employees and past employees	***1***	***55,000***	***$0.50 to $0.58***	***30,300.00***	***550.00***	***March 25, 2011 to May 29, 2012***
Employees and past employees of GLR subsidiaries	***Nil***	***Nil***	***Nil***	***Nil***	***Nil***	***Nil***
Consultants	***2***	***250,000***	***$0.40 to $0.70***	***144,000.00***	***2,500***	***March 24, 2011 to October 29, 2012***
Other	***Nil***	***Nil***	***Nil***	***Nil***	***Nil***	***Nil***
Total	***10***	***1,730,000***		***956,800***	***17,676***	

Note:

(1) Value is provided as at the last day GLR's common shares traded on the TSX.

10. Prior Sales

10.1 State the description or the designation of each class of equity or debt securities of the Issuer and describe all material attributes and characteristics, including

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of Class B preferred shares (the "Preferred Shares"), of which 63,595,024 Common Shares and no Preferred Shares are issued and outstanding as at

the date hereof. Subject to the rights of any shares ranking senior to the Common Shares, each holder of a Common Share is entitled to notice of and the right to vote at all meetings of shareholders of the Corporation, to receive any dividend declared by the Corporation and to receive the remaining property of the Corporation on dissolution. The Board is authorized to issue the Preferred Shares in one or more series and to affix the number of shares in, and determine the designation, rights, privileges, restrictions and conditions attached to, each series of Preferred Shares that may be issued. The Preferred Shares rank prior to the Common Shares with respect to the distribution of the assets of GLR in the event of its dissolution or winding up. The Preferred Shares may be redeemed by the Corporation at the discretion of the Directors.

(a) dividend rights;

Each holder of a Common Share is entitled to receive any dividend declared by the Corporation.

(b) voting rights;

Each holder of a Common Share is entitled to notice of and the right to vote at all meetings of shareholders of the Corporation.

rights upon dissolution or winding-up;

Each holder of a Common Share is entitled to receive the remaining property of the Corporation on dissolution. The Preferred Shares rank prior to the Common Shares with respect to the distribution of the assets of GLR in the event of its dissolution or winding up.

(d) pre-emptive rights;

This item is not applicable.

(e) conversion or exchange rights;

This item is not applicable.

(f) redemption, retraction, purchase for cancellation or surrender provisions;

The Preferred Shares may be redeemed by the Corporation at the discretion of the Directors.

(g) sinking or purchase fund provisions;

This item is not applicable.

(h) provisions permitting or restricting the issuance of additional securities and any other material restrictions;

This item is not applicable.

(i) provisions requiring a securityholder to contribute additional capital;

This item is not applicable.

(j) provisions for interest rate, maturity, and premium, if any of debt securities;

This item is not applicable.

(k) the nature and priority of any security for debt securities, briefly identifying the principal properties subject to lien or charge;

This item is not applicable.

(l) any material negative covenants, including restrictions against payment of dividends and restrictions against giving security on the assets of the Issuer or its subsidiaries, and provisions as to the release or substitution of assets securing debt securities;

This item is not applicable.

(m) the name of the trustee under any indenture relating to debt securities and the nature of any material relationship between the trustee or any of its affiliates and the issuer or any of its affiliates; and

This item is not applicable.

(n) any financial arrangements between the Issuer and any of its affiliates or among its affiliates that could affect the security for the indebtedness.

This item is not applicable.

10.2 State the prices at which securities of the same class as the securities to be listed have been sold within the 12 months before the date of the Listing Statement, or are to be sold, by the Issuer or any Related Person and the number of securities of the class sold or to be sold at each price.

This item is not applicable to GLR.

10.3 Stock Exchange Price

Effective on the close of business on January 7, 2009, the Common Shares were delisted from the TSX. The table below sets forth the high, low and volumes for the Common Shares traded on the TSX for the periods indicated during the 2008 financial year, when the Common Shares traded on the TSX.

Month of Year ended 2008	High	Low	Volume
January	0.58	0.30	1,833,880
February	0.45	0.385	1,155,451
March	0.58	0.34	2,615,956
April	0.55	0.36	650,773
May	0.45	0.36	1,036,419
June	0.415	0.21	681,594
July	0.32	0.155	3,123,717
August	0.175	0.08	2,478,616
September	0.105	0.04	9,322,477
October	0.06	0.015	6,124,158
November	0.03	0.01	4,508,792
December	0.03	0.01	5,761,863

(1) If shares of the same class as the shares to be listed were or are listed on a Canadian stock exchange or traded on a Canadian market, provide the price ranges and volume traded on the Canadian stock exchange or market on which the greatest volume of trading generally occurs.

(2) If shares of the same class as the shares to be listed were or are not listed on a Canadian stock exchange or traded on a Canadian market, provide the price ranges and volume traded on the foreign stock exchange or market on which the greatest volume of trading generally occurs.

(3) Information is to be provided on a monthly basis for each month or, if applicable, part month, of the current quarter and the immediately preceding quarter and on a quarterly basis for the next preceding seven quarters.

11. Escrowed Securities

11.1 State as of a specified date within 30 days before the date of the Listing Statement, in substantially the following tabular form, the number of securities of each class of securities of the Issuer held, to the knowledge of the Issuer, in escrow (which, for the purposes of this Form includes any securities subject to a pooling agreement) and the percentage that number represents of the outstanding securities of that class. In a note to the table, disclose the name of the depository, if any, and the date of and conditions governing the release of the securities from escrow.

This item is not applicable to GLR.

ESCROWED SECURITIES

Designation of class held in escrow	Number of securities held in escrow	Percentage of class
N/A	**N/A**	**N/A**

12. Principal Shareholders

12.1 (1) Provide the following information for each principal shareholder of the Issuer as of a specified date not more than 30 days before the date of the Listing Statement:

As of the date hereof, to the knowledge of the directors or executive officers of GLR, no person beneficially owned, or controlled or directed, directly or indirectly, voting securities of GLR carrying more than 10% of the voting rights attached to any class of voting securities of GLR.

(a) Name.

This item is not applicable to GLR.

(b) The number or amount of securities owned of the class to be listed.

This item is not applicable to GLR.

(c) Whether the securities referred to in subsection 12(1)(b) are owned both of record and beneficially, of record only, or beneficially only.

This item is not applicable to GLR.

(d) The percentages of each class of securities known by the Issuer to be owned.

This item is not applicable to GLR.

(2) If the Issuer is requalifying following a fundamental change or has proposed an acquisition, amalgamation, merger, reorganization or arrangement, indicate, to the extent known, the holding of each person of company described in paragraph (1) that will exist after giving effect to the transaction.

This item is not applicable to GLR.

(3) If, to the knowledge of the Issuer, more than 10 per cent of any class of voting securities of the Issuer is held, or is to be held, subject to any voting trust or other similar agreement, disclose, to the extent known, the designation of the securities, the number or amount of the securities held or to be held subject to the agreement and the duration of the agreement. State the names and addresses of the voting trustees and outline briefly their voting rights and other powers under the agreement.

This item is not applicable to GLR.

(4) If, to the knowledge of the Issuer, any principal shareholder is an associate or affiliate of another person or company named as a principal shareholder, disclose, to the extent known, the material facts of the relationship, including any basis for influence over the

Issuer held by the person or company other than the holding of voting securities of the Issuer.

This item is not applicable to GLR.

(5) In addition to the above, include in a footnote to the table, the required calculation(s) on a fully-diluted basis.

This item is not applicable to GLR.

13 Directors and Officers

13.1 List the name and municipality of residence of each director and executive officer of the Issuer and indicate their respective positions and offices held with the Issuer and their respective principal occupations within the five preceding years.

The following are the names, provinces or states and countries of residence, offices and principal occupations of the directors and executive officers of GLR. Each director's term of office will expire at the close of business of the next annual meeting of shareholders of the Corporation.

Name, Residence and Current Position(2)	*Principal Occupation*	*Date First Became a Director*	*Number of Shares Beneficially Owned as at December 31, 2009(3)*	*Percentage of Shares Beneficially Owned as at December 31, 2009*
Robert J. Kasner Ontario, Canada Director and a CEO	*President and Chief Executive Officer of the Corporation; self-employed prospector and contractor; President and Chief Executive Officer of R.J. Kasner Co. Ltd., a private contracting company.*	*July 19, 2001*	*4,756,156*	*7.4%*
William R. Whitehead(1) Ontario, Canada Director	*Self-employed businessman; Director of Amerex Corporation.*	*July 19, 2001*	*Nil*	*Nil*
John F. Cook(1) Ontario, Canada Director	*President of Tormin Resources Limited, a private mining consultancy company; director of Strategic Resources Inc. (formerly Uranium City Resources Inc.); director of Nord Resources Corporation, a mineral exploration and development company*	*July 24, 2001*	*50,000*	*0.08%*

Name, Residence and Current Position[2]	*Principal Occupation*	*Date First Became a Director*	*Number of Shares Beneficially Owned as at December 31, 2009*[3]	*Percentage of Shares Beneficially Owned as at December 31, 2009*
James S. Kermeen*[1][4] *British Columbia, Canada Director	***Self-employed professional geological engineer; director of Canalaska Uranium Ltd., Solitaire Minerals Corp., Uranium City Resources from January 2005 to June 2009and RJK Explorations Ltd. and prior thereto, president and director of GTO Resources Inc. from 1992 to October 2009.***	***July 19, 2001***	***20,000***	***0.03%***
Eike von der Linden Germany Director	***Managing Owner of Linden Advisory; director of several private companies.***	***August 9, 2007***	***20,000*[6]**	***Nil***
David J. Layman*[5] *Colorado, USA Vice-President, Finance and CFO	***Vice-President, Finance and Chief Financial Officer of the Corporation; self-employed financial and accounting services provider; President of Atlantic Settlement Holdings Corporation and Deux Freres Limited, private holding companies; Vice-president, Finance of Diadem Resources Ltd., a junior mineral exploration company; director of RJK Explorations Ltd.***	***N/A***	***20,000***	***0.03%***
Diane McKean Ontario, Canada Corporate Secretary	***Corporate Secretary of the Corporation; Corporate Secretary of RJK Explorations Ltd.***	***N/A***	***219,000***	***0.3%***

Notes:

(1) Member of the Audit Committee.
(2) Information as to residence and principal occupation has been provided by individual directors and officers.
(3) This information has been provided by the individual directors and officers.
(4) James Kermeen joined the Audit Committee on July 24, 2001.
(5) Mr. Layman was appointed as Senior Vice-President, Chief Financial Officer and Co-Chief Executive officer of the Corporation effective December 14, 2007. Effective July 1, 2010, Mr. Layman resigned as Senior Vice-President, Chief Financial Officer and Co-Chief Executive Officer of the Corporation and, pursuant to a new contract, became the Vice-President, Finance and Chief Financial Officer.
(6) Mr. von der Linden's holdings include 10,000 common shares held in the name of his wife.

13.2 State the period or periods during which each director has served as a director and when his or her term of office will expire.

See Table above.

13.3 State the number and percentage of securities of each class of voting securities of the Issuer or any of its subsidiaries beneficially owned, directly or indirectly, or over which control or direction is exercised by all directors and executive officers of the Issuer as a group.

As at the date hereof, the directors and executive officers of the Corporation, as a group, beneficially owned, or controlled or directed, directly or indirectly, 5,085,156 Common Shares representing approximately 8% of the outstanding Common Shares.

13.4 Disclose the board committees of the Issuer and identify the members of each committee.

See Notes to the Table above.

13.5 If the principal occupation of a director or officer of the Issuer is acting as an officer of a person or company other than the Issuer, disclose the fact and state the principal business of the person or company.

See Table above.

13.6 If a director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other Issuer that, while that person was acting in that capacity,

(a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact.

Each of Messrs. Kasner, Cook, Whitehead, Kermeen and von der Linden was, and continues to be, a director of the Corporation, and each of Mr. Kasner, the President and CEO of GLR and Mr. Layman, the CFO of GLR was, and continues to be, an executive officer of GLR, which was subject to cease trade orders issued by the Ontario Securities Commission and the British Columbia Securities Commission, on April 14, 2009, the Autorité des marchés financiers du Québec on April 15, 2009, and the Alberta Securities Commission on November 13, 2009. Such orders were issued as a result of GLR's failure to file audited annual financial statements, management's discussion and analysis, CEO and CFO certificates and its annual information form for the year ended December 31, 2008 and other continuous disclosure materials required to be filed which was caused by financial difficulties experienced by GLR as a result of its inability to raise funds given 2008 market conditions. All such cease trade orders were revoked in September 2010.

Robert J. Kasner 2007 Settlement Agreement

Pursuant to the terms of a settlement agreement dated April 23, 2007 between Robert J. Kasner and Staff of the Ontario Securities Commission, which was accepted by the Ontario Securities Commission (the "OSC") on April 30, 2007, the OSC ordered on April 30, 2007 (the "2007 Order") that Mr. Kasner cease trading, directly or indirectly, in securities of the Corporation until October 30, 2007. The 2007 Order was issued as a result of Mr. Kasner trading and attempting to trade in securities of the Corporation within a period when the Corporation was undertaking a private placement offering of its securities, namely between October 15, 2005 and December 2, 2005. Pursuant to OSC Rule 48-501, an issuer-restricted person is prohibited from trading in securities of an issuer making a private placement during the issuer restricted period which commences on the date two days prior to the day that the price of the offered securities is determined and ends on the date that the selling process ends and all stabilization

arrangements relating to the offered securities are terminated. By virtue of his positions as President, Chief Executive Officer and a director of the Corporation, Mr. Kasner was an issuer-restricted person at the relevant time. Notwithstanding the fact that he was restricted from trading securities of the Corporation during the foregoing period, Mr. Kasner was at all material times operating under a mistaken belief that he was not restricted from such trading and made no efforts to disguise his trading in securities of the Corporation. The 2007 Order also required Mr. Kasner to pay the costs of the OSC's investigation, in the amount of $25,000.

Robert J. Kasner 2009 Settlement Agreement

Pursuant to the terms of a settlement agreement dated September 30, 2009 between Robert J. Kasner and Staff of the OSC, which was accepted by the OSC on the same date, the OSC ordered on September 30, 2009 (the "2009 Order") that Mr. Kasner be prohibited for a period of one year expiring on September 30, 2010 from trading in the securities of any issuer of which he is an officer, director or insider, including but not limited to GLR and that, after the expiration of such period, he permanently not trade in GLR directly but only through a registrant or a lawyer or accountant in accordance with Section 34(b) of the Ontario Securities Act. The 2009 Order was issued as a result of Mr. Kasner attempting to trade in securities of the Corporation within a period when the Corporation was undertaking a private placement offering of its securities, namely between January 27, 2008 and February 27, 2008. As described above, pursuant to OSC Rule 48-501 an issuer-restricted person is prohibited from trading in securities of an issuer making a private placement during the issuer restricted period which commences on the date two days prior to the day that the price of the offered securities is determined and ends on the date that the selling process ends and all stabilization arrangements relating to the offered securities are terminated. By virtue of his positions as President, Chief Executive Officer and a director of the Corporation during such time, Mr. Kasner was an issuer-restricted person at the relevant time. Notwithstanding the fact that he was restricted from trading securities of the Corporation during the foregoing period, Mr. Kasner had forgotten that he was restricted from such trading. The 2009 Order also required Mr. Kasner to pay an administrative penalty, in the amount of $8,000.

Cease Trade Order in respect of MBMI Resources Inc.

Mr. Cook has served as a director of MBMI Resources Inc. ("MBMI") since March 31, 2003. On September 21, 2007, the Executive Director of the British Columbia Securities Commission made an order (the "MBMI Cease Trade Order") that all trading in the securities of MBMI cease until: (i) MBMI filed a current, independent technical report under National Instrument 43-101 on its properties in the Philippines; and (ii) the Executive Director revoked the MBMI Cease Trade Order. On October 5, 2007, MBMI issued and filed a press release retracting and restating scientific and technical disclosure that it made about its Alpha and other mineral properties. On November 8, 2007, MBMI filed an amended technical report on its Alpha mineral property. The Executive Director of the British Columbia Securities Commission revoked the MBMI Cease Trade Order on November 8, 2007.

Companies' Creditors Arrangement Act Proceeding in respect of United Keno Hill Mines Ltd.

Mr. Layman resigned from United Keno Hill Mines on August 29, 2000, and the Corporation sought protection under the Companies' Creditors Arrangement Act during December 2000.

Cease Trade Order in respect of Galaxy OnLine Inc.

While Mr. Layman was acting in the capacity of interim president of Galaxy OnLine Inc. a temporary cease trade order was issued against Galaxy OnLine Inc. and its insiders on

September 27, 2001 (the "Galaxy OnLine Cease Trade Order"). The Galaxy OnLine Cease Trade Order was extended on October 11, 2001. The Galaxy OnLine Cease Trade Order and the extension order were subsequently revoked on November 1, 2001 pursuant to section 144 of the Ontario Securities Act.

Proposal Under the BIA

The current directors and officers of GLR were directors and officers of GLR at the time the Corporation made the Proposal under the BIA all as further described under the heading "General Development of the Business - Three Year History".

13.7 Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a director or officer of the Issuer, or a shareholder holding sufficient securities of the Issuer to affect materially the control of the Issuer, has

(a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

See item 13.6 above.

13.8 If a director or officer of the Issuer, or a shareholder holding sufficient securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such persons has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer, state the fact.

See item 13.6 above.

13.9 Disclose particulars of existing or potential material conflicts of interest between the Issuer or a subsidiary of the Issuer and a director or officer of the Issuer or a subsidiary of the Issuer.

Certain of the directors and executive officers of the Corporation are directors and/or officers of other issuers engaged in the mineral exploration business.

Circumstances may arise where members of the Board are directors or officers of corporations which are in competition to the interests of the Corporation. No assurances can be given that opportunities identified by such Board members will be provided to the Corporation. Pursuant to the Canada Business Corporations Act, directors who have an interest in a proposed transaction upon which the Board is voting are required to disclose their interests and refrain from voting on the transaction.

13.10 Management — In addition to the above provide the following information for each member of management:

The members of management are Robert J. Kasner and David J. Layman.

(a) state the individual's name, age, position and responsibilities with the Issuer and relevant educational background,

Robert J. Kasner
Age: 66
Position: President and CEO
Responsibilities: Manages the day-to-day affairs of the Corporation.

David J. Layman
Age: 64
Position: Vice-President, Finance and CFO
Responsibilities: Manages financial reporting functions
Education: Holds a B. Comm. and is a Chartered Accountant (Ontario)

(b) state whether the individual works full time for the Issuer or what proportion of the individual's time will be devoted to the Issuer,

Robert J. Kasner - approximately 50% of his time.

David J. Layman - approximately 25% of his time.

(c) state whether the individual is an employee or independent contractor of the Issuer,

Robert J. Kasner and David J. Layman are independent contractors.

(d) state the individual's principal occupations or employment during the five years prior to the date of the Listing Statement, disclosing with respect to each organization as of the time such occupation or employment was carried on:

(i) its name and principal business;

Robert J. Kasner, President and Chief Executive Officer of GLR and President and Chief Executive Officer of R.J. Kasner Company Limited

David J. Layman, Vice-President, Finance for Diadem Resources Ltd. since May 2003. Diadem is a diamond exploration company.

(ii) if applicable, that the organization was an affiliate of the Issuer;

Not Applicable.

(iii) positions held by the individual; and

Robert J. Kasner - see (d)(i)

David J. Layman - see (d)(i).

(iv) whether it is still carrying on business, if known to the individual;

All companies are carrying on business.

(e) describe the individual's experience in the Issuer's industry; and

Robert J. Kasner has over 25 years of mining industry experience, including as a prospector and as an officer and/or director of publicly-listed exploration companies.

David J. Layman has held various financial positions with reporting issuers in the mining industry since 1981 and continues to consult with reporting issuers.

(f) state whether the individual has entered into a non-competition or non-disclosure agreement with the Issuer.

David J. Layman has signed a non-disclosure agreement but has not entered into a non-competition agreement with GLR.

14. Capitalization

14.1 Prepare and file the following chart for each class of securities to be listed:

Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	***63,595,024***	***63,595,024***	***100%***	***100%***
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	***5,085,156***	***5,085,156***	***8.00%***	***8.00%***
Total Public Float (A-B)	***58,509,868***	***58,509,868***	***92.00%***	***92.00%***
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	***0***	***0***	***0***	***0***
Total Tradeable Float (A-C)	***63,595,024***	***63,595,024***	***100%***	***100%***

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	***250***	***10,286***
100 – 499 securities	***233***	***49,950***
500 – 999 securities	***58***	***35,882***
1,000 – 9,999 securities	***71***	***211,591***
10,000 or more securities	***14***	***2,119,456***
Total	***626***	***2,427,165***

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security

Size of Holding	Number of holders	Total number of securities
1 – 99 securities	***131***	***5,829***
100 – 499 securities	***202***	***60,125***
500 – 999 securities	***103***	***128,346***
1,000 – 1,999 securities	***227***	***286,261***
2,000 – 2,999 securities	***164***	***321,677***
3,000 – 3,999 securities	***94***	***268,114***
4,000 – 4,999 securities	***73***	***586,224***
5,000 or more securities	***795***	***54,645,127***
Unable to confirm	***0***	***0***
Total	***1789***	***56,301,703***

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities	***0***	***0***
100 – 499 securities	***0***	***0***
500 – 999 securities	***0***	***0***
1,000 – 1,999 securities	***0***	***0***
2,000 – 2,999 securities	***0***	***0***
3,000 – 3,999 securities	***0***	***0***
4,000 – 4,999 securities	***0***	***0***
5,000 or more securities	***6***	***5,085,156***
Total	***6***	***5,085,156***

14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Stock Options(1)	***1,730,000***	***1,730,000***

Note:

(1) ***230,000 stock options are exercisable to acquire 230,000 common shares at a price of $0.40 per share until September 14 and 17, 2011; 1,430,000 stock options are exercisable to acquire 1,430,000 common shares at prices ranging from $0.50 to $0.60 until March 24, 25, 26 and 27, 2011, April 10, 2011, May 29, 2012, August 2, 2012 and December 14, 2012; and 70,000 stock options are exercisable to acquire 70,000 common shares at a price of $0.70 per share until October 29, 2012 .***

14.3 Provide details of any listed securities reserved for issuance that are not included in section 14.2.

This item is not applicable to GLR.

15. Executive Compensation

15.1 Attach a Statement of Executive Compensation from Form 40 of Regulation 1015 of the Revised Regulations of Ontario, 1990 or any successor instrument and describe any intention to make any material changes to that compensation.

A copy of the Corporation's Statement of Executive Compensation prepared in accordance with National Instrument 51-102F6 is attached as Schedule 15.1.

15.2 Exception — Despite Item 15.1, the disclosure required under Items V, VIII, IX and X of Form 40 may be omitted.

16. Indebtedness of Directors and Executive Officers

16.1 (1) Disclose in substantially the following tabular form all indebtedness (other than routine indebtedness), and the other details prescribed in paragraph (2), for each individual who is, or at any time during the most recently completed financial year of the Issuer was, a director or executive officer of the Issuer, and each associate of such an individual,

(a) who is indebted to the Issuer or a subsidiary of the Issuer; or

(b) whose indebtedness to another entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer or a subsidiary of the Issuer.

Since the beginning of GLR's most recently completed financial year, there is no, and there has not been any, outstanding indebtedness owing to GLR, any subsidiary of GLR, or any other entity, in connection with a purchase of securities or otherwise, by: (i) any director, executive officer or employee of GLR or any of its subsidiaries; (ii) any former director, executive officer or employee of GLR or any of its subsidiaries; (iii) any proposed nominee for election as a director GLR; (iv) any associate of any individual who is, or at any time during GLR's most recently completed financial year was, a director or executive officer of GLR; or (v) any associate of any proposed nominee for election as a director of GLR.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Name and Principal Position (a)	Involvement of Issuer or Subsidiary (b)	Largest Amount Outstanding During [Last Completed Financial Year] ($) (c)	Amount Outstanding as at [current date] ($) (d)	Financially Assisted Securities Purchases During [Last Completed Financial Year] (#) (e)	Security for Indebtedness (f)
N/A	***N/A***	***N/A***	***N/A***	***N/A***	***N/A***

16.2 Include the following in the table required under paragraph 16.1:

(a) The name of the borrower (column (a)).

This item is not applicable to GLR.

(b) If the borrower is a director or executive officer, the principal position of the borrower; if the borrower was, during the year, but no longer is a director or executive officer, include a statement to that effect; if the borrower is included as an associate of a director or executive officer, describe briefly the relationship of the borrower to any individual who is or, during the year, was a director or executive officer, name that individual and provide the information that would be required under this subparagraph for that individual if he or she was the borrower (column (a)).

This item is not applicable to GLR.

(c) Whether the Issuer or a subsidiary of the Issuer is the lender or the provider of a guarantee, support agreement, letter of credit or similar arrangement or understanding (column (b)).

This item is not applicable to GLR.

(d) The largest aggregate amount of the indebtedness outstanding at any time during the last completed financial year (column (c)).

This item is not applicable to GLR.

(e) The aggregate amount of the indebtedness outstanding as at a specified date not more than 30 days before the date of Listing Statement (column (d)).

This item is not applicable to GLR.

(f) If the indebtedness was incurred to purchase securities of the Issuer or of a subsidiary of the Issuer, separately for each class of securities the aggregate number of securities purchased during the last completed financial year with the financial assistance (column (e)).

This item is not applicable to GLR.

(g) The security, if any, provided to the Issuer, a subsidiary of the Issuer or the other entity for the indebtedness (column (f)).

This item is not applicable to GLR.

16.3 Disclose in the introduction to the table required under paragraph (1) the aggregate indebtedness of all officers, directors, employees, and former officers, directors and employees of the Issuer or a subsidiary of the Issuer outstanding as at a specified date not more than 30 days before the date of the Listing Statement, that is owed to

(a) the Issuer or a subsidiary of the Issuer; or

This item is not applicable to GLR.

(b) another entity if the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer or any of its subsidiaries.

This item is not applicable to GLR.

16.4 Disclose in a footnote to, or a narrative accompanying, the table required under paragraph (1)

(a) the material terms of the indebtedness and, if applicable, of each guarantee, support agreement, letter of credit or other similar arrangement or understanding, including the term to maturity, rate of interest and any understanding, agreement or intention to limit recourse, and the nature of the transaction in which the indebtedness was incurred;

This item is not applicable to GLR.

(b) any material adjustment or amendment made to the terms of the indebtedness and, if applicable, the guarantee, support agreement, letter of credit or similar arrangement or understanding; and

This item is not applicable to GLR.

(c) the class of the securities purchased with financial assistance from the Issuer or held as security for the indebtedness and, if the class of securities is not publicly traded, all material terms of the securities.

This item is not applicable to GLR.

17 Risk Factors

17.1 Describe the risk factors material to the Issuer that a reasonable investor would consider relevant to an investment in the Issuer, such as cash flow and liquidity problems, if any, experience of management, the general risks inherent in the business carried on by the Issuer, environmental and health risks, reliance on key personnel, the arbitrary establishment of the offering price, regulatory constraints, economic or political conditions and financial history and any other matter that in the opinion of the Issuer would be most likely to influence the investor's decision to purchase, hold or sell the Issuer's securities. Risks should be disclosed in the order of their seriousness in the opinion of the Issuer.

The exploration and development of natural resources are speculative activities that involve a high degree of financial risk. The risk factors which should be taken into account in assessing GLR's activities and an investment in its securities include, but are not necessarily limited to, those set out below. Any one or more of these risks could have a material adverse effect on the value of any investment in GLR and the business, financial position or operating results of GLR and should be taken into account in assessing GLR's activities.

Ability of the Corporation to Continue as a Going Concern

The Corporation has completed its restructuring process under the BIA, subject to finalization of a few administrative matters before the court, and currently has limited funds with which to operate. There is uncertainty about the Corporation's ability to realize the carrying value of its assets and discharge its liabilities as they come due. The ability of the Corporation to continue as a going concern is dependent upon, among other things, being able to obtain additional financing in the short term.

Nature of Mineral Exploration and Development Projects

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. GLR's current properties are all at the exploration stage. There is no assurance that GLR's exploration efforts will be successful. Success in establishing reserves is a result of a number of factors, including the quality of GLR's management, level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralization is discovered, if any, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling to determine the optimal extraction method for the ore and the metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. As a result of these uncertainties, no assurance can be given that GLR's exploration programs will result in the establishment or expansion of resources or reserves.

Limited History of Operations

GLR has a limited history of earnings and currently has limited financial resources as it is in the process of completing its restructuring. GLR currently has no operating mines and its ultimate success will depend on its ability to generate cash flow from active mining operations in the future, as well as its ability to access capital markets for its development requirements. There is no assurance that GLR will earn profits in the future. Even if exploration efforts prove successful and economic, significant capital investment will be required to achieve commercial production from GLR's existing projects. There is no assurance that GLR will be able to raise the required funds to continue its exploration activities and any such inability could have a material adverse effect on GLR's business, financial condition and prospects.

Market Perception

Market perception of junior exploration, development and mining companies may shift such that these companies are viewed less favourably. This factor could impact the value of investors' holdings and GLR's ability to raise further funds by issue of additional securities or debt.

Government Regulation

Existing and possible future environmental and social impact legislation, regulations and actions, including the regulation of air and water quality, mining reclamation, solid and hazardous waste handling and disposal, the promotion of occupational health and safety, the protection of wildlife and ecological systems and the protection of the societies and communities of indigenous peoples, could cause significant expense, capital expenditures, restrictions and delays in GLR's activities, the extent of which cannot be predicted and which may well be beyond GLR's capacity to fund. Environmental laws are becoming more actively enforced. Environmental and social impact studies may be required for some operations and significant fines and clean up responsibilities may be assessed for companies causing damage to the environment in the course of their activities.

Competition

The mineral exploration business is highly competitive in all of its phases. GLR competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than GLR, in the search for and acquisition of exploration and development rights on attractive mineral properties.

GLR's ability to acquire exploration and development properties in the future will depend not only on its ability to explore and develop the properties which it currently has in its portfolio but also on its ability to select and acquire exploration and development properties. There is no assurance that GLR will compete successfully in acquiring exploration and development rights on such other properties and such inability could have a material adverse effect on GLR's business, financial condition and prospects.

Title Risks

GLR's ability to hold various mineral rights require licences, permits and authorizations and, in some cases, renewals of existing licences, permits and authorizations from various governmental and quasi-governmental authorities. Management believes that GLR currently holds or has applied for all necessary licences, permits and authorizations to carry on the activities which GLR is currently conducting and to hold the mineral rights GLR currently holds under applicable laws and regulations in effect at the present time. Management also believes that GLR is complying in all material respects with the terms of such licences, permits and authorizations. However, GLR's ability to obtain, sustain or renew such licences, permits and authorizations on acceptable terms is subject to changes in regulations and policies and to the discretion of the applicable governmental and quasi-governmental bodies.

No assurance can be given that GLR's properties are not subject to prior unregistered agreements or interests or undetected claims or interests which could be material and adverse to GLR. Additionally, mineral properties may carry with them significant development costs and abandonment and site restoration obligations for which GLR may or will become responsible for in the future.

Precious Metal Prices

There is no assurance that, even if exploration activities prove successful and commercial quantities of mineral resources are developed, a profitable market will exist for the sale of such product. Precious metal prices fluctuate on a daily basis and are affected by numerous factors beyond GLR's control. The level of interest rates, the rate of inflation, world supply of precious metals and stability of exchange rates can all cause significant fluctuations in precious metal prices. Such external economic factors are in turn influenced by changes in international investment patterns and monetary systems and political developments. The price of precious metals has historically fluctuated widely and future price declines could cause commercial production to be uneconomical and such fluctuations could have a material adverse effect on GLR's business, financial condition and prospects. As GLR is in the exploration stage, the above factors have had no material impact on present operations.

Economic, Political, Judicial, Administrative, Taxation or Other Regulatory Factors

GLR may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors in the areas in which GLR does or will operate and holds its interests, as well as unforeseen matters.

Conflicts of Interest

Certain of our directors and officers are also directors and officers of other natural resource companies. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers relating to GLR will be made in accordance with their duties and obligations to deal fairly and in good faith with GLR and such other companies. In addition, each of the directors is required to declare and refrain from voting on any matter in which such

directors may have a conflict of interest in accordance with the procedures set forth in the CBCA and other applicable laws.

Key Personnel

GLR relies on a limited number of key consultants and there is no assurance that GLR will be able to retain such key consultants or other senior management. The loss of one or more of such key consultants or members of senior management, if not replaced, could have a material adverse effect on GLR's business, financial condition and prospects.

Insurance Risk

GLR faces all of the hazards and risks normally incidental to the exploration of precious and base metals, any of which could result in damage to life or property, environmental damage and possible legal liability for any or all such damage caused. GLR's activities may be subject to prolonged disruptions due to weather conditions depending on the location of exploration in which GLR has interests. In addition, GLR does not currently have in place any directors' and officers' liability insurance. In the event that a claim is made against any director or officer of GLR, the Corporation may be required to cover the costs of such claim or liability based on its internal indemnification obligations to GLR's directors and officers. GLR has not considered obtaining such insurance as the premiums are cost prohibitive at this point. As well, no assurance can be given that such insurance will be available or, if available, will be available on acceptable terms.

Speculative Nature of Mineral Exploration

The exploration of mineral deposits involves significant financial risks over a prolonged period of time that even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into economically viable operating mines. Major expenditure on GLR's exploration properties may be required in constructing mining and processing facilities at a site, and it is possible that even preliminary due diligence will show adverse results, leading to the abandonment of projects. It is impossible to ensure that the proposed exploration programmes on any of the properties in which GLR has exploration rights will result in a profitable commercial mining operation. GLR cannot give any assurance that its current and future exploration activities will result in the discovery of mineral deposits containing mineral reserves.

Whether a precious metal or a base metal deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit (such as its size and grade), proximity to infrastructure, financing costs and governmental regulations (including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of precious metals or base metals concentrates and environmental protection). The effect of these factors cannot be accurately predicted, but the combination of these factors may have a material adverse effect on GLR's business, financial condition and prospects.

Financing

The future success of the Corporation is subject to a number of risk factors that are common to the junior natural resources sector. These include the extent to which it can outline natural resources on its properties and establish the economic viability of developing those properties and the political, economic and legislative stability of the territories in which the Corporation's interests are located. Another significant factor is the ability or inability of the Corporation to obtain necessary financing as the

Corporation currently has limited funds. Furthermore, the development of any natural resource interest, if any, may take years to complete and the resulting income, if any, from the sale of any natural resources produced by the Corporation is largely dependent upon factors that are beyond its control, such as costs of development, operating costs and the market value of the end product.

18. Promoters

18.1 For a person or company that is, or has been within the two years immediately preceding the date of the Listing Statement, a promoter of the Issuer or of a subsidiary of the Issuer state

This item is not applicable to GLR.

(a) the person or company's name;

(b) the number and percentage of each class of voting securities and equity securities of the Issuer or any of its subsidiaries beneficially owned, directly or indirectly, or over which control is exercised;

(c) the nature and amount of anything of value, including money, property, contracts, options or rights of any kind received or to be received by the promoter directly or indirectly from the Issuer or from a subsidiary of the Issuer, and the nature and amount of any assets, services or other consideration therefor received or to be received by the Issuer or a subsidiary of the Issuer; and

(d) for an asset acquired within the two years before the date of the Listing Statement or thereafter, or to be acquired, by the Issuer or by a subsidiary of the Issuer from a promoter

(i) the consideration paid or to be paid for the asset and the method by which the consideration has been or will be determined,

(ii) the person or company making the determination referred to in subparagraph (i) and the person or company's relationship with the Issuer, the promoter, or an associate or affiliate of the Issuer or of the promoter, and

(iii) the date that the asset was acquired by the promoter and the cost of the asset to the promoter.

18.2 If a promoter or past promoter referred to in paragraph (1) has been a director, officer or promoter of any person or company during the 10 years ending on the date of Listing Statement, that

This item is not applicable to GLR.

(a) was the subject of a cease trade or similar order, or an order that denied the person or company access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact.

18.3 Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a promoter or past promoter referred to in paragraph (1) has

This item is not applicable to GLR.

(a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

18.4 If a promoter or past promoter referred to in paragraph (1), or a personal holding company of such promoter, has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer, state the fact.

This item is not applicable to GLR.

19. Legal Proceedings

19.1 Describe any legal proceedings material to the Issuer to which the Issuer or a subsidiary of the Issuer is a party or of which any of their respective property is the subject matter and any such proceedings known to the Issuer to be contemplated, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

There are no legal proceedings material to GLR to which GLR or a subsidiary is a party or of which any of property of GLR or a subsidiary of GLR is the subject matter.

20. Interest of Management and Others in Material Transactions

20.1 Describe, and state the approximate amount of, any material interest, direct or indirect, of any of the following persons or companies in any transaction within the three years before the date of the Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Issuer or a subsidiary of the Issuer:

(a) any director or executive officer of the Issuer.

(b) a security holder disclosed in the Listing Statement as a principal shareholder.

(c) an associate or affiliate of any of the persons or companies referred to in paragraphs 1 or 2.

No director, executive officer or principal shareholder of GLR and no associate or affiliate of the foregoing have had a material interest, direct or indirect, in any transaction in which GLR has participated within the three years before the date hereof, which has materially affected or will materially affect GLR.

Pursuant to an agreement (the "Kasner Agreement") made effective as of December 1, 2004 between the Corporation and R. J. Kasner Company Limited ("KASCO"), the

Corporation appointed KASCO to provide managerial and consulting services to the Corporation, including currently providing the services of Robert J. Kasner as co-Chief Executive Officer of the Corporation. The Kasner Agreement terminates on December 31, 2010, provided, however, that the Kasner Agreement is automatically renewed from year to year until terminated by written notice given by either party on or prior to September 1st in the applicable year. KASCO is to be paid a base rate of $120,000 per year, with an annual increase determined by KASCO and the Corporation. Pursuant to the Kasner Agreement, in the event that the Kasner Agreement is terminated prior to the end of its term without KASCO's consent, KASCO is entitled to receive a lump sum payment. The Kasner Agreement will be deemed to be terminated if a "Fundamental Change" (as defined in the Kasner Agreement) occurs which includes, among other things, a transaction or series of transactions pursuant to which the Corporation sells all or substantially all of its assets. Notwithstanding that the Linear Transaction resulted in a Fundamental Change, KASCO consented to the Linear Transaction and as a result waived any lump sum payment due under the Kasner Agreement as a result thereof and the Kasner Agreement remains in full force and effect.

Pursuant to a consulting agreement (the Layman Agreement") made effective as of July 1, 2010 between Atlantic Settlement Holdings Corporation ("ASH"), David Layman and the Corporation, ASH agreed, among other things, to provide the services of Mr. Layman to act as Vice-President and CFO of the Corporation for remuneration of $3,000 per month (excluding applicable taxes and deductions required by law). The Layman Agreement terminates on July 1, 2011, subject to earlier termination without cause by the Corporation or ASH upon at least two months' written notice. The Corporation may also terminate the Layman Agreement for cause in accordance with the provisions therein. If the Layman Agreement is terminated by the Corporation without cause, any stock options held by ASH at the date of such termination continue to vest and remain exercisable for at least twelve months following such termination, subject to any required regulatory or shareholder approval.

Mr. James Kermeen, a director of the Corporation and a resident of Coquitlam, British Columbia, Canada, was paid an aggregate of $24,168 by the Corporation in respect of geological consulting services provided to the Corporation during the 2008 financial year. During 2009, Mr. Kermeen became entitled to a payment of $25,000 in respect of his services on the Special Committee formed to sell the Corporation's assets.

During 2009, Mr. Eike von der Linden, a director of the Corporation and a resident of Germany, became entitled to a payment of US$25,000 in respect of his services on the Special Committee formed to sell the Corporation's assets.

Mr. John Cook, a director of the Corporation and a resident of Ontario, Canada, was paid an aggregate of $1,400 by the Corporation in respect of engineering consulting services provided to the Corporation during the 2008 financial year. During 2009, Mr. Cook became entitled to a payment of $35,000 in respect of his services rendered as Chairman and a member of the Special Committee formed to sell the Corporation's assets.

21. Auditors, Transfer Agents and Registrars

21.1 State the name and address of the auditor of the Issuer.

The auditor of GLR is parker simone LLP, Chartered and Licensed Public Accountants, 129 Lakeshore Road East, Mississauga, Ontario, L5G 1E5.

21.2 State the names of the Issuer's transfer agent(s) and registrar(s) and the location (by municipalities) of the register(s) of transfers of that class of shares.

Equity Financial Trust Company is the transfer agent and registrar for the common shares or GLR, at its principal office in Toronto, Ontario.

22. Material Contracts

22.1 Give particulars of every material contract, other than contracts entered into in the ordinary course of business, that was entered into within the two years before the date of Listing Statement by the Issuer or a subsidiary of the Issuer.

The Linear Purchase Agreement is the only material contract, other than contracts entered into in the ordinary course of business, that was entered into within two years before the date hereof. The particulars of the Linear Purchase Agreement are set forth under item 3.1.

22.2 If applicable, attach a copy of any co-tenancy, unitholders' or limited partnership agreement.

This item is not applicable to GLR.

23. Interest of Experts

23.1 Disclose all direct or indirect interests in the property of the Issuer or of a Related Person of the Issuer received or to be received by a person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of the Listing Statement or prepared or certified a report or valuation described or included in the Listing Statement.

The authors of the Technical Report do not have any interest, whether direct or indirect, in the property of GLR or of a Related Person of GLR, if any.

23.2 Disclose the beneficial ownership, direct or indirect, by a person or company referred to in Item 23.1 of any securities of the issuer or any Related Person of the issuer.

This item is not applicable to GLR.

23.3 For the purpose of Item 23.2, if the ownership is less than one per cent, a general statement to that effect shall be sufficient.

23.4 If a person, or a director, officer or employee of a person or company referred to in item 23.1 is or is expected to be elected, appointed or employed as a director, officer or employee of the issuer or of any associate or affiliate of the issuer, disclose the fact or expectation.

This item is not applicable to GLR.

24. Other Material Facts

24.1 Give particulars of any material facts about the Issuer and its securities that are not disclosed under the preceding items and are necessary in order for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.

This item is not applicable to GLR.

25. Financial Statements

25.1 Provide the following audited financial statement for the Issuer:

(a) Copies of all financial statements including the auditor's reports required to be prepared and filed under applicable securities legislation for the preceding three years as if the issuer were subject to such law; and

See Schedule 25.1(a).

(b) a copy of financial statements for any completed interim period of the current fiscal year.

See Schedule 25.1(b).

25.2 For Issuers re-qualifying for listing following a fundamental change provide

(a) the information required in items 5.1 to 5.3 for the target;

(b) financial statement for the target prepared in accordance with the requirements of Parts 4,5,6,7 8 and 9 of OSC Rule 41-501 as if the target were the Issuer;

(c) pro-forma consolidated financial statements for the New Issuer giving effect to the transaction for:

(i) the last full fiscal year of the Issuer and

(ii) any completed interim period of the current fiscal year.

The first certificate below must be signed by the CEO, CFO, any person or company who is a promoter of the Issuer and two directors of the Issuer. In the case of an Issuer re-qualifying following a fundamental change, the second certificate must also be signed by the CEO, CFO, any person or company who is a promoter of the target and two directors of the target.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, GLR Resources Inc., hereby applies for the listing of the above mentioned securities on CNSX. The foregoing contains full, true and plain disclosure of all material information relating to GLR Resources Inc.. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto

this 9th day of November, 2010.

"Robert J. Kasner"
Chief Executive Officer - Robert J. Kasner

"David Layman"
Chief Financial Officer - David Layman

Promoter (if applicable)

"John Cook"
Director - John Cook

"William Whitehead"
Director - William Whitehead
[print or type names beneath signatures]

SCHEDULE 6A - ANNUAL MD&A
FOR THE PERIOD ENDED DECEMBER 31, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

DECEMBER 31, 2009

The following is Management's Discussion and Analysis ("MDA") of the financial condition and results of operations to enable a reader to assess material changes in financial condition and results of operations for periods ended December 31, 2009. This MDA has been prepared as at June 16, 2010, unless otherwise indicated. This MDA is intended to supplement and complement the audited financial statements and notes thereto as at and for the periods ended December 31, 2009, which have been prepared in accordance with Canadian generally accepted accounting principles. All amounts are expressed in Canadian dollars unless otherwise indicated.

Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com and on the Company's website at *www.glrresources.com*. *As the Company's shares are no longer listed on the TSX, it is not required to file an annual information form for the year ended December 31, 2009 and future years.*

Overview

GLR Resources Inc. ("GLR" or the "Company") is a Canadian-based junior mining and exploration company incorporated under the Canada Business Corporations Act which currently holds a portfolio of exploration stage projects in Ontario and Quebec which GLR continues to evaluate. During 2008, the Company's primary project was the development of its then 100%-owned Goldfields Mine, located near Uranium City in northern Saskatchewan which was sold in August 2009, as described under the caption *Liquidity*.

- On January 7, 2009, the Toronto Stock Exchange (the "TSX") de-listed GLR's securities and, consequently, the Company's securities do not trade on a recognized Canadian exchange.
- Subsequent to December 31, 2008, the Company's secured lender, Blackfish Capital (Master) Fund 1 SPC ("Blackfish"), presented formal demand for payment of its promissory note ("Note") in the amount of $2 million, plus interest accrued thereon plus other costs and expenses.
- On March 10, 2009, in response to the Blackfish demand for repayment of the Note, GLR applied for protection from its creditors pursuant to the *Companies' Creditors Arrangement Act* (Canada) ("CCAA"). The CCAA filing was intended to prevent Blackfish from seizing the Company's assets and liquidating the Company when management and the board believed that greater value could be obtained for all stakeholders through an orderly sale process or recapitalization transaction. The CCAA application, originally returnable March 11, 2009, was adjourned several times pending further discussion with Blackfish which negotiations resulted in GLR and Blackfish entering into a forbearance agreement effective March 30, 2009. The CCAA application was eventually dismissed at the same time as the Proposal was approved pursuant to the BIA.
- Effective May 25, 2009, the Company entered into a Purchase and Sale Agreement ("Agreement") with Linear Gold Corp. ("Linear") which provided for the sale of the Company's Saskatchewan assets, including the Box and Athona Mines, which comprised the Goldfields Mine, and surrounding exploration property.
- On May 29, 2009, GLR filed a notice of intention to make a proposal pursuant to the *Bankruptcy and Insolvency Act (Canada)* ("BIA"). Paddon + Yorke Inc. ("PYI" or the "Trustee") was appointed as proposal trustee.
- On June 5, 2009, GLR filed a proposal under the BIA. Some minor amendments were made to the proposal and filed on July 20, 2009.On August 18, 2009, the Court approved the Company's proposal to creditors, as amended ("Proposal"), and the sale of the Goldfields assets to Linear ("Transaction"**)**. The Transaction, which closed on August 20, 2009, provided PYI with cash proceeds of US$5.0 million and 727,272 common shares in the capital of Linear (the "Linear Shares". After repayment of the amounts owed to Blackfish, payment of the unsecured claims in the Proposal and payment of legal and other professional fees, GLR received net cash proceeds of $750,000 and the Linear Shares. In addition, GLR is entitled to receive post-closing reimbursement of deposits made by GLR in respect of certain equipment contracts, which were assigned to the Purchaser as part of the Transaction. On December 31, 2009, the Company received from Linear $300,000 as part reimbursement of the Gekko deposit.
- During September 2009 and during the quarter ended December 31, 2009, PYI settled all proved creditor claims and legal fees arising before and during the BIA process with the exception of one disputed claim, in the amount of $360,000 plus unspecified costs which was settled subsequent to year end.

Selected Annual Financial Information

Expressed in Canadian dollars, except share amounts	2009 $	2008 $	2007 $
Cash and cash equivalents	154,070	114,963	1,753,741
Property, plant and equipment	128,449	6,970,944	9,264,252
Mineral interests	1,936,657	2,400,865	2,758,888
Total assets	4,355,805	9,904,015	17,581,020
Working capital (deficiency)	226,166	(3,023,944)	(889,069)
Long-term liabilities	46,462	-	460,000
Cash used in operations	(2,869,497)	(1,410,901)	(297,069)
Common shares issued for cash	-	3,945,125	5,891,786
Common shares outstanding	63,595,024	63,595,024	53,868,024
Income	6,907,946	369,422	216,632
Expenses beforetaxes	9,855,226	12,626,987	3,020,261
Net income (loss)	(2,417,280)	(11,002,253)	(2,273,930)
Other comprehensive income (loss)	(85,156)	(73,000)	63,746
Net income (loss) per share- basic and diluted	(0.04)	(0.18)	(0.05)
Dividends paid	0.00	0.00	0.00

Selected Quarterly Information

2009	Q1 $	Q2 $	Q3 $	Q4 $
Income	90	294	6,942,153	(34,591)
Expenses	239,649	885,491	8,495,251	234,835
Net income (loss)	(239,559)	(885,197)	(1,553,098)	260,574
Basic and fully diluted loss per share	(0.00)	(0.01)	(0.02)	0.00

2008	Q1 $	Q2 $	Q3 $	Q4 $
Revenues	71,943	75,273	104,235	117,971
Expenses	467,644	763,090	6,114,821	5,281,432
Net income (loss)	(395,701)	(687,817)	(6,010,586)	(3,908,149)
Basic and fully diluted loss per share	(0.01)	(0.01)	(0.12)	(0.06)

Results of Operations

On August 20, 2009, the Company closed the Linear Transaction and recognised gross proceeds of $6,942,135 comprised of US$5,000,000 and 727,272 common shares of Linear valued at $2.18 per share. The funds and the shares were delivered to the Trustee.

The Company reported no management fee income during 2009. During 2008, GLR charged Uranium City Resources Inc. (“UCR”) $331,539 in respect of certain exploration and development projects. During July 2008, common management of UCR and GLR ended. During the fourth quarter of 2008, UCR advised the Company that it would be ceasing operations in Saskatchewan and that the management contract between GLR and UCR was terminated at the end of December 2008.

Interest income was virtually eliminated as the Company had nominal cash balances.

Expenses for 2009 totalled $10,112,414 compared to $12,626,987 during 2008.

General office expenses were reduced as management of GLR took action to reduce cash expenditures. The Saskatchewan office was closed late in the third quarter of 2008.

Salaries, fees and benefits during 2009 arise from fees charged for services rendered by the President, the Chief Financial Officer and two staff at the Kirkland Lake office. During the fourth quarter of 2008, the Company provided for contingent consideration of approximately $360,000 that may be payable to a former employee pursuant to a contractual arrangement. The employee, who is a former officer of the Company, appealed the disallowance of his claim for severance, punitive damages and reimbursement of legal costs. During May 2010, the Company and the former officer reached a settlement whereby the Company paid $125,000, in cash, and delivered equipment which had been previously written off. The Trustee has paid the cash portion to settle the claim and the Company executed a bill of sale that delivered the equipment to the former officer. As part of the settlement, each of the former officer and the Company released the each other from further claims.

Except for the costs described below, all head office costs were reduced to a minimum to minimize cash outflow. Reference should be made to comments under the caption *Cash Resources and Liquidity*.

During 2009, interest, penalties and finance charge expense was $315,932 compared to $861,537 during 2008. Finance costs in 2008 reflect fees charged in respect of a failed financing by way of a prospectus and fees charged by Investec in respect of the Blackfish financing. Interest accrued during 2009 in respect of the Blackfish note decreased because of lower LIBOR rates. In addition and during 2009, the Company accrued approximately $185,250 in respect of potential penalties that may be assessed should Canada Revenue Agency disagree with the Company's classification of certain expenditures.

Operations during 2009 were significantly reduced due to the lack of cash. Exploration activity recommenced during the final two months of 2009.

Restructuring costs during 2009 totalled $1,079,069. Of this amount, approximately $107,637 relates to charges from Blackfish for previously unbilled due diligence charges and a $495,000 charge in respect of an agreement to settle a dispute arising from awarding the winning bid to purchase Goldfields Mine assets to Linear. The remainder of restructuring costs charged to operations are principally in respect of legal costs arising out of the BIA proceedings and legal costs associated with closing the Linear Transaction.

Professional fees are comprised of $86,750 in respect of fees charged by directors serving on the Special Committee, $139,832 in respect of general corporate and litigation legal work and an accrual of $33,000 in respect of the audit of the Company's financial statements.

Exploration activity came to a halt during the fourth quarter of 2008, only essential property holding and maintenance costs continue to be incurred and paid. Costs incurred by the exploration manager were deferred and capitalized as a charge to exploration properties as he planned for future exploration work. Future exploration activity will be focused on the Company's Sackville Project in northwestern Ontario, Baldwin and Omega properties in northeastern Ontario and its Casa Berardi project in Quebec. Reference should also be made to comments under the caption *International Financial Reporting Standards.*

During 2009, the Company wrote off the carrying value of its Stares property and some miscellaneous carrying costs associated with keeping the Goldfields Mine assets in good standing until closing of the Linear Transaction. Impairment of the Stares property arose from the inability, due to the lack of funds, to carry out a work program that would keep the property in good standing. Some key claims were re-staked and the project was renamed as the Sackville Project.

The foreign exchange gain of $29,594 arises from holding United States dollars which is the currency in which the Transaction was denominated. All of the United States dollars were converted to Canadian dollars and there is no further balance sheet exposure to holding United States dollars.

During 2009, the Company recognized a future tax benefit of $530,000 as a result of renouncing $2,000,000 of Canadian exploration expense pursuant to provisions contained in the *Income Tax Act (Canada)*. This compares to 2008 when the Company recognized future a future tax benefit of $1,255,312 on renunciation of $3,000,000 to

investors who participated in flow-through private placements during 2007 having an effective renunciation date of December 31, 2007.

As a result of its activities, the Company recorded a net loss of $2,417,280 or $0.04 per share during 2009 compared to a net loss of $11,002,253 or $0.18 per share during 2008.

Summary of Quarterly Results

As of the date hereof, GLR has essentially emerged from its restructuring under the BIA. In order for the process to be completed the Trustee needs to satisfy certain administrative procedures before bringing closure to the proceedings. The formal completion date of the restructuring process under the BIA is not known at this time.

Quarterly results during 2009 were principally influenced by timing of restructuring charges during the BIA process and the Company's ability to continue its exploration activities. Activities ancillary to exploration are charged to operations as incurred.

Capital Resources and Liquidity

The financial statements are prepared in accordance with Canadian generally accepted accounting principles and on the assumption that GLR will be able to realize the carrying value of its assets and discharge its liabilities in the normal course of business as a going concern. The ability of the Company to continue as a going concern is dependent upon, among other things, being able to obtain additional financing and reach positive cash flows from operations. During the first quarter of 2008, the Company raised gross proceeds of $4,290,800 through the placement of non-flow-through and flow-through equity placements. After cash issuance costs associated with the private placements, the Company netted $3,945,125 to finance its then on-going development of the Goldfields Mine, which was sold in August 2009, and exploration projects.

Effective January 9, 2009, GLR sold its Hurd-McCauley property for $300,000 in cash. In addition, the purchasers agreed to assume the underlying royalty obligation and to pay GLR a 2% net smelter royalty on future production. The funds realized from the sale of the Hurd-McCauley property formed the basis for funding the cost of restructuring GLR.

Capital Resources

At the close of business on January 7, 2009, the common shares of GLR were de-listed from the TSX for failure to meet the continued listing requirements of the TSX. The Company has approached the Canadian National Stock Exchange ("CNSX") to list its shares on that exchange and expects to submit a formal application to the CNSX in the near future in connection therewith. Approval of this listing application will be contingent upon GLR meeting the CNSX listing requirements and removal of the cease trade orders against the Company by the Ontario Securities Commission and other provincial regulators.

Without the ability of GLR to raise additional funding for its exploration projects and working capital expenditures, the ability of the Company to continue as a going concern will be in doubt. Although Linear paid US$5.0 million in cash and the Linear Shares pursuant to Transaction in August 2009, the net cash received by GLR on closing was US$3,043,401 after settlement of debt owing to the Company's secured creditor, Blackfish. Both the cash proceeds and Linear Shares received on closing were deposited to the account of the Trustee to be held in trust pending settlement of all legal costs and claims submitted by the unsecured creditors of GLR. In this regard, the Trustee paid out approximately $1.9 million to settle unsecured creditor claims and legal costs associated with the Proposal.

The Transaction with Linear anticipates partial reimbursement of deposits made to certain suppliers for which reimbursement is dependent on Linear taking delivery of the related plant and equipment. Pursuant to agreements negotiated with Linear, the Company may receive approximately $996,000 and US$1.8 million at future dates. Terms of the Transaction with Linear resulted in Linear assuming GLR's contractual obligations to two major suppliers. On December 31, 2009, GLR received a $300,000 reimbursement from Linear. The remaining amounts

will be reimbursed to GLR once the related equipment is available for delivery from the respective suppliers. Reimbursements will be recognized in the accounts when received.

Liquidity

In order to further the development of the Company's then-owned Goldfields Mine, on February 27, 2006, the Company entered into an agreement, as amended on January 31, 2008 (the "Mandate"), with Investec Bank (UK) Ltd. ("Investec") for the provision of project financing services for the Box Mine from a syndicate of financial institutions (the "Project Lenders"). The Mandate contained terms of reference for Investec to arrange project debt financing for the Box Mine comprising the following facilities (collectively, the "Project Debt Facilities"): (i) a term loan facility of up to US$40 million; (ii) a convertible loan facility of US$5 million; and (iii) a gold hedging facility during the terms of the term loan facility and the convertible loan facility.

In order to finance the Goldfields Mine into production, the Company needed to raise approximately US$65 million. The Company had entered into an arrangement with Investec to finance US$45 million described above. The Company was to fund the US$20 million difference either with an equity financing or a subordinated debt financing. During 2008, liquidity in the capital markets was virtually non-existent, especially for junior mining companies and, consequently, the Company was unable to raise the shortfall between the bank financing and total expected capital expenditure.

On April 7, 2008, GLR obtained a receipt for its preliminary short form prospectus filed with securities regulatory authorities in the provinces of British Columbia, Alberta, Ontario and Quebec in connection with the offering of up to 20,000 subscription receipts ("Subscription Receipts") at a price of $1,000 per Subscription Receipt for gross proceeds of up to $20,000,000. Subsequently and during the second quarter of 2008, the Company informed the Ontario Securities Commission that it would not be proceeding with the prospectus offering of Subscription Receipts as announced in April, 2008.

Through September 30, 2008, the Company's Chief Operating Officer had caused the Company to enter into several contracts prior to commencement of construction and financing of its then-owned Goldfields Mine. These contracts committed the Company to expend approximately $20.8 million on process plant and equipment, of which $5.0 million had been advanced to suppliers. Due to delays in financing, inability to fund further advances and uncertainty surrounding the ability to begin construction, the Company wrote off deposits to suppliers in the aggregate amount of $4,929,735.

On October 30, 2008, the $2.0 million promissory note payable to Blackfish came due. The Company was unable to repay the loan. On January 13, 2009, Blackfish presented a formal demand for payment of the loan plus interest accrued thereon and other costs and expenses. The Company and Investec, which acted on behalf of Blackfish, entered into negotiations which resulted in GLR entering into a forbearance agreement with Blackfish effective March 30, 2009. The forbearance agreement allowed GLR until June 25, 2009 to develop a restructuring plan to address current debt, capital and cost structures in the best interest of its stakeholders. The forbearance agreement enabled GLR to continue its day-to-day operations.

A special committee ("Special Committee"), comprised of three independent GLR directors and one representative from Blackfish, was formed to determine the best way to restructure the Company. The Special Committee determined that sale of the Goldfields Mine assets was the quickest way to enable the Company to restructure and to place itself in a position to re-list its shares for trading on a recognized exchange.

During the bidding process for the assets of the Company, three companies emerged with competitive bids. Most of the bids received and rejected anticipated paying the secured creditor and leaving no opportunity for GLR to move forward and remain a viable enterprise. Initially, the Special Committee awarded the winning bid to Santa Fe Metals Corp. ("Santa Fe"). Linear had the right to match the Santa Fe bid but initially chose not to do so upon learning that Linear did not have the winning bid. The Special Committee imposed a condition on the Santa Fe bid which required Santa Fe to post the cash component of its bid in escrow. Santa Fe did not post the required amount into escrow by the required date. Consequently, Linear was awarded the winning bid for the Goldfields Mine assets.

The confusion arising during the bidding process resulted in each of Linear and Santa Fe filing claims against GLR and each other. Delays arising from litigation forced the Company to seek protection under the BIA to try and preserve value for all of the Company's stakeholders. On July 16, 2009 and pursuant to an agreement reached between GLR and Santa Fe, Santa Fe filed an unsecured creditor claim with the Trustee in the amount of $495,000. Also refer to comments under the caption *Legal Proceedings*.

On May 25, 2009, GLR entered into an Agreement of Purchase and Sale with Linear which was, among other things, subject to approval of the bankruptcy court. On June 5, 2009, GLR filed the Proposal and subsequently filed certain minor amendments. On August 18, 2009, the Court approved the Proposal and Transaction. The Transaction closed on August 20, 2009 and resulted in Blackfish, the unsecured creditors and all restructuring costs being paid in full.

Legal Proceedings

During the period in which the CCAA and then the BIA proceedings were in effect, there were two claims launched against the Corporation claiming that the plaintiffs were entitled to acquire the Goldfields Project and related assets. The first action was commenced by Linear before the Supreme Court of Nova Scotia on May 15, 2009 (the "Nova Scotia Action"). In the Nova Scotia Action, Linear claimed for specific performance under an agreement to acquire the Goldfields Project plus unspecified damages. The Supreme Court of Nova Scotia dismissed the Nova Scotia Action on August 27, 2009. The second action was commenced by Santa Fe Metals Corporation ("Santa Fe") against both Linear and the Corporation before the British Columbia Supreme Court on June 9, 2009 (the "British Columbia Action"). In the British Columbia Action, Santa Fe sought a declaration that the Goldfields Project was held in trust for its benefit and, in the alternative, judgement for a $500,000 break fee plus unspecified damages for breach of contract. Santa Fe ended up withdrawing its claim in the British Columbia action as part of a settlement in the context of the Proposal wherein its claim for a break fee was allowed at $495,000 and the balance of the relief sought was abandoned.

Available Future Sources of Funds

Pursuant to the Agreement of Purchase and Sale between Linear and GLR, as amended, GLR is entitled to partial reimbursement of deposits it made to Gekko Systems Pty. Ltd. ("Gekko") and Yantai Jinyuan Mining Machinery Co., Ltd. ("Yantai") in respect of certain equipment ordered in connection with the development of the then owned Goldfields Mine. The anticipated minimum reimbursements after December 31, 2009 are as follows:

Supplier	Currency	Amount ($)
Gekko	Canadian dollars	696,225
Yantai	United States dollars	1,779,900

On December 31, 2009, GLR received a $300,000 reimbursement in respect of the Gekko plant deposit. The remaining amounts will be reimbursed to GLR when the related equipment is available for delivery by the respective suppliers. Reimbursements will be recognized in the accounts when received. Since the time of closing the Transaction, Linear has entered into an agreement to merge with another company. Consequently, Linear has invested cash in the investee which resulted in Linear being unable to commence and complete construction of the equipment being built by Gekko and Yantai. At the time of filing this report, Linear has not informed GLR of its plans and timing to complete construction of the relevant equipment.

Effective December 19, 2009, the Company was able to sell its investment in Linear shares following a four month hold on the shares from the date of closing on the Transaction. As of the date hereof, GLR has sold its entire holding of 727,272 Linear shares for aggregate gross proceeds of $1,364,695.

Commitments and Contingencies

During February 2008, the Company raised a $2.0 million by way of a flow-through private placement. This obligation to incur sufficient expenditures that qualified as Canadian Exploration Expense was satisfied during 2009 using the "look back" rules. The Company may become subject to tax audits of the flow-through expenditures renounced to investors; however, the Company believes that the Canadian Exploration Expenditures were

completed in compliance with the prescribed regulations of the Income Tax Act (Canada); however, the Company has accrued $185,250 for potential penalties arising from indemnification of investors should a tax audit reveal a shortfall with respect to expenditures renounced to investors.

The Company has no off balance sheet financing arrangements.

The Company is also developing a plan to reduce general administrative costs that correlate with the new down-sized company. Although GLR has sources of funding aggregating in excess of $2.4 million, there is risk that the full amount may not be realized. Uncertainty arises in respect of collectability of reimbursements of deposits receivable from Linear.

As a consequence of closing the Transaction with Linear, GLR has no remaining obligations to Yantai and has no remaining obligation to Gekko upon Linear taking delivery of the Gekko equipment.

Mineral properties

The following table summarizes the Company's exploration activity during 2009:

	Opening Balance ($)	Additions ($)	Adjustments and disposals ($)	Net ($)
Stares, Ontario	790,722	-	(790,722)	**-**
Sackville, Ontario	-	311,436	-	**311,436**
Goldie, Ontario	498,519	13,306	-	**511,825**
Baldwin, Ontario	319,414	144,095	-	**463,509**
Kirkland West, Ontario	249,972	1,208	-	**251,180**
Casa Berardi, Quebec	29,480	233,224	-	**262,704**
Golden Pond, Saskatchewan	341,488	-	(341,488)	**-**
General and other	171,270	(9,462)	(25,805)	**136,003**
	2,400,865	693,807	(1,158,015)	**1,936,657**

Sackville Project

A drilling program was performed between October 24, 2009 and December 15, 2009 and January 18, 2010 to February 9, 2010 on mining claims 4219074 - 4219075, 4244451 – 4244454 and 4244456 – 4244457 in Marks, Adrian, and Sackville Townships, District of Thunder Bay, Ontario. The work submitted as assessment work consisted of drilling activities, core logging, assaying, soil sampling, line cutting, and geophysical surveying. Ten holes were drilled at the Sackville Project for a total of 1908 meters.

The objective was to test for wider possibilities for sources of massive sulphide boulders (zinc-lead-copper-gold-silver) in three areas of the property. These included a felsic volcanic horizon with TDEM and IP anomalies to the north. The drill intersections encountered amphibolites, gabbro, andesite, felsic (mainly rhyolite), and graphite.

Core samples selected for assaying were split in half with a diamond saw blade and one-half was submitted for chemical assaying at Accurrassay Labratories in Thunder Bay, Ontario. The core and rock samples were processed using procedure ALFA1 and AL1CPMA. Sixty-seven core samples and twenty-nine rock samples were assayed for WR and MA. Three hundred and five core samples and fifty-four rock samples were analysed for AUMA. Also, sixty-two soil samples were submitted for chemical assaying at Actlabs in Thunder Bay, Ontario. Sixty-two samples were analysed using packages; Code 1A2-Tbay Au-Fire Assay AA and Code 1E3-Tbay Aqua Regia ICP (AQUAGEO).

The highest value obtained in drill core samples was of 6512 ppm Zn (0.65%) over 1 metre in hole S09-03 within a 1 metre zone of Zn mineralization with a weight average of 6512 ppm (0.65%). The highest weighted average was

4483.31 ppm Zn (0.45%) in hole S10-08 over a width of 13 metres. The highest in the soil samples was 147 ppm at 283341E 5368181N.

An Induced Polarization survey covering 21.75 kilometres was executed by Pierre Simone of GeoSig Inc. on the Sackville Project which detected approximately 14 anomalies.

Review of drill hole, geochemical, and geophysical data suggests more work should be carried out on this property to better define areas of significant mineralization. Therefore, it was recommended that a detailed soil sampling campaign be carried out over the Sackville Project focussing on areas where high zinc values have been found and over IP anomalies that have not been tested.

Although there is a lack of most base metal mineralization on the eastern section of the property grid there is significant Zn mineralization in select holes which requires a detailed soil sampling program to be carried out over the eastern grid especially focussing in those areas of anomalous IP anomalies that have not yet been tested and areas near contacts between sedimentary, felsic, and mafic rocks. Also more soil sampling and a deeper drill hole should be done near hole S09-04 which intersected classic “mill rock”.

Nominal work was carried out on the western section of the grid. It is recommended that a more detailed soil sampling program be carried out in this area to determine areas of interest for drilling focussing on the previously drilled hole with high silver values and the anomalous IP anomalies that have not yet been tested.

Baldwin Property

The Baldwin Property consists of 9 patented mining claim units located in Eby Township west of Kirkland Lake in the Larder Lake Mining Division of Ontario. The property is in the Abitibi Sub province of the Superior Province of the Precambrian Shield.

During November and December 2009 and January 2010, 23 line kilometres of line cutting was carried out on the Baldwin and Teck properties. Insight Deep Induced polarization surveys (IP) to a depth of 300 meters was carried out on the Baldwin property which was followed up with three diamond drill holes totalling 1203 metres to investigate anomalies.

Hole B-09-01 intersected 2.03 g/t Au over 1.4 meters in the hanging wall of the Larder Lake Break. This was in an area of weak but anomalous historic gold values. It is interpreted that the Kirkland Lake Break intersects the Larder Lake Break in this area. Komatitic basalt (Ultra Mafic) was intersected in two holes on the southern part of the property. The southern contact of the ultramafic is prospective for gold with sulphide type deposits and warrant follow-up where high resistivity IP anomalies occur.

Additional drilling is recommended to follow-up high resistivity IP anomalies along the Larder Lake Break on section 11E and where the Kirkland Lake Break is interpreted to intersect the Larder Lake Break on sections 2E, 3E and 4E; and the north contact of the ultramafic on section 9E. Soil geochemical surveys are recommended to follow-up the prospective southern contact of the ultramafic from lines 0+00 to 10E from 3S to 7S for gold with sulphides type deposits.

Casa Berardi Property

This property consists of approximately 1,150 hectares in Puiseaux and Orvilliers Townships, Quebec and approximately 50 kilometres east of the currently producing Aurizon mine located within the Casa Berardi Fault Structure and which is also known to transverse the Casa Berardi property. GLR had completed a series of drill holes on the property following the discovery of the Estrades base metal deposit in 1985 which was discovered proximal to GLR’s south claim boundary. No active exploration work had been completed on the property since 1987.

An exploration program during the latter part of 2009 and the early part of 2010 consisted of 74 kilometres of picket lines, 74 kilometres of a ground magnetometer survey, 45 km of Insight gradient induced polarization to a depth of

500 metres and twelve Insight sections consisting of 12 kilometres of IP chargeability and resistivity to a depth of 500 metres. In addition profiles of an enzyme leach surface geochemical survey was carried out over a deep seated Insight IP section north of the Casa Berardi Fault in intermediate volcanics. The program was followed up with three deep diamond drill holes totalling 2081m.

The company has completed three deep holes on the property to investigate known historic weak gold mineralization and deep Insight IP anomalies in arenacous sediments associated with the Casa Berardi Fault and a large deep seated Insight Induced Polarization anomaly north of the fault which has potential for base metals.

The two deep holes were drilled to investigate gold mineralization along the steeply dipping Casa Berardi Fault in historic holes PS-87-71 on section 5+50E (1.26 g/t Au over 11.3m) and PS-87-77 on section 7+50E (1.49 g/t Au over 7.0m). The two current deep holes CB-10-01 on section 5+00E and CB-10-02 on section 7+00E intersected weak disseminated pyrite with moderate to strong alteration consisting of silicification and sericitization on the north and south sides of the fault at depths of 200 to 300m below the known mineralization and 400 to 500m below surface over widths of 4m to 15m.

Hole CB-10-01 on Section 5+00E intersected iron formation south of the Casa Berardi Fault from 72-203 metres over a width of 131 metres. The contents of the sedimentary iron formation range from 4-29% Fe and average 17.24% over a core length of 131 metres. The core length is 65% of true width. This hole encountered the Casa Berardi Fault from 660m to 663.1 assaying 0.11 g/t over 3.1m at a vertical depth of 460m below surface.

Hole CB-10-02 on Section 7+00E intersected the Casa Berardi mineralized zone from 485 metres to 488 metres over a width of 3 metres assaying 2.92 g/t Au at a vertical depth of 370 metres below surface. This includes 5.62 g/t Au over 1 metre from 486 metres to 487 metres and 4.02 g/t Au over 2 metres from 486 metres to 488 metres. The core length is 65% of true width. This hole encountered the Casa Berardi Fault from 520.4 metres to 521 metres. The Casa Berardi auriferous zone in this hole appears to be plunging east to where the Insight chargeability is strong on section 8+00E.

Hole No. CB-10-03 investigated a deep-seated Insight chargeability anomaly north of the Casa Berardi Fault at a depth of 400 to 500 metres below surface. The hole intersected stringer sulphides consisting of weak disseminated pyrrhotite, minor pyrite with traces of chalcopyrite and sphalerite in intermediate volcanics over widths up to 153.8 metres. The hole started in argillaceous siltstone and ended in arenaceous siltstone. Mafic volcanic were encountered from 295.8 to 373.2 metres, 446.5 to 523.0 metres and intermediate volcanic from 523.8 to 677.6 metres. No significant base metal or gold values were encountered in the hole. On surface a geochemical soil survey using the enzyme leach method on line 10+00E returned anomalous geochemical values in Ag, Au, Cu and Zn. As a follow-up a down hole IP survey is warranted.

Casa Berardi Property-Significant Assays

Hole identifier	Sect (E)	N	From (metres)	To (metres)	Width (metres)	g/t Au	Remarks
CB-10-01	5+00E		660.0	663.1	3.1	0.11	Casa Berardi Fault; vertical depth: 460m
			72.0	203.0	131.0		17.24% Fe
CB-10-02	7+00E		485.0	488.0	3.00	2.92	Casa Berardi Zone on HW
		incl	486.0	487.0	1.00	5.62	of the Casa Berardi Fault at a
		incl	486.0	488.0	2.00	4.02	vertical depth of 370m
CB-10-03	11+50 W		523.8	677.6	153.8		Stringer suphides in felsic volcanic; no significant values; width is 65% of true width; traces of chalcopyrite, sphalerite

Dividend Record

There are no restrictions that prevent the Company from paying dividends. The Company has not paid any dividends on its common shares during the last 5 fiscal years. The Company currently has no intention of paying

any dividends on its Class A common shares. The Board of Directors of the Company will determine if and when dividends should be declared and paid in the future, based on the Company's financial position at the relevant time.

Disclosure Controls and Procedures

Management is responsible for the preparation and presentation of the annual and interim financial statements and information disclosed in management's discussion and analysis ("MDA") and has in place the appropriate information systems, procedures and controls to ensure that information used internally by management and disclosed externally is, in all material respects, complete and reliable.

Management is comprised of three officers, the Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary who are involved in preparation of the financial statements. The involvement of these officers in all aspects of the design and operation of disclosure controls and procedures is considered effective as at and for the period ended December 31, 2009 and provides reasonable assurance that all material information relating to the Company is disclosed.

The audit committee, which is comprised of three independent directors, is actively involved in approving and reviewing the Company's quarterly and annual financial statements and related MDA.

The financial statements and information contained in the MDA necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the financial information management must interpret the requirements described above, make determinations as to the relevancy of information to be included and make estimates and assumptions that affect reported information. The MDA may also include information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results, in the future, may differ materially from management's assessment of this information.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis disclosure controls and procedures and internal controls on financial reporting as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Changes in Management Duties

In addition to the creation of the Special Committee to oversee the sale of assets during 2009, the Chief Financial Officer was appointed as Co-CEO to oversee day-to-day operations and advise the independent directors, from a financial perspective, on bids received for various assets to the Company during the forbearance period and during restructuring under the BIA.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in Canada requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenue and expenditures during the reporting period.

The financial statements follow the same accounting policies and methods set forth in the Company's audited financial statements as at and for the year ending December 31, 2009, except as noted below.

Accounting Changes

i) International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB's strategic plan outlines the convergence of Canadian GAAP with IFRS over a five-year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Accordingly, the Company will be required to adopt IFRS on January 1, 2011. The transition will require the restatement, for comparative purposes, of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun to assess the adoption of IFRS for fiscal 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

(i) Business Combinations

In January 2009, the CICA issued the new handbook Section 1582, Business Combinations, effective for fiscal years beginning on or after January 1, 2011. Earlier adoption of Section 1582 is permitted. This pronouncement further aligns Canadian GAAP with IFRS and changes the accounting for business combinations in a number of areas. It establishes principles and requirements governing how an acquiring company recognizes and measures in its financial statements identifiable assets acquired, liabilities assumed, any non-controlling interest in the acquire and goodwill acquired. The section also establishes disclosure requirements that will enable users of the acquiring company's financial statements to evaluate the nature and financial effects of its business combinations. Although the Company is considering the impact of adopting this pronouncement on its financial statements, it is expected to be limited to any future acquisitions beginning in fiscal 2011.

(ii) Goodwill and Intangible Assets

In February 2008, the CICA issued a new accounting standard: Handbook Section 3064, Goodwill and Intangible Assets. These standards become effective for interim and annual financial statements for the Company's reporting periods beginning on January 1, 2009. The impact of adopting this pronouncement on its financial statements is expected to be limited to any future acquisitions.

(iii) Consolidated Financial Statements and Non-controlling Interests

In January 2009, the CICA issued the new handbook Section, 1601, Consolidated Financial Statements, and Section 1602, Non-controlling Interests, effective for fiscal years beginning on or after January 1, 2011. Earlier adoption of these recommendations is permitted. These pronouncements further align Canadian GAAP with IFRS. Section 1601 and 1602 change the accounting and reporting for ownership interest in the subsidiaries held by parties other than the parent. Non-controlling interests are to be presented in the consolidated statement of financial position within the entity but separate from the parent's equity. The amount of consolidated net income attributable to the parent and to the non-controlling interest is to be clearly identified and presented on the face of the consolidated statement of operations. In addition, these pronouncements establish standards for a change in a parent's ownership interest in a subsidiary and the valuation of retained non-controlling equity investments when a subsidiary is de-consolidated. They also establish reporting requirements for providing sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the non-controlling owners. The Company is considering the impact of adopting these pronouncements on its financial statements in fiscal 2011 in connection with the conversion to IFRS.

During 2008 and 2009 management was preoccupied with financial issues. During 2010, management will increase its efforts to convert from Canadian generally accepted accounting principles to IFRS develop a conversion implementation plan.

Changeover to International Financial Reporting Standards

To date, the Company has not developed a strategic plan to convert to IFRS as management was preoccupied during 2008 and 2009 with ensuring continuance of the Company as a going concern and lacked the funds to hire outside consultants to develop a conversion strategy.

2010 is the transition year to IFRS. The International Accounting Standards Board ("IAS") is in the process of changing several standards; however, IAS has deferred, until 2012, its review related to accounting for exploration expenditures. At December 31, 2008, property comprises approximately 85% of the Company's total assets.

Should IAS decide to adopt US-style GAAP for exploration companies which are considered to be development stage companies, GLR's total assets would be reported as less than $1.5 million.

The Company will be assessing its financial assets and liabilities and any differences resulting from lack of convergence of Canada GAAP with IFRS. Following the Company's write-off of a substantial portion of plant and equipment in 2009, the differences between Canada GAAP and IFRS in respect of reporting plant and equipment are nominal. While an analysis will be required for all accounting policies, the initial key areas of assessment will include:

- Plant and equipment;
- Stock-based compensation;
- Accounting for income taxes; and
- First-time adoption of IFRS

The Company will need new accounting software to handle capture of data in the context of IFRS reporting. Management will consult with external providers on the best solution of a Company the size of GLR.

Related Party Information

	2009	2008
Transactions during the year:	**$**	**$**
Exploration expenditures	**49,234**	52,683
Management and professional fees	**393,000**	362,618
Administrative costs	**24,126**	22,245
Automotive equipment	**17,000**	-
Management fees received	**-**	331,539
Related party advances and fees receivable:	**$**	$
Management fees	-	65,276
Other (non-interest bearing, no fixed terms of repayment)	**9,128**	32,211
	9,128	**97,487**
Related party payables included in:	**$**	$
Accounts payable and accrued liabilities	**101,699**	2,326

Exploration expenditures were indirectly paid to the brother of a director and President of GLR. During 2009, the Company indirectly paid $306,250 to senior officers of the Company for management services rendered and $86,750 paid to three directors in their capacity as members of the Special Committee. During 2008, consulting fees include amounts paid to the former Chief Financial Officer of the Company during the transition period. Administrative expense is comprised of rent paid to a company controlled by the President of the Company (See Note 14-Commitments and Contingencies). GLR was entitled to a management fee calculated as a percentage of

expenditures incurred on certain properties on which SRI conducted exploration. During 2008, UCR and GLR had two common directors and one common officer. The management agreement with UCR was terminated effective December 31, 2008.

Other related party receivables are miscellaneous expense advances for which expense reports have not cleared at period end.

Accounts payable is comprised of $$75,750 payable to members of the Special Committee for fees earned during the period that the Company was subject to the forbearance agreement with Blackfish and BIA proceedings. The remainder consists of fees payable in respect of exploration costs and the purchase of a truck at a cost of $17,000 from the brother of the President. The latter cost was not incurred in the normal course of business.

Share Capital

GLR's share capital consists of an unlimited number of Class A voting common shares and an unlimited number of non-voting, redeemable Class B Preferred Shares, Series A. This series of shares is redeemable by GLR, in whole or in part, at the rate of $1,000 per Series A share. The holders of Series A shares are not entitled to receive dividends. There were no Class B, Series A Preferred Shares issued as at the date of this MDA.

As at June 16, 2010	
Class A common shares issued	63,595,024
Shares issuable pursuant to:	
Warrants	-
Stock options	2,130,000
Fully diluted as at June 16, 2010	65,725,024

Since the Company is subject to a cease trade order, none of the options, all of which are out-of-the-money, can be exercised.

Risks

There is uncertainty about the Company's ability to realize the carrying value of its assets and discharge its liabilities as they come due. The ability of the Company to continue as a going concern is dependent upon, among other things, being able to obtain additional financing and reach positive cash flows from operations.

The Company's assets are subject to the risk of increases in taxes and royalties, renegotiation of contracts and currency exchange fluctuations. Operational risks include finding and developing economic ore reserves. Financial risks include interest and U.S. dollar exchange rates, which are beyond the control of the Company. The ability of the Company to develop its properties and the future profitability of the Company are directly related to the market price of exploited minerals and metals. The Company is subject to various regulatory risks, many of which also are beyond the control of the Company.

The Company is again considered to be in the exploration stage and has not yet recorded any revenues from its on-going operations nor has the Company commenced commercial production on any of its properties. There can be no assurance that the Company will generate any revenues or that the assumed levels of expenses will prove to be accurate.

The Company expects to incur losses unless and until such time as its properties enter into commercial production and generate sufficient revenues to fund its continuing operations. The development of the Company's properties will require substantial resources to complete the development of its properties. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future.

The Company's operating expenses and capital expenditures may increase in subsequent years as needed consultants, personnel and equipment associated with advancing exploration, development and commercial production of its properties are added. The amounts and timing of expenditures will depend on the progress of on-going development, the results of consultant's analyses and recommendations, the rate at which operating losses

are incurred, the execution of any joint venture agreements with strategic partners, the Company's acquisition of additional properties and other factors, many of which are beyond the Company's control.

The Company's vulnerability to changes in metal prices may cause its share price to be volatile and may affect the Company's operations and financial results.

Changes in the market price of precious and base metals will significantly impact the ability of the Company to finance its operations and, indirectly, its share price. The Company's financial results will be very sensitive to external economic factors related to metal prices. A major risk will arise if there is a prolonged period of lower metal prices. Many factors beyond the Company's control influence the market price of the metals the Company seeks on its mineral properties. These factors include: global supply and demand; availability and costs of metal substitutes; speculative activities; international political and economic conditions; and production levels and costs in other gold-producing countries.

The Company is subject to extensive environmental legislation and the costs of complying with these regulations may be significant. Changes in environmental legislation could increase the costs of complying with applicable regulations and reduce levels of production. Environmental legislation relating to land, air and water affects nearly all aspects of the Company's operations. This legislation requires the Company to obtain various operating licenses and also imposes standards and controls on activities relating to exploration, development and production of gold and other precious metals. The cost of obtaining operating licenses and abiding by standards and controls on its activities may be significant. Further, if the Company fails to obtain or maintain such operating licenses or breaches such standards or controls imposed on its activities, it may not be able to continue its operations in its usual manner, or at all, or the Company may be subject to fines or other claims for remediation which may have a material adverse impact on its operations or financial results. The Company will be responsible for all costs of closure and reclamation at the Goldfields Mine. While the Company is unaware of any existing material environmental liabilities, it cannot guarantee that no such liabilities currently exist or will occur in the future.

Changes in environmental laws, new information on existing environmental conditions or other events may increase future compliance expenditures or otherwise have a negative effect on the Company's financial condition and results of operations. In addition to existing requirements, it is expected that other environmental regulations will likely be implemented in the future with the objective of protecting human health and the environment. Some of the issues currently under review by environmental agencies include reducing or stabilizing air emissions, mine reclamation and restoration, and water quality. Other changes in environmental legislation could have a negative effect on production levels, product demand, product quality and methods of production and distribution. The complexity and breadth of these issues make it difficult for the Company to predict their impact. The Company expects that capital and operating expenditures will increase as a result of compliance with the introduction of new more stringent environmental regulations. Failure to comply with environmental legislation may result in the issuance of clean-up orders, imposition of penalties, liability for related damages and the loss of operating permits. While the Company believes it is now in material compliance with existing environmental legislation, it cannot give assurances that it will, at all future times, be in compliance with all federal and provincial environmental regulations or that steps to bring the Company into compliance would not have a negative effect on its financial condition and results of operations. The mining industry is intensely competitive and the Corporation must compete in all aspects of its operations with a substantial number of other junior mining companies, some of which have greater technical and financial resources. The Company may be at a disadvantage with respect to some of its competitors in the acquisition and/or development of high potential mining properties throughout the principal markets and geographical areas in which the Company carries on its business activities.

Forward Looking Information

This MDA contains "forward looking information". Forward looking information includes, but is not limited to, statements concerning the appeal of the disallowance of a claim for severance by a former officer of the Company, mineral resource estimates, the potential listing of GLR's common shares on the CNSX and other statements which are not historical facts.

In certain cases, forward looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will be taken", "occur" or "be achieved" and include the negative variation of such phrases.

With respect to forward looking information contained in this MDA, the Company has made assumptions regarding, among other things, the Company's ability to successfully defend the above-mentioned appeal, to complete the restructuring under the BIA, to satisfy the listing requirements of the CNSX, to generate sufficient cash flow from operations and to access capital markets to meet its future obligations, the regulatory framework in the provinces in which its properties are located with respect to, among other things, permits, licenses, authorizations, royalties, taxes and environmental matters, and the Company's ability to obtain qualified staff and equipment in a timely and cost-efficient manner to meet the Company's needs.

Although the Company believes that its expectations reflected in forward looking information are reasonable, such forward looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company or the Company's projects, or any of them, to be materially different from any future results, performance or achievements expressed or implied by the forward looking information. Such factors include, risks related to uncertain outcome of any litigation, changes to listing CNSX listing requirements, failure to convert estimated mineral resources to reserves, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future prices of base and precious metals, unexpected increases in capital or operating costs, possible variations in mineral resources, grade or recovery rates, failure of equipment or processes to operate as anticipated, accidents, labour disputes and other risks of the mining industry, delays in obtaining governmental consents, permits, licences and registrations or financing, uncertainties relating to the availability and costs and availability of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices and uninsured risks, as well as those factors discussed under "Risks" in this MDA.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward looking information. The forward looking information contained herein, unless stated otherwise, is made as of the date of this MDA and the Company makes no responsibility to update them or to revise them to reflect new events or circumstances, except as required by law.

"Robert J. Kasner"
President and Co-Chief Executive Officer

"David J. Layman"
Senior Vice-president and Chief Financial Officer and Co-Chief Executive Officer

June 16, 2010

SCHEDULE 6B - INTERIM MD&A
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

JUNE 30, 2010

The following is Management's Discussion and Analysis ("MDA") of the financial condition and results of operations to enable a reader to assess material changes in financial condition and results of operations for the three months ended March 31, 2010. This MDA has been prepared as at August 30, 2010, unless otherwise indicated. This MDA is intended to supplement and complement the unaudited financial statements and notes thereto as at and for the three and six months ended June 30, 2010, which have been prepared in accordance with Canadian generally accepted accounting principles. All amounts are expressed in Canadian dollars unless otherwise indicated. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com. As the Company's shares are no longer listed for trading on the TSX, it is not required to file an annual information form for the year ended December 31, 2009 and future years.

Overview

GLR Resources Inc. ("GLR" or the "Company") is a Canadian-based junior mining and exploration company incorporated under the Canada Business Corporations Act which currently holds a portfolio of exploration stage projects in Ontario and Quebec which GLR continues to evaluate. During 2008, the Company's primary project was the development of its then 100%-owned Goldfields Mine, located near Uranium City in northern Saskatchewan which was sold in August 2009.

- On January 7, 2009, the Toronto Stock Exchange (the "TSX") de-listed GLR's securities and, consequently, the Company's securities do not trade on a recognized Canadian exchange.
- Subsequent to December 31, 2008, the Company's secured lender, Blackfish Capital (Master) Fund 1 SPC ("Blackfish"), presented formal demand for payment of its promissory note ("Note") in the amount of $2 million, plus interest accrued thereon plus other costs and expenses.
- On March 10, 2009, in response to the Blackfish demand for repayment of the Note, GLR applied for protection from its creditors pursuant to the *Companies' Creditors Arrangement Act* (Canada) ("CCAA"). The CCAA filing was intended to prevent Blackfish from seizing the Company's assets and liquidating the Company when management and the board believed that greater value could be obtained for all stakeholders through an orderly sale process or recapitalization transaction. The CCAA application, originally returnable March 11, 2009, was adjourned several times pending further discussion with Blackfish which negotiations resulted in GLR and Blackfish entering into a forbearance agreement effective March 30, 2009. The CCAA application was eventually dismissed at the same time as the Proposal was approved pursuant to the BIA.
- Effective May 25, 2009, the Company entered into a Purchase and Sale Agreement ("Agreement") with Linear Gold Corp. ("Linear") which provided for the sale of the Company's Saskatchewan assets, including the Box and Athona Mines, which comprised the Goldfields Mine, and surrounding exploration property.
- On May 29, 2009, GLR filed a notice of intention to make a proposal pursuant to the *Bankruptcy and Insolvency Act (Canada)* ("BIA"). Paddon + Yorke Inc. ("PYI" or the "Trustee") was appointed as proposal trustee.
- On June 5, 2009, GLR filed a proposal under the BIA. Some minor amendments were made to the proposal and filed on July 20, 2009.On August 18, 2009, the Court approved the Company's proposal to creditors, as amended ("Proposal"), and the sale of the Goldfields assets to Linear ("Transaction"**)**. The Transaction, which closed on August 20, 2009, provided PYI with cash proceeds of US$5.0 million and 727,272 common shares in the capital of Linear (the "Linear Shares". After repayment of the amounts owed to Blackfish, payment of the unsecured claims in the Proposal and payment of legal and other professional fees, GLR received net cash proceeds of $750,000 and the Linear Shares In addition, GLR is entitled to receive post-closing reimbursement of deposits made by GLR in respect of certain equipment contracts, which were assigned to the Purchaser as part of the Transaction. On December 31, 2009, the Company received from Linear $300,000 as part reimbursement of the Gekko deposit.
- During September 2009 and during the quarter ended December 31, 2009, PYI, with the exception of one disputed claim, in the amount of $360,000 plus unspecified costs, settled all proved creditor claims and legal fees arising before and during the BIA process. Consequently, GLR is essentially debt free with exploration prospects in Ontario and Quebec.
- During the second quarter of 2010, GLR entered into a settlement agreement with the one remaining claimant and the Trustee is now preparing to bring closure to the BIA proceedings.

Selected Quarterly Information

	2010 Q2	2010 Q1	2009 Q4	2009 Q3
	$	$	$	$
Revenues	592	61	(34,591)	6,942,135
Expenses	171,167	381,432	234,835	8,495,251
Net income (loss)	(170,175)	(381,371)	260,574	(1,553,098)
Basic and fully diluted loss per share	(0.00)	(0.01)	(0.00)	(0.02)

	2009 Q2	2009 Q1	2008 Q4	2008 Q3
	$	$	$	$
Revenues	294	90	117,971	104,235
Expenses (recovery)	885,491	239,649	5,281,432	6,114,821
Net income (loss)	(885,197)	(239,559)	(3,908,149)	(6,010,586)
Basic and fully diluted loss per share	(0.01)	(0.00)	(0.06)	(0.12)

Results of Operations

Second Quarter Results

Interest income was nominal as cash balances were generally in low bearing interest accounts.

Operating expenditures for the second quarter of 2010 totalled $171,167 compared to $885,491 during the second quarter of 2009 when results of operations were heavily influenced by restructuring costs.

General office expenses were reduced as management of GLR continues to take action to reduce cash expenditures. Public relations expense was negative for the year-to-date as a consequence of recording an accrual for expenses which did not materialize. Shareholder expenses increased compared to 2009 as a consequence of filing and regulatory fees paid when the Company filed its 2008 audited financials and quarterly results for each of the quarters in 2009.

Salaries, fees and benefits were down slightly from costs recorded in 2009 as a consequence of one staff member from the Kirkland Lake office being laid off in 2009. There has been no increase in salaries paid to management.

Except for the costs described below, all head office costs were reduced to a minimum to minimize cash outflow. Reference should be made to comments under the caption *Cash Resources and Liquidity*.

During the second quarter of 2010, interest and finance charge expense was $168 compared to $94,010 during the second quarter of 2009. Interest costs during the second quarter of 2009 include charges relate to Part XII.6 tax incurred on delayed exploration expenditures incurred under the look-back rules and interest payable to Blackfish in respect of the secured loan which was paid on August 20, 2009. The current year interest charge relates to financing of a truck for use in exploration activities.

Management will continue to reduce corporate activity during the full year of 2010 in an effort to minimize use of cash.

There were no on-going restructuring costs during the second quarter compared to 2009. The Trustee is now in a position to bring closure to the BIA proceedings as all administrative matters have been settled.

Exploration activity recommenced during the final two months of 2009 and continued into January 2010 with some residual analysis work being compiled during the second quarter.

As a result of its activities, the Company recorded a net loss of $170,575 or $0.00 per share during the second quarter of 2010 compared to a net loss of $885,197 or $0.01 per share during the corresponding quarter of fiscal 2009.

Summary of Quarterly Results

As of the date hereof, GLR has essentially emerged from its restructuring under the BIA. The formal completion date of the restructuring process under the BIA is not known at this time. During July 2010, the Company received a distribution of $300,000 from the Trustee. The remainder of the funds held by the Trustee will be used to pay the Trustee's account when court approval is received and a further small amount is being retained to cover contingencies.

Quarterly results during 2009 were principally influenced by restructuring charges during the BIA process and the Company's inability to continue its exploration activities. Activities ancillary to exploration are charged to operations as incurred.

Capital Resources and Liquidity

The financial statements are prepared in accordance with Canadian generally accepted accounting principles and on the assumption that GLR will be able to realize the carrying value of its assets and discharge its liabilities in the normal course of business as a going concern. The ability of the Company to continue as a going concern is dependent upon, among other things, being able to obtain additional financing and reach positive cash flows from operations.

At the close of business on January 7, 2009, the common shares of GLR were de-listed from the TSX for failure to meet the continued listing requirements of the TSX. The Company has approached the Canadian National Stock Exchange ("CNSX") to list its shares on that exchange and expects to submit a formal application to the CNSX in the near future in connection therewith. Approval of this listing application will be contingent upon GLR meeting the CNSX listing requirements and removal of the cease trade orders against the Company by the Ontario Securities Commission and other provincial regulators.

The Company has made application to the Ontario Securities Commission ("OSC") to lift the permanent cease trade order. The Company's filings on SEDAR and the application are under review. The Company has begun the process to seek a listing on the Canadian National Stock Exchange ("CNSX"). The Company expects to receive the listing following the lifting of the permanent cease trade order by the OSC.

Capital Resources

Without the ability of GLR to raise additional funding for its exploration projects and working capital expenditures, the ability of the Company to continue as a going concern will be in doubt. Although Linear paid US$5.0 million in cash and the Linear Shares pursuant to Transaction in August 2009, the net cash received by GLR on closing was US$3,043,401 after settlement of debt owing to the Company's secured creditor, Blackfish. Both the cash proceeds and Linear Shares received on closing were deposited to the account of the Trustee to be held in trust pending settlement of all legal costs and claims submitted by the unsecured creditors of GLR. In this regard, the Trustee paid out approximately $1.9 million to settle unsecured creditor claims and legal costs associated with the Proposal.

Liquidity

Available Future Sources of Funds

Pursuant to the Agreement of Purchase and Sale between Linear and GLR, as amended, GLR is entitled to partial reimbursement of deposits it made to Gekko Systems Pty. Ltd. ("Gekko") and Yantai Jinyuan Mining Machinery Co., Ltd. ("Yantai") in respect of certain equipment ordered in connection with the development of the then owned Goldfields Mine. The anticipated minimum reimbursements after June 30, 2010 are as follows:

Supplier	Currency	Amount ($)
Gekko	Canadian dollars	696,225
Yantai	United States dollars	1,779,900

The remaining amounts will be reimbursed to GLR when the related equipment is available for delivery by the respective suppliers. Reimbursements will be recognized in the accounts when received. Since the time of closing the Transaction, Linear has merged with another company to form Brigus Gold Corp. ("Brigus"). Consequently, Brigus has invested cash in another mining project which resulted in Brigus being unable to commence and complete construction of the equipment being built by Gekko and Yantai. At the time of filing this report, Brigus has not informed GLR of its plans and timing to complete construction of the relevant equipment.

Effective December 19, 2009, the Company was able to sell its investment in Linear shares following a four month hold on the shares from the date of closing on the Transaction. As of the date hereof, GLR has sold its entire holding of 727,272 Linear shares for aggregate gross proceeds of $1,364,695.

Legal Proceedings

Following settlement with the Company's former Chief Operating Officer, there are no material outstanding claims against the Company. Management is considering legal action against Strategic Resources Inc. ("SRI") to collect a $78,292 debt for work done while the Company was managing SRI's Saskatchewan properties.

Commitments and Contingencies

The Company may become subject to tax audits of the flow-through expenditures renounced to investors; however, the Company believes that all Canadian Exploration Expenditures were effected and renounced in compliance with the prescribed regulations of the *Income Tax Act (Canada)*.

Pursuant to the Proposal to creditors and approval by the Court of the Company's restructuring plan, all creditors were paid during September 2009, except those claims which were disallowed by the Trustee. One creditor, who is a former officer of the Company, appealed the disallowance of his claim for severance, punitive damages and reimbursement of legal costs. The claim amount for severance, aggregating $360,000 was accrued in the accounts during 2008. During May 2010, the Company and the former officer reached a settlement whereby the Company delivered $125,000, in cash, and equipment which had been previously written down to $1 and reclassified as held for sale. Subsequent to March 31, 2010, the Trustee paid the cash portion to settle the claim and the Company executed a bill of sale that delivered the equipment to the former officer. As part of the settlement, each of the former officer and the Company released the each other from further claims. The accrual for settlement was adjusted at December 31, 2009 and the statement of operations credited for the excess salaries previously accrued.

The Company has entered into a one-year lease extension for its current location in Kirkland Lake. Lease payments for the remainder of the year total approximately $16,684

Mineral properties

The following table summarizes the Company's exploration activity during the first six months of 2010:

	Opening balance ($)	Additions ($)	Write-down ($)	Net ($)
Sackville, Ontario	311,436	110,537	-	**421,973**
Goldie, Ontario	511,825	-	-	**511,825**
Baldwin, Ontario	463,509	108,082	-	**571,591**
Kirkland West, Ontario	251,180	1,208	-	**252,388**
Casa Berardi, Quebec	262,704	392,281	-	**654,985**
General and other	136,003	2,253	(20,176)	**118,080**
	1,936,657	614,361	-	**2,530,842**

Sackville Project

A drilling program was performed between October 24, 2009 and December 15, 2009 and January 18, 2010 to February 9, 2010 on mining claims 4219074 - 4219075, 4244451 – 4244454 and 4244456 – 4244457 in Marks, Adrian, and Sackville Townships, District of Thunder Bay, Ontario. The work submitted as assessment work consisted of drilling activities, core logging, assaying, soil sampling, line cutting, and geophysical surveying. Ten holes were drilled at the Sackville Project for a total of 1908 meters.

The objective was to test for wider possibilities for sources of massive sulphide boulders (zinc-lead-copper-gold-silver) in three areas of the property. These included a felsic volcanic horizon with TDEM and IP anomalies to the north. The drill intersections encountered amphibolites, gabbro, andesite, felsic (mainly rhyolite), and graphite.

Core samples selected for assaying were split in half with a diamond saw blade and one-half was submitted for chemical assaying at Accurrassay Labratories in Thunder Bay, Ontario. The core and rock samples were processed using procedure ALFA1 and AL1CPMA. Sixty-seven core samples and twenty-nine rock samples were assayed for WR and MA. Three hundred and five core samples and fifty-four rock samples were analysed for AUMA. Also, sixty-two soil samples were submitted for chemical assaying at Actlabs in Thunder Bay, Ontario. Sixty-two samples were analysed using packages; Code 1A2-Tbay Au-Fire Assay AA and Code 1E3-Tbay Aqua Regia ICP (AQUAGEO).

The highest value obtained in drill core samples was of 6512 ppm Zn (0.65%) over 1 metre in hole S09-03 within a 1 metre zone of Zn mineralization with a weight average of 6512 ppm (0.65%). The highest weighted average was 4483.31 ppm Zn (0.45%) in hole S10-08 over a width of 13 metres. The highest in the soil samples was 147 ppm at 283341E 5368181N.

An Induced Polarization survey covering 21.75 kilometres was executed by Pierre Simone of GeoSig Inc. on the Sackville Project which detected approximately 14 anomalies.

Review of drill hole, geochemical, and geophysical data suggests more work should be carried out on this property to better define areas of significant mineralization. Therefore, it was recommended that a detailed soil sampling campaign be carried out over the Sackville Project focussing on areas where high zinc values have been found and over IP anomalies that have not been tested.

Although there is a lack of most base metal mineralization on the eastern section of the property grid there is significant Zn mineralization in select holes which requires a detailed soil sampling program to be carried out over the eastern grid especially focussing in those areas of anomalous IP anomalies that have not yet been tested and areas near contacts between sedimentary, felsic, and mafic rocks. Also more soil sampling and a deeper drill hole should be done near hole S09-04 which intersected classic "mill rock".

Nominal work was carried out on the western section of the grid. It is recommended that a more detailed soil sampling program be carried out in this area to determine areas of interest for drilling focussing on the previously drilled hole with high silver values and the anomalous IP anomalies that have not yet been tested.

Baldwin Property

The Baldwin Property consists of 9 patented mining claim units located in Eby Township west of Kirkland Lake in the Larder Lake Mining Division of Ontario. The property is in the Abitibi Sub province of the Superior Province of the Precambrian Shield.

During November and December 2009 and January 2010, 23 line kilometres of line cutting was carried out on the Baldwin and Teck properties. Insight Deep Induced polarization surveys (IP) to a depth of 300 meters was carried out on the Baldwin property which was followed up with three diamond drill holes totalling 1203 metres to investigate anomalies.

Hole B-09-01 intersected 2.03 g/t Au over 1.4 meters in the hanging wall of the Larder Lake Break. This was in an area of weak but anomalous historic gold values. It is interpreted that the Kirkland Lake Break intersects the Larder Lake Break in this area. Komatitic basalt (Ultra Mafic) was intersected in two holes on the southern part of the property. The southern contact of the ultramafic is prospective for gold with sulphide type deposits and warrant follow-up where high resistivity IP anomalies occur.

Additional drilling is recommended to follow-up high resistivity IP anomalies along the Larder Lake Break on section 11E and where the Kirkland Lake Break is interpreted to intersect the Larder Lake Break on sections 2E, 3E and 4E; and the north contact of the ultramafic on section 9E. Soil geochemical surveys are recommended to follow-up the prospective southern contact of the ultramafic from lines 0+00 to 10E from 3S to 7S for gold with sulphides type deposits.

Casa Berardi Property

This property consists of approximately 1,150 hectares in Puiseaux and Orvilliers Townships, Quebec and approximately 50 kilometres east of the currently producing Aurizon mine located within the Casa Berardi Fault Structure and which is also known to transverse the Casa Berardi property. GLR had completed a series of drill holes on the property following the discovery of the Estrades base metal deposit in 1985 which was discovered proximal to GLR's south claim boundary. No active exploration work had been completed on the property since 1987.

An exploration program during the latter part of 2009 and the early part of 2010 consisted of 74 kilometres of picket lines, 74 kilometres of a ground magnetometer survey, 45 km of Insight gradient induced polarization to a depth of 500 metres and twelve Insight sections consisting of 12 kilometres of IP chargeability and resistivity to a depth of 500 metres. In addition profiles of an enzyme leach surface geochemical survey was carried out over a deep seated Insight IP section north of the Casa Berardi Fault in intermediate volcanics. The program was followed up with three deep diamond drill holes totalling 2081m.

The company has completed three deep holes on the property to investigate known historic weak gold mineralization and deep Insight IP anomalies in arenacous sediments associated with the Casa Berardi Fault and a large deep seated Insight Induced Polarization anomaly north of the fault which has potential for base metals.

The two deep holes were drilled to investigate gold mineralization along the steeply dipping Casa Berardi Fault in historic holes PS-87-71 on section 5+50E (1.26 g/t Au over 11.3m) and PS-87-77 on section 7+50E (1.49 g/t Au over 7.0m). The two current deep holes CB-10-01 on section 5+00E and CB-10-02 on section 7+00E intersected weak disseminated pyrite with moderate to strong alteration consisting of silicification and sericitization on the north and south sides of the fault at depths of 200 to 300m below the known mineralization and 400 to 500m below surface over widths of 4m to 15m.

Hole CB-10-01 on Section 5+00E intersected iron formation south of the Casa Berardi Fault from 72-203 metres over a width of 131 metres. The contents of the sedimentary iron formation range from 4-29% Fe and average 17.24% over a core length of 131 metres. The core length is 65% of true width. This hole encountered the Casa Berardi Fault from 660m to 663.1 assaying 0.11 g/t over 3.1m at a vertical depth of 460m below surface.

Hole CB-10-02 on Section 7+00E intersected the Casa Berardi mineralized zone from 485 metres to 488 metres over a width of 3 metres assaying 2.92 g/t Au at a vertical depth of 370 metres below surface. This includes 5.62 g/t Au over 1 metre from 486 metres to 487 metres and 4.02 g/t Au over 2 metres from 486 metres to 488 metres. The core length is 65% of true width. This hole encountered the Casa Berardi Fault from 520.4 metres to 521 metres. The Casa Berardi auriferous zone in this hole appears to be plunging east to where the Insight chargeability is strong on section 8+00E.

Hole No. CB-10-03 investigated a deep-seated Insight chargeability anomaly north of the Casa Berardi Fault at a depth of 400 to 500 metres below surface. The hole intersected stringer sulphides consisting of weak disseminated pyrrhotite, minor pyrite with traces of chalcopyrite and sphalerite in intermediate volcanics over widths up to 153.8 metres. The hole started in argillaceous siltstone and ended in arenaceous siltstone. Mafic volcanic were encountered from 295.8 to 373.2 metres, 446.5 to 523.0 metres and intermediate volcanic from 523.8 to 677.6 metres. No significant base metal or gold values were encountered in the hole. On surface a geochemical soil survey using the enzyme leach method on line 10+00E returned anomalous geochemical values in Ag, Au, Cu and Zn. As a follow-up a down hole IP survey is warranted.

Casa Berardi Property-Significant Assays

Hole identifier	Sect (E)	N	From (metres)	To (metres)	Width (metres)	g/t Au	Remarks
CB-10-01	5+00E		660.0	663.1	3.1	0.11	Casa Berardi Fault; vertical depth: 460m
			72.0	203.0	131.0		17.24% Fe
CB-10-02	7+00E		485.0	488.0	3.00	2.92	Casa Berardi Zone on HW
		incl	486.0	487.0	1.00	5.62	of the Casa Berardi Fault at a
		incl	486.0	488.0	2.00	4.02	vertical depth of 370m
CB-10-03	11+50 W		523.8	677.6	153.8		Stringer suphides in felsic volcanic; no significant values; width is 65% of true width; traces of chalcopyrite, sphalerite

Dividend Record

There are no restrictions that prevent the Company from paying dividends. The Company has not paid any dividends on its common shares during the last 5 fiscal years. The Company currently has no intention of paying any dividends on its Class A common shares. The Board of Directors of the Company will determine if and when dividends should be declared and paid in the future, based on the Company's financial position at the relevant time.

Disclosure Controls and Procedures

Management is responsible for the preparation and presentation of the annual and interim financial statements and information disclosed in management's discussion and analysis ("MDA") and has in place the appropriate information systems, procedures and controls to ensure that information used internally by management and disclosed externally is, in all material respects, complete and reliable.

Management is comprised of three officers, the Chief Executive Officer, the Vice-president, Finance and the Corporate Secretary who are involved in preparation of the financial statements. The involvement of these officers in all aspects of the design and operation of disclosure controls and procedures is considered effective as at and for the period ended June 30, 2010 and provides reasonable assurance that all material information relating to the Company is disclosed.

The audit committee, which is comprised of three independent directors, is actively involved in approving and reviewing the Company's quarterly and annual financial statements and related MDA. The financial statements and information contained in the MDA necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the financial information management must interpret the requirements described above, make determinations as to the relevancy of information to be included and make estimates and assumptions that affect reported information. The MDA may also include information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results, in the future, may differ materially from management's assessment of this information.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis disclosure controls and procedures and internal controls on financial reporting as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Changes in Management Duties

Effective July 1, 2010, the Senior Vice-president, Chief Financial Officer and Co-CEO stepped down to become Vice-president, Chief Financial Officer. Effectively, he is no longer involved in day-to-day operations.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in Canada requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenue and expenditures during the reporting period.

The financial statements follow the same accounting policies and methods set forth in the Company's audited financial statements as at and for the year ending December 31, 2009.

Future Accounting Changes

International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB's strategic plan outlines the convergence of Canadian GAAP with IFRS over a five-year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Accordingly, the Company will be required to adopt IFRS on January 1, 2011. The transition will require the restatement, for comparative purposes, of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun to assess the adoption of IFRS for fiscal 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

During 2009 management was preoccupied with financial issues. During 2010, management will increase its efforts to convert from Canadian generally accepted accounting principles to IFRS develop a conversion implementation plan.

Changeover to International Financial Reporting Standards

To date, the Company has not developed a strategic plan to convert to IFRS as management was preoccupied during 2008 and 2009 with ensuring continuance of the Company as a going concern and lacked the funds to hire outside consultants to develop a conversion strategy.

2010 is the transition year to IFRS. The International Accounting Standards Board ("IAS") is in the process of changing several standards; however, IAS has deferred, until 2012, its review related to accounting for exploration expenditures. At June 30, 2010, mineral property and deferred exploration comprise approximately 70% of the Company's total assets.

Should IAS decide to adopt US-style GAAP for exploration companies which are considered to be development stage companies, GLR's total assets would be reported as less than $1.5 million.

The Company will be assessing its financial assets and liabilities and any differences resulting from lack of convergence of Canada GAAP with IFRS. Following the Company's write-off of a substantial portion of plant and equipment in 2009, the differences between Canada GAAP and IFRS in respect of reporting plant and equipment are nominal. While an analysis will be required for all accounting policies, the initial key areas of assessment will include:

- Plant and equipment;
- Stock-based compensation;
- Accounting for income taxes; and
- First-time adoption of IFRS

The Company will need new accounting software to handle capture of data in the context of IFRS reporting. Management will consult with external providers on the best solution of a Company the size of GLR.

Related Party Transactions

The financial statements include balances and transactions with directors and/or officers of the Company and/or corporations related to or controlled by them. These transactions are measured and recorded at their exchange amounts, being the amounts agreed to by the related parties.

	Six months ended June 30	
	2010	2009
	$	$
Transactions during the period:		
Exploration expenditures	**15,750**	21,000
Management fees paid for services	**150,000**	156,562
Administrative costs	**11,123**	11,123

	As at June 30, 2010	As at December 31, 2009
Related party receivables included in:	**$**	$
Other (non-interest bearing, no fixed terms of repayment)	**10,416**	7,379
	10,416	7,379
Related party payables included in:		
Accounts payable and accrued liabilities	**33,304**	41,757

Exploration expenditures were indirectly paid to the brother of the President of GLR. Management fees paid, indirectly, are in respect of services rendered by each of the President and the Chief Financial Officer of GLR. Administrative expense is comprised of rent paid to a company controlled by the President of the Company.

Other related party receivables are miscellaneous expense advances for which expense reports have not cleared at period end.

Accounts payable is comprised of $33,304 payable to members of the Special Committee for fees earned during the period that the Company was subject to the forbearance agreement with Blackfish and BIA proceedings.

Share Capital

GLR's share capital consists of an unlimited number of Class A voting common shares and an unlimited number of non-voting, redeemable Class B Preferred Shares, Series A. This series of shares is redeemable by GLR, in whole or in part, at the rate of $1,000 per Series A share. The holders of Series A shares are not entitled to receive dividends. There were no Class B, Series A Preferred Shares issued as at the date of this MDA.

As at August 30, 2010	
Class A common shares issued	63,595,024
Shares issuable pursuant to:	
Warrants	-
Stock options	1,930,000
Fully diluted as at August 30, 2010	65,525,024

Since the Company is subject to a cease trade order, none of the options, all of which are out-of-the-money, can be exercised.

Risks

There is uncertainty about the Company's ability to realize the carrying value of its assets and discharge its liabilities as they come due. The ability of the Company to continue as a going concern is dependent upon, among other things, being able to obtain additional financing and reach positive cash flows from operations.

The Company's assets are subject to the risk of increases in taxes and royalties, renegotiation of contracts and currency exchange fluctuations. Operational risks include finding and developing economic ore reserves. Financial risks include interest and U.S. dollar exchange rates, which are beyond the control of the Company. The ability of the Company to develop its properties and the future profitability of the Company are directly related to the market price of exploited minerals and metals. The Company is subject to various regulatory risks, many of which also are beyond the control of the Company.

The Company is again considered to be in the exploration stage and has not yet recorded any revenues from its on-going operations nor has the Company commenced commercial production on any of its properties. There can be no assurance that the Company will generate any revenues or that the assumed levels of expenses will prove to be accurate.

The Company expects to incur losses unless and until such time as its properties enter into commercial production and generate sufficient revenues to fund its continuing operations. The development of the Company's properties will require substantial resources to complete the development of its properties. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future.

The Company's operating expenses and capital expenditures may increase in subsequent years as needed consultants, personnel and equipment associated with advancing exploration, development and commercial production of its properties are added. The amounts and timing of expenditures will depend on the progress of on-going development, the results of consultant's analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, the Company's acquisition of additional properties and other factors, many of which are beyond the Company's control.

The Company's vulnerability to changes in metal prices may cause its share price to be volatile and may affect the Company's operations and financial results.

Changes in the market price of precious and base metals will significantly impact the ability of the Company to finance its operations and, indirectly, its share price. The Company's financial results will be very sensitive to external economic factors related to metal prices. A major risk will arise if there is a prolonged period of lower metal prices. Many factors beyond the Company's control influence the market price of the metals the Company seeks on its mineral properties. These factors include: global supply and demand; availability and costs of metal substitutes; speculative activities; international political and economic conditions; and production levels and costs in other gold-producing countries.

The Company is subject to extensive environmental legislation and the costs of complying with these regulations may be significant. Changes in environmental legislation could increase the costs of complying with applicable regulations and reduce levels of production. Environmental legislation relating to land, air and water affects nearly all aspects of the Company's operations. This legislation requires the Company to obtain various operating licenses and also imposes standards and controls on activities relating to exploration, development and production of gold and other precious metals. The cost of obtaining operating licenses and abiding by standards and controls on its activities may be significant. Further, if the Company fails to obtain or maintain such operating licenses or breaches such standards or controls imposed on its activities, it may not be able to continue its operations in its usual manner, or at all, or the Company may be subject to fines or other claims for remediation which may have a material adverse impact on its operations or financial results. The Company will be responsible for all costs of closure and reclamation at the Goldfields Mine. While the Company is unaware of any existing material environmental liabilities, it cannot guarantee that no such liabilities currently exist or will occur in the future.

Changes in environmental laws, new information on existing environmental conditions or other events may increase future compliance expenditures or otherwise have a negative effect on the Company's financial condition and results of operations. In addition to existing requirements, it is expected that other environmental regulations will likely be implemented in the future with the objective of protecting human health and the environment. Some of the issues currently under review by environmental agencies include reducing or stabilizing air emissions, mine reclamation and restoration, and water quality. Other changes in environmental legislation could have a negative effect on production levels, product demand, product quality and methods of production and distribution. The complexity and breadth of these issues make it difficult for the Company to predict their impact. The Company expects that capital and operating expenditures will increase as a result of compliance with the introduction of new more stringent environmental regulations. Failure to comply with environmental legislation may result in the issuance of clean-up orders, imposition of penalties, liability for related damages and the loss of operating permits. While the Company believes it is now in material compliance with existing environmental legislation, it cannot give assurances that it will, at all future times, be in compliance with all federal and provincial environmental regulations or that steps to bring the Company into compliance would not have a negative effect on its financial condition and results of operations. The mining industry is intensely competitive and the Corporation must compete in all aspects of its operations with a substantial number of other junior mining companies, some of which have greater technical and financial resources. The Company may be at a disadvantage with respect to some of its competitors in the acquisition and/or development of high potential mining properties throughout the principal markets and geographical areas in which the Company carries on its business activities.

Forward Looking Information

This MDA contains "forward looking information". Forward looking information includes, but is not limited to, statements concerning the appeal of the disallowance of a claim for severance by a former officer of the Company, mineral resource estimates, the potential listing of GLR's common shares on the CNSX and other statements which are not historical facts.

In certain cases, forward looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will be taken", "occur" or "be achieved" and include the negative variation of such phrases.

With respect to forward looking information contained in this MDA, the Company has made assumptions regarding, among other things, the Company's ability to successfully defend the above-mentioned appeal, to complete the restructuring under the BIA, to satisfy the listing requirements of the CNSX, to generate sufficient cash flow from operations and to access capital markets to meet its future obligations, the regulatory framework in the provinces in which its properties are located with respect to, among other things, permits, licenses, authorizations, royalties, taxes and environmental matters, and the Company's ability to obtain qualified staff and equipment in a timely and cost-efficient manner to meet the Company's needs.

Although the Company believes that its expectations reflected in forward looking information are reasonable, such forward looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company or the Company's projects, or any of them, to be materially different from any future results, performance or achievements expressed or implied by the forward looking information. Such factors include, risks related to uncertain outcome of any litigation, changes to listing CNSX listing requirements, failure to convert estimated mineral resources to reserves, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future prices of base and precious metals, unexpected increases in capital or operating costs, possible variations in mineral resources, grade or recovery rates, failure of equipment or processes to operate as anticipated, accidents, labour disputes and other risks of the mining industry, delays in obtaining governmental consents, permits, licences and registrations or financing, uncertainties relating to the availability and costs and availability of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices and uninsured risks, as well as those factors discussed under "Risks" in this MDA.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward looking information. The forward looking information contained herein, unless stated otherwise, is made as of the date of this MDA and the Company makes no responsibility to update them or to revise them to reflect new events or circumstances, except as required by law.

"Robert J. Kasner"	"David J. Layman"
President and Co-Chief Executive Officer	Vice-president, Chief Financial Officer

August 30, 2010

SCHEDULE 15.1 - STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The purpose of this Compensation Discussion and Analysis ("**CD&A**") is to provide information about the Corporation's executive compensation philosophy, objectives, and processes and to discuss compensation decisions relating to the Corporation's senior officers, being the two identified named executive officers (the "**NEOs**") in 2009. The NEOs who are the focus of the CD&A and who appear in the compensation tables below are: Robert J. Kasner, President and Chief Executive Officer ("**CEO**") and a director of the Corporation, and David J. Layman, Vice-President and Chief Financial Officer ("**CFO**") of the Corporation.

The Corporation notes that it is in an exploration phase with respect to its properties and has to operate with limited financial resources and control costs to ensure that funds are available to complete scheduled programs and otherwise fund its operations. The Board of Directors (the "**Board**") has to consider the current and anticipated financial position of the Corporation at the time of any compensation determination. The Board has attempted to keep the cash compensation paid to the Corporation's senior officers relatively modest, while providing long-term incentives through the granting of Options (as defined below).

Board oversight of Compensation

Among its other duties, the Board is responsible for (i) overseeing the Corporation's human resources policies, executive compensation, management succession and development, and equity compensation plans, and (ii) ensuring that the Corporation's executive compensation policies and programs are competitive and reflect the long term interest of the Corporation and its shareholders. Given the size of the Corporation and the number of directors on the Board, the Board has not delegated any of the above responsibilities to a committee of the Board and performs such functions itself. In performing its duties, the Board has the authority to engage such advisors, including executive compensation consultants, as it considers necessary.

One member of the Board is not considered to be independent pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("**NI 58-101**"). In order to ensure that the process for determining executive compensation remains objective, the Board (i) requires that executive directors remove themselves from any deliberations or determinations relating to their own compensation, (ii) seeks external, independent advice when requested or deemed appropriate by any member of the Board, and (iii) ensures that any decisions relating to the compensation of the executive directors are reviewed and approved by the independent members of the Board prior to finalization or implementation. The Board considers the experience and insight of the executive officers to be an asset in the Board's discussions and decisions relating to human resources and general compensation matters and relies on their input in matters that are not directly related to their own compensation.

Compensation Process

The Board relies on its knowledge and experience to set appropriate levels of compensation for senior officers. The Corporation does not currently have any contractual arrangement with any executive compensation consultant who has a role in determining or recommending the amount or form of senior officer or director compensation.

The Board reviews the various elements of the NEOs' compensation in the context of the total compensation package (including salary and prior awards under the Corporation's stock option plan (the "**Stock Option Plan**")) and determines the NEOs' compensation packages.

From time to time the Board grants Options as part of an officer's compensation or in recognition of the achievement of a particular goal or extraordinary service. The Board determines the particulars with respect to all options granted pursuant to the Stock Option Plan (the "**Options**"), including the exercise price of each Option awarded (see "Securities Authorized for Issuance Under Equity Compensation Plans" for details regarding the Stock Option Plan).

Compensation Program

Principles/Objectives of the Compensation Program

The primary goal of the Corporation's executive compensation program is to attract, motivate and retain top quality individuals at the executive level. The program is designed to ensure that the compensation provided to the Corporation's senior officers is determined with regard to the Corporation's business strategy and objectives and within the limited financial resources of the Corporation, such that the financial interests of the senior officers are matched with the financial interests of the shareholders.

Compensation Program Design and Analysis of Compensation Decisions

Standard compensation arrangements for the Corporation's senior officers are composed of the following elements, which are linked to the Corporation's compensation and corporate objectives as follows:

Compensation Element	**Link to Compensation Objectives**	**Link to Corporate Objectives**
Base Salary	Attract, retain and reward	Competitive pay ensures access to skilled employees necessary to achieve corporate objectives.
Stock Options	Motivate, reward and align interests with shareholders	Long-term incentives motivate and reward senior officers to increase shareholder value through the achievement of long-term corporate strategies and objectives.

2009 Performance and Compensation

The Corporation is an exploration stage mining company and will not be generating revenues from operations in the foreseeable future. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Board to be appropriate in the evaluation of corporate or NEO performance. The compensation of senior officers is based, in substantial part, on trends in the mining industry as well as achievement of the Corporation's business plans. The Board did not establish any quantifiable criteria in 2009 with respect to base salaries payable or the amount of equity compensation granted to NEOs and did not benchmark against a peer group of companies.

Base Salaries and Consulting Fees

The Corporation provides senior officers with base salaries, including consulting fees paid to the CEO and the CFO pursuant to arrangements described under "Termination and Change of Control Benefits" below, which represent their minimum compensation for services rendered during the fiscal year. NEOs' base salaries depend on the scope of their experience, responsibilities, leadership skills, performance, length of service, general industry trends, practices and competitiveness and the Corporation's existing financial resources. Base salaries are reviewed annually by the Board. There were no changes to base compensation in 2009.

Stock Options

The grant of Options is an integral component of the compensation packages of the senior officers of the Corporation. The Board believes that the grant of Options to senior officers and share ownership by such officers serve to motivate achievement of the Corporation's long-term strategic objectives and the result will benefit all shareholders. Options are awarded to employees of the Corporation by the Board, which bases its decisions regarding Option grants upon the level of responsibility and contribution of the individuals toward the Corporation's goals and objectives. The Board considers the overall number of Options that are outstanding relative to the number of outstanding common shares of the Corporation (the "**Common Shares**") in determining whether to make any new grants of Options and the size of such grants. See "Securities Authorized for Issuance Under Equity Compensation Plans" below for a detailed description of the Stock Option Plan.

Criteria for granting Options under the Stock Option Plan include:

(i) the performance of the Corporation;
(ii) the performance of the executive officer;

(iii) the level of responsibility of the executive officer;
(iv) the number of Options previously issued to the executive officer; and
(v) the difference between salaries and other compensation which such executive officer is receiving from the Corporation when compared to compensation they could earn in peer group companies in Canada.

No Options were granted to the NEOs in 2009.

Executive Compensation: Tables and Narrative

Summary Compensation Table

The following table provides a summary of the compensation earned by the NEOs for services rendered in all capacities during the fiscal years ended December 31, 2008 and December 31, 2009.

Name and Principal Position	Year	Salary ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)		Pension Value ($)	All other Compensation ($)	Total Compensation ($)
					Annual Incentive Plans	Long-term Incentive Plans			
Robert J. Kasner President and CEO	2009	150,000[1]	Nil	Nil	Nil	Nil	N/A	Nil	150,000
	2008	150,000[1]	Nil	Nil	Nil	Nil	N/A	Nil	150,000
David J. Layman[3] Vice-President and CFO	2009	150,000[2]	Nil	Nil	Nil	Nil	N/A	Nil	150,000
	2008	150,000[2]	Nil	Nil	Nil	Nil	N/A	Nil	150,000

Note:
(1) Pursuant to the Kasner Agreement (as defined below), R.J. Kasner Company Limited ("**KASCO**") is entitled to be paid $150,000 per year in respect of causing the services of Mr. Kasner as President and CEO to be provided to the Corporation. See "Termination and Change of Control Benefits" for details of the Kasner Agreement.
(2) Pursuant to the ASH Agreement (as defined below), Atlantic Settlement Holdings Corporation ("**ASH**") charged the Corporation $150,000 in respect of causing the services of Mr. Layman as co-CEO, Senior Vice-President and CFO, as applicable, to be provided to the Corporation during each of the financial years ended December 31, 2008 and December 31, 2009. The ASH Agreement was terminated on June 30, 2010 and the New ASH Agreement was entered into effective July 1, 2010. See "Termination and Change of Control Benefits" for details of the ASH Agreement and the New Ash Agreement.
(3) Mr. Layman served as co-CEO and Senior Vice-President from March 9, 2009 until June 30, 2010 and from December 14, 2007 until June 30, 2010, respectively, and has been the Vice-President and CFO of the Corporation since July 1, 2010 and December 14, 2007, respectively.

Incentive Plan Awards

The following table provides details regarding outstanding NEO option and share-based awards as at December 31, 2009:

Outstanding share-based awards and option-based awards

	Option-based Awards				Share-based Awards	
Name	**Number of securities underlying unexercised Options (#)**	**Option exercise price ($)**	**Option expiration date**	**Aggregate value of unexercised in-the-money Options[1] ($)**	**Number of shares or units that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**
Robert J. Kasner President and CEO	500,000	$0.60	April 10, 2011	Nil	Nil	N/A
David J. Layman Vice-President and CFO	400,000	$0.60	December 14, 2012	Nil	Nil	N/A

Note:
(1) These Options were not in-the-money on December 31, 2009 (based on the closing price of the Common Shares on the TSX of $0.015 on January 7, 2009, being the last day the Common Shares traded on the TSX).

Please see "2009 Performance and Compensation - Stock Options" for a discussion of the Stock Option Plan and determinations of awards during 2009. Please see "Securities Authorized for Issuance under Equity Compensation Plans" for details regarding the Stock Option Plan.

The following table provides details regarding outstanding NEO option-based awards, share-based awards and non-equity incentive plan compensation, which vested and/or was earned during the year ended December 31, 2009:

Incentive plan awards - value vested or earned during the year

Name	Option-based awards - Value vested during the year ($)	Share-based awards - Value vested during the year ($)	Non-equity incentive plan compensation - Value earned during the year ($)
Robert J. Kasner President and CEO	Nil	Nil	Nil
David J. Layman Vice-President and CFO	Nil	Nil	Nil

Termination and Change of Control Benefits

Pursuant to an agreement (the "**Kasner Agreement**") made effective as of January 1, 1995, as amended, between Greater Lenora Resources Corp. (a predecessor to the Corporation, hereinafter referred to as "**Greater Lenora**") and KASCO, Greater Lenora appointed KASCO to provide managerial and consultative services to the Corporation, including currently providing the services of Robert J. Kasner as President and CEO of Greater Lenora. As part of the plan of arrangement pursuant to the CBCA effective July 24, 2001 among Greater Lenora, 3796299 Canada Inc. and 3851419 Canada Inc., the Kasner Agreement was assumed by the Corporation. The Kasner Agreement may be terminated effective December 31st of any year by written notice given by either party on or prior to September 1st in such year. KASCO is to be paid a base rate of $150,000 per year, with an annual increase determined by KASCO and the Corporation. Pursuant to the Kasner Agreement, in the event that the Kasner Agreement is terminated or deemed to be terminated prior to the end of its term without KASCO's consent, KASCO is entitled to receive a lump sum payment equal to the aggregate amount to be paid under the Kasner Agreement in respect of the balance of the initial term of the Kasner Agreement, based on the annual fee being paid under the Kasner Agreement as at the date of termination or deemed termination, as applicable. The Kasner Agreement will be deemed to be terminated if a Fundamental Change (as defined below) occurs or if two or more persons are elected or appointed directors of the Corporation who are not nominees proposed by at least a majority of the incumbent directors of the Corporation for election or appointment at any meeting of shareholders or directors (a "**Kasner Change of Control**"). For these purposes, a "**Fundamental Change**" means a merger, consolidation or amalgamation which results in a person or group of persons beneficially owning securities carrying in the aggregate more than 20% of the votes which may be cast for the election of directors of the Corporation (other than any person or group of persons who beneficially owned such number of securities immediately prior to such transaction), a transaction or series of transactions pursuant to which the Corporation sells all or substantially all of its assets, or any change in the beneficial ownership of the securities of the Corporation which results in a person or group of persons beneficially owning securities carrying in the aggregate more than 20% of the votes which may be cast for the election of directors of the Corporation. If a Kasner Change of Control had occurred on December 31, 2009, the Corporation would have had to pay KASCO an aggregate of $150,000 pursuant to the Kasner Agreement.

Pursuant to a consulting services agreement (the "**ASH Agreement**") entered into on November 15, 2007 between the Corporation and ASH, ASH agreed to make David J. Layman available to the Corporation to serve in the capacity as the Corporation's Senior Vice-President and CFO for 85% of his time for an annual fee of $150,000. The contract was for an indefinite term subject to three months termination notice by either party. Under the terms of the ASH Agreement, ASH was entitled to be reimbursed for all reasonable expenses incurred in the performance of Mr. Layman's duties under the ASH Agreement. In the event of a change in control as defined as a merger, consolidation or amalgamation which results in a person or group of persons beneficially owing securities carrying in the aggregate more than 20% of the votes which may be cast for the election of directors of the Corporation (other than any person or group of persons who beneficially owned such number of securities immediately prior to such transaction) (an "**ASH Change of Control**"), ASH was entitled to an amount equal to 200% of the then annual base fee. If an ASH Change of Control had occurred on December 31, 2009, the Corporation would have had to pay ASH an aggregate of $300,000 pursuant to the ASH Agreement.

The ASH Agreement was terminated on June 30, 2010 and the Corporation, ASH and Mr. Layman entered into a new consulting agreement effective July 1, 2010 (the "**New ASH Agreement**"). Pursuant to the New ASH Agreement, ASH agreed, among other things, to provide the services of Mr. Layman to act as Vice-President and CFO of the Corporation for remuneration of $3,000 per month (excluding applicable taxes and deductions required by law). The New ASH Agreement terminates on July 1, 2011, subject to earlier termination without cause by the Corporation or ASH upon at least two months' written notice. The Corporation may also terminate the New ASH Agreement for cause in accordance with the provisions therein. If the New ASH Agreement is terminated by the Corporation without cause, any Options held by ASH at the date of such termination continue to vest and remain exercisable for at least twelve months following such termination, subject to any required regulatory or shareholder approval.

Director Compensation

Directors of the Corporation who are not officers did not receive and were not entitled to receive any fees for their services in 2009, other than as set out below.

For services rendered on the special committee formed to sell the Corporation's assets Messrs. John F. Cook, James S. Kermeen and Eike von der Linden were paid $35,000, $25,000 and US$25,000, respectively, in 2009.

Directors may receive Option grants as determined by the Board. The exercise price of such Options is determined by the Board as described under "Securities Authorized for Issuance under Equity Compensation Plans".

Directors are also entitled to receive compensation to the extent that they provided services to the Corporation at rates that would otherwise be charged by such directors for such services to arm's length parties or less. During the financial year ended December 31, 2009, there were no additional fees paid to Directors for such additional services.

Director Summary Compensation Table

The following compensation table sets out the compensation paid to each of the Corporation's directors (other than any directors who are also NEOs) in the year ended December 31, 2009:

Name	Fees earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	All other Compensation ($)	Total ($)
William R. Whitehead	Nil	Nil	Nil	Nil	Nil	Nil
James Kermeen	25.,000	Nil	Nil	Nil	Nil	25,000
John F. Cook	35,000	Nil	Nil	Nil	Nil	35,000
Eike von der Linden	25,000[1]	Nil	Nil	Nil	Nil	25,000[1]

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Notes:
(1) Such amount is stated in US$.

Incentive Plan Awards

The following table provides details regarding the outstanding option and share based awards held by directors (other than any directors who are also NEOs) as at December 31, 2009:

Outstanding share-based awards and option-based awards

Name	Number of securities underlying unexercised Options (#)	Option exercise price ($)	Option expiration date	Aggregate value of unexercised in-the-money Options[(1)(2)] ($)	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not vested ($)
William R. Whitehead	50,000	0.50	March 26, 2011	Nil	Nil	Nil
James Kermeen	50,000	0.50	March 24, 2011	Nil	Nil	Nil
John F. Cook	200,000	0.35	October 17, 2010	Nil	Nil	Nil
	200,000	0.40	September 14, 2011	Nil	Nil	Nil
Eike von der Linden	200,000	0.50	August 2, 2012	Nil	Nil	Nil

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Notes:

(1) All Options granted fully vested on grant.

(2) None of the Options were in-the-money on December 31, 2009 (based on the closing price of the Common shares on the TSX of $0.015 on January 1, 2009, being the last day the Common Shares traded on the TSX).

Please see "Securities Authorized for Issuance under Equity Compensation Plans" for details regarding the Stock Option Plan.

The following table provides details regarding the outstanding option and share based awards vested and exercisable by directors (other than the NEOs, who are also directors) during the year ended December 31, 2009:

Incentive plan awards - value vested or earned during the year

Name	Option-based awards - Value vested during the year ($)[(1)]	Share-based awards - Value vested during the year ($)	Non-equity incentive plan compensation - Value earned during the year ($)
William R. Whitehead	Nil	Nil	Nil
James Kermeen	Nil	Nil	Nil
John F. Cook	Nil	Nil	Nil
Eike von der Linden	Nil	Nil	Nil

_____

Notes:

(1) All Options granted fully vested on grant.

Securities Authorized For Issuance Under Equity Compensation Plans

The following table provides information as of December 31, 2009 with respect to the Common Shares that may be issued under the Stock Option Plan.

Plan Category	Number of securities to be issued upon exercise of outstanding Options, warrants and rights (a)	Weighted-average exercise price of outstanding Options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	1,730,000	$0.53	4,429,502
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
Total	1,730,000	$0.53	4,429,502

Stock Option Plan

The following is a summary of the material terms of the Stock Option Plan.

The purpose of the Stock Option Plan is to develop and increase the interest of certain Eligible Persons (as defined below) in the growth and development of the Corporation by providing them with the opportunity to acquire a proprietary interest in the Corporation through the grant of Options to purchase Common Shares.

Under the Stock Option Plan, Options may be granted to Eligible Persons. The term "**Eligible Person**" includes, subject to all applicable laws, directors, senior officers, employees and consultants of the Corporation (or any affiliate of the Corporation), and certain "Permitted Assigns" of the foregoing persons, including: (i) a trustee, custodian, or administrator acting on behalf of, or for the benefit of, such person; (ii) a personal holding corporation of such a person; (iii) a registered retirement savings plan (an "**RRSP**") or a registered retirement income fund (an "**RRIF**") established by or for such a person under which such a person is the beneficiary; (iv) a spouse of such a person; (v) a trustee, custodian, or administrator acting on behalf of, or for the benefit of, the spouse of such a person; (vi) a personal holding corporation of the spouse of such a person; or (vii) an RRSP or an RRIF established by or for the spouse of such a person under which the spouse of such person is the beneficiary.

The Stock Option Plan is administered by the Board of Directors.

The aggregate number of Common Shares which may be issued under the Stock Option Plan shall not exceed 10.0% of the aggregate number of Common Shares issued and outstanding (calculated on a non-diluted basis) from time to time. Any Option granted under the Stock Option Plan which has been exercised shall again be available for subsequent grant under the Stock Option Plan, effectively resulting in a re-loading of the number of Common Shares available for grant under the Stock Option Plan. Any Common Shares subject to an Option granted under the Stock Option Plan, which for any reason is surrendered, cancelled or terminated or expires without having been exercised, shall again be available for subsequent grant under the Stock Option Plan.

The purchase price (the "**Price**") per Common Share subject to each Option shall be determined by the Board. The Price shall not be lower than the closing market price on the stock exchange where the majority of the trading volume and value of the Common Shares occurs, on the trading day immediately preceding the date of the grant; provided that if the Common Shares have not traded on any stock exchange for an extended period of time, the "market price" will be the fair market value of the shares at the time of grant, as determined by the Board, but subject to any required regulatory approval.

Options shall be granted for a term determined by the Board on the date of grant (the "**Option Period**"). Options may be exercised by an Eligible Person in whole at any time, or in part from time to time, during the Option Period, subject to the provisions of the Stock Option Plan. Generally, Options granted under the Stock Option Plan may not be assigned or otherwise transferred by an Eligible Person other than to certain other Eligible Persons and Permitted Assigns or pursuant to a will or by the laws of descent and distribution. However, pursuant to the amendment

provision of the Stock Option Plan, the Board has the authority to amend the assignability and transferability provisions of the Stock Option Plan generally or any Options granted to any Eligible Person. Options granted under the Stock Option Plan may vest at the discretion of the Board.

By its terms, the Stock Option Plan may be amended by the Board without the consent of the shareholders, including amending the terms and conditions of Options, amending the categories of persons who are Eligible Persons and entitled to be granted Options, allowing the grant of financial assistance to optionees for the purpose of exercising Options, authorizing the addition of a cashless exercise feature (payable in cash or securities, which provides for a full deduction of the number of underlying securities from the Stock Option Plan reserve), changing the assignability or transferability of Options, and amendments of a housekeeping nature.

The Board may terminate the Stock Option Plan at any time.

Any Option granted pursuant to the Stock Option Plan, to the extent not validly exercised, will terminate on the earlier of :

(i) the date on which an optionee under the Stock Option Plan (an "**Optionee**") ceases to serve the Corporation (or any affiliate of the Corporation), as the case may be, as employee, senior officer, director or consultant of the Corporation for cause. If an Optionee ceases to serve the Corporation (or any affiliate of the Corporation) as an employee, senior officer, director or consultant for any reason other than for cause, generally, no Option held by such Optionee at the effective date thereof may be exercised by the Optionee following the date which is ninety (90) days after the date on which the Optionee ceases to serve the Corporation (or any affiliate of the Corporation), as the case may be, in such capacity;

(ii) one hundred and eighty (180) days after the date of the death of the Eligible Person during which period the Option may be exercised by the Eligible Person's legal representative or the person or persons to whom the deceased Eligible Person's rights under the Option shall pass by will or the applicable laws of descent and distribution, and only to the extent the Eligible Person would have been entitled to exercise the Option on the date of death; and

(iii) ninety (90) days after termination of the Eligible Person's employment by reason of permanent disability or retirement under any retirement plan of the Corporation or any Subsidiary, during which ninety (90) day period the Eligible Person may exercise the Option to the extent he was entitled to exercise it at the time of such termination, provided that if the Eligible Person shall die within such ninety (90) day period, then such right shall be extended to ninety (90) days following the date of death of the Eligible Person.

If the termination date of an Option falls during or within three business days of a blackout period, during which the policies of the Corporation prevent persons in a "special relationship" with the Corporation from trading in the securities of the Corporation, the expiry date for the Option will be extended for an additional period expiring on the tenth business day following the end of the blackout period. Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director or senior officer of the Corporation (or any affiliate of the Corporation), provided that the Optionee continues to be an Eligible Person.

The Stock Option Plan contains provisions for adjustment of the number of Common Shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of the Common Shares, a merger, or other relevant changes in the Corporation's capitalization. Currently, the Stock Option Plan does not contain any provision for financial assistance by the Corporation in respect of Options granted under the plan.

SCHEDULE 25.1(A) - ANNUAL FINANCIAL STATEMENTS
FOR EACH OF THE FISCAL YEARS ENDED DECEMBER 31, 2009, 2008 AND 2007

Financial Statements

Years Ended

December 31, 2009 and 2008

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements have been prepared by management who when necessary, has made informed judgments and estimates of the outcome of events and transactions, with due consideration given to materiality. Management acknowledges its responsibility for the fairness, integrity and objectivity of all information in the financial statements.

As means of fulfilling its responsibility, management relies on the company's system of internal control. This system has been established to ensure, within reasonable limits, that the assets are safeguarded, transactions are properly recorded and are executed in accordance with management's authorization and that the accounting records provide a solid foundation from which to prepare the financial statements.

The Board of Directors carries out its responsibility for the financial statements principally through the Audit Committee, consisting solely of independent, non-management directors. The Audit Committee has a written mandate that complies with the requirements of Canadian securities legislation. This committee meets at least quarterly, reviews the scope of the external audit, the adequacy of the system of internal control and the appropriateness of the financial reporting and then makes its recommendations to the Board of Directors. Based on those recommendations, the Board of Directors approves the financial statements.

Management's Assessment of Internal Control over Financial Reporting

Management is also responsible for establishing and maintaining adequate internal control over the Company's financial reporting. The internal control system was designed to provide reasonable assurance to the Company's management regarding the preparation and presentation of financial statements.

Management has assessed the effectiveness of the Company's internal control over financial reporting as at December 31, 2009. Based on management's evaluation, management has concluded that the Company's internal control over financial reporting was effective as at that date.

parker simone LLP, an independent firm of chartered accountants was appointed by a vote of shareholders at the Company's last annual meeting to audit and provide independent opinions on the Company's financial statements as at December 31, 2009, as stated in their auditors' report, parker simone LLP has provided such opinions.

Robert J. Kasner
President and Co-Chief Executive Officer

David J. Layman
Co-Chief Executive Officer and Chief Financial Officer

May 27, 2010

GLR RESOURCES INC.

parker simone LLP

Chartered Accountants
129 Lakeshore Road East
Suite 201 Mississauga Ontario
L5G 1E5
T 905 271.7977
F 905 271.7677

AUDITORS' REPORT

To the Shareholders
of GLR Resources Inc.

We have audited the balance sheets of GLR Resources Inc. as at December 31, 2009 and 2008 and the statements of operations and deficit, comprehensive loss, accumulated other comprehensive income (loss) and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2009 and 2008 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

parker simone LLP.

May 27, 2010
Mississauga, Ontario

Licensed Public Accountants

GLR Resources Inc.
Balance Sheets
(Canadian dollars)

As at December 31,	**2009** **$**	2008 $
Assets		
Current assets		
Cash and cash equivalents *(Note 3)*	**154,070**	114,963
Restricted cash (*Note 3*)	**582,589**	-
Taxes recoverable	**75,093**	4,106
Other receivables	**371,519**	3,948
Prepaid expenses *(Note 4)*	**1,946**	-
Assets held for sale *(Notes 5 and 14)*	**1**	300,001
Due from related parties *(Note 8)*	**9,773**	84,099
	1,194,991	507,117
Investments *(Note 2)*	**1,095,708**	25,089
Property, plant and equipment *(Note 6)*	**128,449**	6,970,944
Mineral properties and deferred expenditures *(Note 5)*	**1,936,657**	2,400,865
	4,355,805	9,904,015
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities *(Note 8)*	**954,875**	1,531,061
Promissory note payable *(Note 11)*	**-**	2,000,000
Current portion of long-term debt *(Note 7)*	**13,950**	-
	968,825	3,531,061
Long-term liabilities		
Long-term debt *(Note 7)*	**46,462**	-
	46,462	**-**
	1,015,287	3,531,061
Shareholders' equity		
Capital stock *(Note 9)*	**17,234,186**	17,764,186
Contributed surplus *(Note 10)*	**3,415,474**	3,415,474
Accumulated deficit	**(17,214,462)**	(14,797,182)
Accumulated other comprehensive loss	**(94,680)**	(9,524)
	3,340,518	6,372,954
	4,355,805	9,904,015

The accompanying notes are an integral part of these financial statements.

Approved by the Board:

"Robert J. Kasner"
Robert J. Kasner
Director

"John F. Cook"
John F. Cook
Director

GLR Resources Inc.
Statements of Operations and Deficit
(Canadian Dollars except share and per-share amounts)

Years Ended December 31,	**2009** **$**	2008 $
Revenues		
Management fees *(Note 8)*	**-**	331,539
	-	331,539
Operating expenses		
Restructuring costs	**1,079,069**	-
Bad debt expense *(Note 8)*	**78,292**	-
Interest, penalties and financing costs	**315,932**	861,537
Office and general *(Note 8)*	**135,090**	262,950
Public relations	**20,711**	56,160
Professional fees	**259,582**	345,430
Shareholder information	**8,049**	47,892
Consulting	**-**	246,290
Management fees, salaries and benefits	**158,814**	786,415
Foreign exchange (gain) loss	**(29,594)**	-
Write-down of mineral properties and deferred exploration expenditures *(Note 5)*	**1,156,884**	2,930,538
Write-off (recovery) of supplier deposits *(Note 14)*	**(300,000)**	4,929,735
Write-down of property, plant and equipment *(Note 6)*	**-**	1,631,698
Write-off of deferred finance charges	**-**	468,940
Stock-based compensation	**-**	59,402
	2,882,829	12,626,987
Other income (expense)		
Sale of Goldfields Mine assets	**6,942,135**	-
Cost of Goldfields Mine assets sold	**(6,972,397)**	-
Loss on sale of securities	**(34,609)**	-
Interest	**420**	37,883
	(64,451)	37,883
Net loss before taxes	**(2,947,280)**	(12,257,565)
Future income tax recoveries *(Note 12)*	**530,000**	1,255,312
Net loss for the year	**(2,417,280)**	(11,002,253)
Deficit at beginning of year	**(14,797,182)**	(3,794,929)
Deficit at end of year	**(17,214,462)**	(14,797,182)
Net loss per share–basic and fully diluted	**(0.04)**	(0.18)
Weighted average number of shares (000's) – basic and fully diluted	**63,595**	62,112

The accompanying notes are an integral part of these financial statements.

GLR Resources Inc.
Statements of Comprehensive Loss
and Accumulated Other Comprehensive Income (Loss)
(Canadian Dollars)

Year Ended December 31,	**2009** **$**	2008 $
Net loss	**(2,417,280)**	(11,002,253)
Other comprehensive income:		
Unrealized gain (loss) on available-for-sale securities	**(85,156)**	(73,000)
Total comprehensive loss	**(2,502,436)**	(11,075,253)

Accumulated other comprehensive income (loss) as at December 31,	**2009** **$**	2008 **$**
Accumulated other comprehensive income (loss), beginning of year	**(9,524)**	63,476
Unrealized gain (loss) on available-for-sale securities	**(85,156)**	(73,000)
Accumulated other comprehensive loss, end of year	**(94,680)**	(9,524)

The accompanying notes are an integral part of these financial statements.

GLR Resources Inc.
Statements of Cash Flows
(Canadian Dollars)

Year Ended December 31,	**2009** **$**	2008 $
Operations		
Net loss	**(2,417,280)**	(11,002,253)
Adjustments to reconcile net (loss) to cash flow from operating activities:		
Amortization	**1,652**	30,253
Write-down of mineral properties and deferred exploration expenditures	**1,156,884**	2,930,538
Write-off (recovery) of deposits held by suppliers	**(300,000)**	4,929,735
Write-down of property, plant and equipment	**-**	1,631,698
Write-off of deferred finance charges	**-**	468,940
Loss on disposal of Goldfields Mine assets	**30,262**	-
Bad debt expense	**78,292**	-
Loss on sale of securities	**34,609**	-
Stock-based compensation	**-**	59,402
Future income taxes (recoveries)	**(530,000)**	(1,255,312)
Net change in non-cash working capital items:		
Restricted cash	**(582,589)**	-
Taxes recoverable	**(70,987)**	64,308
Other receivables	**-**	(3,948)
Prepaid expenses and advances	**(1,946)**	45,629
Assets held for sale	**300,000**	13,000
Due from related parties	**(3,966)**	13,388
Accounts payable and accrued liabilities	**(576,187)**	663,721
Cash flow used in operating activities	**(2,881,256)**	(1,410,901)
Financing		
Issuance of common share (net of issuance costs)	**-**	3,945,125
Promissory note	**(2,000,000)**	
Long-term debt *(Note 7)*	**60,412**	-
Cash flow from (used in) financing activities	**(1,939,588)**	3,945,125
Investments		
Proceeds from sale of Goldfields Mine assets	**5,656,682**	-
Proceeds from sale of securities	**27,497**	-
Expenditures on mineral properties and deferred expenditures	**(682,048)**	(424,768)
Property, plant and equipment	**(142,180)**	(1,720,554)
Advances to suppliers	**-**	(2,027,680)
Cash flow from (used in) investing activities	**4,859,951**	(4,173,002)
Net increase (decrease) in cash and cash equivalents	**39,107**	(1,638,778)
Cash and cash equivalents at beginning of year	**114,963**	1,753,741
Cash and cash equivalents at end of year	**154,070**	114,963

Supplemental information (Note 16)

The accompanying notes are an integral part of these financial statements.

1. Nature of Operations and Going Concern

Nature of Operations

GLR Resources Inc. ("GLR" or the "Company") is a federally incorporated company. GLR holds a portfolio of grass roots exploration properties, which it continues to evaluate. Unless otherwise indicated all dollar amounts are expressed in Canadian currency.

The Company's Canadian exploration activities are mainly undivided interests in properties that are explored jointly with others. Accordingly, these financial statements reflect GLR's pro-rata share of the assets, liabilities, and expenditures of these undivided interests, as appropriate.

Going Concern

These financial statements are prepared in accordance with Canadian generally accepted accounting principles and on the assumption that the Company will be able to realize the carrying value of its assets and discharge its liabilities in the normal course of operations as a going concern. If the "going concern" assumption is not appropriate, then material adjustments may be necessary in the carrying amounts and/or classifications of assets and liabilities in these financial statements.

The recoverability of the amount shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of GLR to obtain the necessary financing to complete exploration and development, and upon future profitable production or proceeds from the disposition thereof, all of which are uncertain.

The Company's ability to discharge its liabilities and realize the carrying value of its assets in the normal course of operations is dependent upon, among other things, management's ability to raise the required amount of debt and/or equity financing and for profitable operations to be achieved. There can be no assurance that the Company will be successful with those initiatives.

Restructuring

During October 2007, GLR executed a promissory note (the "Note") providing for the repayment of $2 million dollars to Blackfish Capital (Master) Fund 1 SPC ("Blackfish"). The Note was secured by the assets of GLR. On March 30, 2009, the Company entered into a forbearance agreement with Blackfish as its cash on hand was insufficient to meet its current obligations. The forbearance agreement allowed GLR time to develop a restructuring plan to address debt, capital and cost structures in the best interest of all its stakeholders.

On January 7, 2009, shares of the Company were de-listed from trading on the Toronto Stock Exchange for failure to meet continued listing requirements. On April 27, 2009, the Ontario Securities Commission issued a permanent cease trade order that halted all trading in and all acquisitions of securities of GLR for failing to file continuous disclosure materials as required by Ontario securities law. This had the effect of severely limiting the Company's ability to raise funds in already distressed capital markets.

On May 26, 2009, GLR announced that it had entered into a definitive purchase and sale agreement with Linear Gold Corp. ("Linear") to sell its 100% interest in the Goldfields Mine, including the Box and Athona deposits, contiguous exploration property and plant and equipment (See also Note 15). Following court approval of this transaction on August 18, 2009, the sale closed on August 20, 2009. Upon closing of the transaction, Linear paid US$5.0 million, in cash, and issued 727,272 common shares of Linear.

On May 29, 2009, the Company filed a Notice of Intention with the Official Receiver to make a proposal to its creditors under the *Bankruptcy and Insolvency Act* ("BIA"). Paddon + Yorke Inc. ("PYI" or the "Trustee") was

1. Nature of Operations and Going Concern (continued)

appointed as proposal trustee under the BIA proceeding. GLR filed its proposal on June 5, 2009 and, subsequently filed certain amendments to the proposal on July 20, 2009 (the "Proposal").The Proposal is governed by and construed in accordance with the laws of Ontario and the federal laws of Canada.

On August 18, 2009, the Court approved the Proposal and the sale of its Goldfields assets to Linear. In addition and subject to certain conditions, GLR may receive post-closing reimbursement of deposits, aggregating approximately $2.8 million, made by GLR in respect of certain equipment contracts which were assigned to a wholly-owned subsidiary of Linear as part of the Transaction. The Transaction closed on August 20, 2009. Due to uncertainty with respect to receipt and timing of reimbursement of the deposits, the Company will recognize reimbursements when received. On December 31, 2009, Linear reimbursed GLR in the amount of $300,000 (See Note 14-Commitments and Contingencies).

After adjustments, Blackfish together with the unsecured creditors of GLR were fully repaid out of the Proposal proceeds and GLR was provided it with the ability to move forward with its other prospective projects.

2. Summary of Significant Accounting Policies

The accounting policies of the Company are in accordance with Canadian generally accepted accounting principles and their basis of application is consistent with that of the previous year, except as described below. Outlined below are those policies considered particularly significant.

Revenue Recognition

The Company recognized management revenue as earned as per an agreement between GLR and Strategic Resources Inc. ("SRI", formerly Uranium City Resources Inc.). Interest revenue is accrued as earned. Gains and losses realized on disposition of securities are recorded on a trade date basis.

Investments

Investments include 835,121 shares of RJK Explorations Inc. ("RJK"), 136 shares of SRI and 530,172 shares of Linear, all publicly-traded Canadian companies listed on the TSX and TSX-V. As at December 31, 2009, these available-for-sale investments have been measured at their fair value, as determined by the closing price of the securities on December 31, 2009. In late December 2009 GLR sold 530,172 Linear shares for net proceeds of $395,069, of which $367,572 was recorded as an other receivable at December 31, 2009.

Financial Instruments

All financial assets and liabilities are initially recognized at fair value. In subsequent periods, financial assets and liabilities which are held for trading are recorded at fair value with gains and losses recognized in the statement of operations; financial assets which are loans and receivables or held to maturity are recorded at amortized cost using the effective interest rate method and gains and losses recognized in the statement of operations; financial assets which are available-for-sale are recorded at fair value with gains and losses recognized (net of applicable taxes) in the statements of comprehensive income and accumulated other comprehensive income; financial liabilities that are not held for trading are recorded at amortized cost using the effective interest method and recognized in the statement of operations.

2. Summary of Significant Accounting Policies (continued)

Effective January 1, 2009, GLR adopted an amendment to CICA Handbook Section 3862, financial instruments, which requires disclosure about inputs to fair value measurements within fair value measurement hierarchy as follows:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
(ii) Level 2: inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly or indirectly;
(iii) Level 3: inputs for the asset or liability that are not based on observable market data.

The Company expenses transaction costs relating to its financial instruments.

Flow-Through Common Shares

The Company has financed a portion of its exploration activities in Canada through the issue of flow-through shares, which transfers the tax deductibility of Canadian exploration expenditures to the investor. Proceeds received on the issue of such shares are credited to capital stock. The related exploration costs, when incurred, are charged to mineral properties.

Resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with income tax legislation. The tax benefit forgone on renunciation of Canadian exploration expenditures to investors is charged to capital stock as a cost of equity financing when such amounts are renounced.

Mineral Properties

The exploration activities of the Company are directed towards the search, evaluation and development of mineral properties. Major expenditures are required to locate and establish ore reserves to develop metallurgical processes and to construct mining and processing facilities at a particular site.

The recoverability of values assigned to mineral interests is dependent upon discovery of economically recoverable reserves, confirmation of the Company's interest in the mineral claims, the ability to obtain necessary financing to complete development and future profitable production or proceeds from disposition. Management reviews the carrying value of the Company's interest in each property on an annual basis or whenever events or changes in circumstances indicate that their carrying amount may not be recoverable and, where necessary, these properties are written down to their estimated recoverable amount. It is reasonably possible that certain events could adversely affect management's estimates of recoverable amounts and the need for, as well as the amount of, provision for impairment in the carrying value of mineral interests and related assets.

The cost of acquisition of mineral interests and related exploration costs are deferred until the properties to which they relate are placed into production, sold or allowed to lapse or exploration activity on the relevant property has been dormant for three years. These costs will be amortized over the estimated useful life of the properties following commencement of commercial production. The Company does not accrue future costs to keep the properties in good standing. Administrative expenditures, not directly related to property maintenance, are charged to operations as incurred.

The Company recognizes government assistance in the form of mineral exploration and mining tax credits when the amounts to be received can be reasonably estimated and collection can be reasonably assured.

2. Summary of Significant Accounting Policies (continued)

The amount of mineral exploration and mining tax credit reduces the Company's capitalized mineral property costs.

The amounts shown for mineral properties and related deferred expenditures represent costs incurred to-date, less write-offs and recoveries, and do not necessarily reflect present or future values of particular properties.

Property, Plant and Equipment

Capital assets are recorded at cost less accumulated amortization. Amortization on corporate assets is provided on the declining balance basis at rates varying from 10% to 30% per year. Goldfields Mine assets are recorded at cost less accumulated amortization. Amortization was to be provided on these items using a unit-of production basis over their estimated useful lives. The cost is written down when a permanent decline in their value has occurred, and written off if abandoned. There was no amortization recorded on mining assets as the Company did not start commercial production.

Foreign Exchange

Monetary assets and liabilities have been translated at the exchange rate prevailing at the balance sheet dates. Income and expenses are translated at rates prevailing at the dates of the related transactions. Non-monetary assets, liabilities are translated at historic rates. Gains and losses on foreign exchange for the year are included in the statements of operations.

Income Taxes

GLR follows the asset and liability method of accounting for income taxes. Under this method of tax allocation, future income taxes are determined based on the differences between the financial reporting and tax bases of assets and liabilities. These income tax assets and liabilities are measured using the substantially enacted tax rates, in effect at the balance sheet date, in which the income tax assets and liabilities are expected to be settled or realized. A valuation allowance has been provided to the extent that it is more likely than not that future income tax assets will not be realized.

Net Loss per Share

Net loss per share is calculated based on the weighted average number of shares issued and outstanding during the quarter or year, as appropriate. In the years when the Company reports a net loss, the effect of potential issuances of shares under options and warrants would be anti-dilutive and, therefore, basic and diluted losses per share are the same. When fully-diluted loss per share is calculated, only those options and warrants with average exercise prices "in-the-money" are included.

Issuance of Options and Warrants

GLR records employee stock-based compensation and warrant issuances using the fair value method. Under the fair value method, stock-based payments are measured at the fair value of the equity instruments issued and are amortized over the vesting period. The offset to stock-based compensation in respect of stock option issuances is recorded to contributed surplus. Contributed surplus is relieved of these costs when the options or warrants associated with the contributed surplus are exercised.

The Company uses the Black-Scholes option pricing model to determine the fair value of all issued options and warrants. The table below summarizes the weighted average factors used with the Black-Scholes

2. Summary of Significant Accounting Policies (continued)

model for determining the value of the stock-based costs for the stock options and warrants issued in 2009 and 2008.

The weighted-averages used in the Black-Scholes option pricing method were as follows:

	2009	2008
Dividend Yield	-	-
Expected volatility	-	63.0%
Risk-free interest rate	-	3.4%
Expected life (years)	-	3

Asset Retirement Obligations

The fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred. Also, when the liability is initially recorded, a corresponding increase in the carrying amount of the related asset is recorded.

On an annual basis, the liability is increased by the discount interest factor that was applied in the initial measurement of fair value and the asset is amortized in accordance with the corresponding policy. The amount of the liability will be subject to re-measurement at the end of each reporting period. Any adjustment to this liability will impact the related asset. As at December 31, 2009 and 2008, the Company had no asset retirement obligations.

Impairment of Long-Lived Assets

Senior management periodically reviews the carrying value of mineral properties and deferred exploration costs to consider whether there are any conditions that may indicate impairment. Where estimates of future cash flows are available, a reduction in the carrying value is recorded to the extent the net book value of the mineral property exceeds the estimated fair value, which is normally the undiscounted value of future cash flows. Where estimates of future cash flows are not available and where other conditions suggest impairment, management assesses if carrying value can be recovered and provides for impairment if so indicated, by reducing the carrying value of the property to its estimated fair value.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results may differ from those estimates. Significant estimates and assumptions include those related to the recoverability of long-lived assets and future tax assets, estimated useful lives of capital assets, determinations as to whether costs are expensed or deferred and stock-based compensation valuation assumptions. Management believes these estimates to be reasonable.

GLR is subject to all of the risks normally associated with mining activities. Changes in estimates and assumptions will occur based on additional information and the occurrence of future events.

Cash and cash equivalents

Cash and cash equivalents include cash on deposit as at December 31, 2009 and 2008.

2. Summary of Significant Accounting Policies (continued)

Future Accounting Pronouncements

i) International Financial Reporting Standards ("IFRS")

In 2006, the Canadian Accounting Standards Board ("AcSB") published a strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB's strategic plan outlines the convergence of Canadian GAAP with IFRS over a five-year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Accordingly, the Company will be required to adopt IFRS on January 1, 2011. The transition will require the restatement, for comparative purposes, of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun to assess the adoption of IFRS for fiscal 2011, the financial reporting impact of the transition to IFRS is currently being evaluated.

(ii) Business Combinations

In January 2009, the CICA issued the new handbook Section 1582, Business Combinations, effective for fiscal years beginning on or after January 1, 2011. Earlier adoption of Section 1582 is permitted. This pronouncement further aligns Canadian GAAP with IFRS and changes the accounting for business combinations in a number of areas. It establishes principles and requirements governing how an acquiring company recognizes and measures in its financial statements identifiable assets acquired, liabilities assumed, any non-controlling interest in the acquire and goodwill acquired. The section also establishes disclosure requirements that will enable users of the acquiring company's financial statements to evaluate the nature and financial effects of its business combinations. Although the Company is considering the impact of adopting this pronouncement on its financial statements, it is expected to be limited to any future acquisitions beginning in fiscal 2011.

(iii) Consolidated Financial Statements and Non-controlling Interests

In January 2009, the CICA issued the new handbook Section, 1601, Consolidated Financial Statements, and Section 1602, Non-controlling Interests, effective for fiscal years beginning on or after January 1, 2011. Earlier adoption of these recommendations is permitted. These pronouncements further align Canadian GAAP with IFRS. Section 1601 and 1602 change the accounting and reporting for ownership interest in the subsidiaries held by parties other than the parent. Non-controlling interests are to be presented in the consolidated statement of financial position within the entity but separate from the parent's equity. The amount of consolidated net income attributable to the parent and to the non-controlling interest is to be clearly identified and presented on the face of the consolidated statement of operations. In addition, these pronouncements establish standards for a change in a parent's ownership interest in a subsidiary and the valuation of retained non-controlling equity investments when a subsidiary is de-consolidated. They also establish reporting requirements for providing sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the non-controlling owners. The Company does not expect that the adoption of these new Sections will have a material impact on its financial statements.

3. Cash, Cash Equivalents and Restricted Cash

The cash balance at December 31, 2009, contains cash on deposit of $154,070 (2008 - $114,963) and no cash equivalents.

3. Cash, Cash Equivalents and Restricted Cash (continued)

Restricted cash at December 31, 2009, consists of cash and certificates of deposit. This restricted cash is held in trust by the Trustee in its capacity as trustee in bankruptcy. Subsequent to year end, the Company reached a settlement with a former officer of the Company who appealed the disallowance of his claim (See Note 14-Commitments and Contingencies) which will allow the Trustee to disburse the remaining funds to GLR, net of costs incurred subsequent to year end.

4. Prepaid Expenses

The Company had prepaid $1,947, in respect of the January 2010 office rent, to a company controlled by the President of GLR.

5. Mineral Properties and Deferred Expenditures

The following table summarizes the Company's mineral properties and deferred expenditures for the year ended December 31, 2009:

	Opening Balance ($)	Additions ($)	Adjustments and disposals ($)	Net ($)
Stares, Ontario	790,722	-	(790,722)	**-**
Sackville, Ontario	-	311,436	-	**311,436**
Goldie, Ontario	498,519	13,306	-	**511,825**
Baldwin, Ontario	319,414	144,095	-	**463,509**
Kirkland West, Ontario	249,972	1,208	-	**251,180**
Casa Berardi, Quebec	29,480	233,224	-	**262,704**
Golden Pond, Saskatchewan	341,488	-	(341,488)	**-**
General and other	171,270	(9,462)	(25,805)	**136,003**
	2,400,865	693,807	(1,158,015)	**1,936,657**

The following table summarizes the Company's mineral properties and deferred expenditures for the year ended December 31, 2008:

	Opening Balance ($)	Additions ($)	Adjustments and disposals ($)	Net ($)
Stares, Ontario	785,461	5,261	-	**790,722**
Goldie, Ontario	430,402	68,117	-	**498,519**
Hurd McAuley, Ontario	457,237	27,475	(484,712)	**-**
Baldwin, Ontario	313,661	5,753	-	**319,414**
Kirkland West, Ontario	248,148	1,824	-	**249,972**
Martin Lake, Saskatchewan	127,243	-	(127,243)	**-**
Golden Pond, Saskatchewan	32,269	309,219	-	**341,488**
Dubnick Triangle, Saskatchewan	144,623	20,000	(164,623)	**-**
General and other	219,844	4,687	(23,781)	**200,750**
	2,758,888	442,336	(800,359)	**2,400,865**

5. Mineral Properties and Deferred Expenditures (continued)

Effective January 9, 2009, GLR sold its Hurd McCauley property for $300,000 in cash. During 2008, the carrying value of the property was written down to the amount realized on its sale and recorded as an asset held for sale. In addition, the purchasers agreed to assume the underlying royalty obligation and to pay GLR a 2% net smelter royalty on future production.

Pursuant to a re-instated option agreement in respect of its Boudreault property, the Company made a $10,000 payment. In order to exercise its right to acquire the Boudreault property under the re-instated option, GLR is required to make a cash payment of $15,000 and issue 25,000 shares in the capital of the Company on or before December 1, 2010.

During 2009, GLR received a refund of a $30,440 deposit in lieu of work in respect of the Martin Lake, Saskatchewan Project.

6. Property, Plant and Equipment

	2009			2008		
	Cost	**Accumulated Amortization**	**Net Book Value**	Cost	Accumulated Amortization	Net Book Value
	$	**$**	**$**	$	$	$
Goldfields Mine						
Property	-	-	**-**	6,029,536	-	6,029,536
Buildings	-	-	**-**	898,150	-	898,150
Equipment	-	-	**-**	15,000	-	15,000
Corporate						
Exploration equipment	121,843	-	**121,843**	20,000	-	20,000
Office furniture and fixtures	36,776	30,170	**6,606**	36,776	28,518	8,258
	158,619	28,518	**128,449**	6,999,462	28,518	6,970,944

There was no amortization recorded on the Goldfields mine assets as the Company did not start commercial production.

7. Long-term Debt

Long-term debt arises from the purchase of a truck during December 2009 for use in operations by the President of the Company. The loan is for a period of 48 months, is fully secured and bears interest at the rate 5.9% per annum.

8. Related Party Transactions

The financial statements include balances and transactions with directors and/or officers of the Company and/or corporations related to or controlled by them. These transactions are measured and recorded at their exchange amounts, being the amounts agreed to by the related parties.

8. Related Party Transactions (continued)

	2009	2008
Transactions during the year:	$	$
Exploration expenditures	**49,234**	52,683
Management and professional fees	**393,000**	362,618
Administrative costs	**24,126**	22,245
Automotive equipment	**17,000**	-
Management fees received	**-**	331,539
Related party advances and fees receivable:	$	$
Management fees	**-**	76,720
Other (non-interest bearing, no fixed terms of repayment)	**9,128**	7,379
	9,128	84,099
Related party payables included in:	$	$
Accounts payable and accrued liabilities	**101,699**	43,061

Exploration expenditures were indirectly paid to the brother of a director and President of GLR. During 2009, the Company indirectly paid $306,250 to senior officers of the Company for management services rendered and $86,750 to three directors in their capacity as members of the Special Committee. During 2008, managment fees include amounts paid to the former Chief Financial Officer of the Company during the transition period. Administrative expense is comprised of rent paid to a company controlled by the President of the Company (See Note 14-Commitments and Contingencies). GLR was entitled to a management fee calculated as a percentage of expenditures incurred on certain properties on which SRI conducted exploration. During 2008, UCR and GLR had two common directors and one common officer. The management agreement with UCR was terminated effective December 31, 2008. During 2009 GLR provided for 100% of UCR's unpaid management fees of 78,292 as a bad debt.

Other related party receivables are miscellaneous expense advances for which expense reports have not cleared at period end.

Accounts payable is comprised of $75,750 payable to members of the Special Committee for fees earned during the period that the Company was subject to the forbearance agreement with Blackfish and BIA proceedings. The remainder consists of fees payable in respect of exploration costs and the purchase of a truck at a cost of $17,000 from the brother of the President. The latter cost was not incurred in the normal course of business.

9. Capital Stock

Share Capital

GLR's authorized share capital consists of an unlimited number of Class A Voting Common Shares, and an unlimited number of non-voting, redeemable Class B Preferred Shares, Series A. This series is redeemable by the Company, in whole or in part, at the rate of $1,000 per Series A share. The holders of the Series A shares are not entitled to dividends.

9. Capital Stock (continued)

The issued Class A Voting Common Share capital is as follows:

	Number of Shares	$
Balance at December 31, 2007	**53,868,024**	**14,968,061**
Issued for:		
Cash: Private placements (net of issuance costs of $345,675)	**9,727,000**	3,945,125
Future income taxes	**-**	(810,000)
Value of Broker Warrants issued	**-**	(339,000)
Balance at December 31, 2008	**63,595,024**	17,764,186
Future income taxes	-	(530,000)
Balance at December 31, 2009	**63,595,024**	**17,234,186**

The 2008 share issue costs consist of fees paid to the participating agents at 6% of the gross proceeds raised ($4,290,800) totalling $256,680 and legal costs of $88,995.

Details of the Private Placements completed for the year ended December 31, 2008:

Month of issuance	February/March-08	February/March-08
Type of security issued	Units	Flow-through shares
Number of shares Issued	5,727,000	4,000,000
Number of units issued to unit holders	5,807,400	-
Number of Agent Units issued	541,500	-
Gross cash proceeds	$2,290,800	$2,000,000
Units entitle holders to:		
Common shares	5,727,000	-
Common share purchase warrants	2,512,500	-
Exercise price of one full purchase warrant	$0.60	-
Agent Units entitle holder to acquire:		
Common shares	541,500	-
Agent Unit warrants	541,500	-
Exercise price of Agent Unit warrant	$0.44	-
Agent Units entitle holder to acquire:		
Common shares	270,750	-
Exercise price of Agent Unit warrant	$0.60	-
Expiry date of warrants	Feb-Mar-10	-

9. Capital Stock (continued)

During February, 2008, the Company completed a brokered private placement for aggregate gross proceeds of $4,010,000 through the sale of 4,000,000 flow-through Class A shares at a price of $0.50 per Class A share and 5,025,000 units of the Company at a price of $0.40 per unit. Each unit is comprised of one Class A share of the Company and one-half of one share purchase warrant (each such whole share purchase warrant, a "Warrant"). Each Warrant entitles the holder to purchase one share of the Company at a price of $0.60 for a period of 24 months. The Warrants were valued at $169,000 using the Black- Scholes option pricing model with a risk-free rate of 3.05%, expected volatility of 56.24% and expected life of 2 years.

The Company paid the agents a cash commission of $240,600 and granted them non-transferable warrants (each, an "Agent Warrant") to purchase an aggregate of up to 541,500 units of the Company (each, an "Agent Unit"). Each Agent Warrant entitles the holder thereof to purchase on Agent Unit for a period of 24 months at an exercise price of $0.44 per unit. Each Agent Unit is comprised of one Class A share and one–half of one share purchase warrant (each such whole share purchase warrant, an "Agent Unit Warrant"). Each Agent Unit Warrant entitles the holder thereof to purchase one Class A share at a price of $0.60 for a 24-month period. The Agent Unit Warrants were valued at $91,000 using the Black- Scholes option pricing model with a risk-free rate of 3.05%, expected volatility of 56.24% and expected life of 2 years.

During March, 2008, the Company completed a non-brokered private placement for aggregate gross proceeds of $280,800 through the sale of 702,000 units of the Company at a price of $0.40 per unit. Each unit is comprised of one Class A share of the Company and one-half of one share purchase warrant (each such whole share purchase warrant, a "Warrant"). Each Warrant entitles the holder to purchase one share of the Company at a price of $0.60 for a period of 24 months following closing. The Warrants were valued at $28,000 using the Black- Scholes option pricing model with a risk-free rate of 3.05%, expected volatility of 56.31% and expected life of 2 years.

The Company paid the agents finders' fee of $16,080 and granted them non-transferable warrants (each, an "Agent Warrant") to purchase an aggregate of up to 40,200 units of the Company (each, an "Agent Unit"). Each Agent Warrant entitles the holder thereof to purchase on Agent Unit for a period of 24 months at an exercise price of $0.44 per unit. Each Agent Unit is comprised of one Class A share and one-half of one share purchase warrant (each such whole share purchase warrant, an "Agent Unit Warrant"). Each Agent Unit Warrant entitles the holder thereof to purchase one Class A share at a price of $0.60 for a 24-month period following closing. The Agent Unit Warrants were valued at $7,000 using the Black- Scholes option pricing model with a risk-free rate of 3.05%, expected volatility of 56.31% and expected life of 2 years.

Warrants

The outstanding warrants at December 31, 2009 to purchase Class A Voting Common Shares are summarized as follows:

Month of Expiry	No. of Warrants	Exercise Price $
February 2010	3,324,750	0.60
March 2010	391,200	0.60
	3,715,950	**0.60**

Subsequent to December 31, 2009, all warrants expired unexercised.

9. Capital Stock (continued)

Options

GLR has a stock option plan (the "Plan") pursuant to which options to purchase Class A Voting Common Shares may be granted to certain officers, directors and employees. The plan allows for the issuance of up to 10% of the aggregate number of Class A Common Shares issued and outstanding from time-to-time. As at December 31, 2009 the Company had 4,229,502 (2008 – 3,409,502) options available for issuance. A continuity of the unexercised options to purchase Class A Voting Common Shares is as follows:

	2009		2008	
	Weighted Average Exercise Price ($)	**No. of Options**	Weighted Average Exercise Price ($)	No. of Options
Outstanding at beginning of year	0.52	2,950,000	0.52	4,500,000
Transactions during the year:				
Exercised	-	-	-	-
Granted	-	-	0.18	100,000
Forfeited	0.51	(475,000)	-	-
Expired	0.46	(345,000)	0.51	(1,650,000)
Outstanding at end of year	**0.53**	**2,130,000**	**0.52**	**2,950,000**
Exercisable at end of year	**0.53**	**2,130,000**	**0.52**	**2,850,000**

The following table provides additional information about outstanding stock options at December 31, 2009.

Range of Exercise Prices	**No. of Options Outstanding**	**Weighted Average Remaining Life (Years)**	**Weighted Average Exercise Price ($)**
$0.35	200,000	0.8	0.35
$0.40	230,000	1.6	0.40
$0.50 - $0.60	1,630,000	1.8	0.57
$0.70	70,000	2.8	0.70
$0.18 - $0.70	**2,130,000**	**1.7**	**0.53**

10. Contributed Surplus

	$
Balance at December 31, 2007	**3,017,072**
Value of options issued	59,402
Value of warrants issued	339,000
Value transferred on exercised options and warrants	-
Balance at December 31, 2008 and 2009	**3,415,474**

11. Promissory Note

On October 31, 2007, the Company executed a secured promissory note (the "Note") providing for the repayment of $2 million dollars to Blackfish, a fund related to Investec. The Note bore interest, payable at the end of each month, at LIBOR plus 0.5% per 30-day period and matured on October 30, 2008. The Note was secured by all the tangible personal property, assets and rights of the Company.

On January 13, 2009, Blackfish issued a *Notice of Intention to Enforce Security* pursuant to the BIA and demanded repayment of the Note, interest accrued thereon plus expenses incurred in enforcing collection on the Note. (See Note 1-Nature of Operations and Going Concern, Restructuring).

On March 10, 2009, in response to the Blackfish demand for repayment of the Note, GLR applied for protection from its creditors pursuant to the *Companies' Creditors Arrangement Act* (Canada) ("CCAA"). The CCAA filing was intended to prevent Blackfish from seizing the Company's assets and liquidating the Company when management and the board believed that greater value could be obtained for all stakeholders through an orderly sale process or recapitalization transaction. The CCAA application, originally returnable March 11, 2009, was adjourned several times pending further discussion with Blackfish which negotiations resulted in GLR and Blackfish entering into a forbearance agreement effective March 30, 2009. The forbearance agreement provided that Blackfish forbear from exercising its rights and remedies against the Company in order to permit the Company and Blackfish, in consultation with Investec, to conduct a sales process to sell the Company's assets to purchasers to generate proceeds to pay the obligations owing by the Company to Blackfish and other indebtedness, or to otherwise restructure the Company's affairs to generate cash proceeds to retire the Company's indebtedness. The CCAA application was eventually dismissed at the same time as the Proposal was approved pursuant to the BIA.

On May 26, 2009, GLR announced that it had entered into a definitive purchase and sale agreement with Linear to sell its 100% interest in the Goldfields Mine, including the Box and Athona deposits, contiguous exploration property and plant and equipment (See also Note 5-Mineral Properties and Deferred Expenditures and Note 6-Property, Plant and Equipment). Following court approval of this transaction on August 18, 2009, the sale closed on August 20, 2009. Upon closing of this transaction, GLR received US$5.0 million, in cash, and 727,272 common shares of Linear. A portion of the proceeds were used to repay all indebtedness to Blackfish.

12. Income Taxes

The Company has $7,057,178 (2008 - $7,728,000) of unused CEE and CDE expenses available to offset future taxable income. The tax benefits pertaining to these expenses are available to carry forward indefinitely. The Company also has $3,663,677 (2008 - $2,023,000) of loss carry-forwards and financing costs available to offset future taxable income. The tax benefits pertaining to these expenses are available to carry-forward for 20 years.

12. Income Taxes (continued)

GLR's future income tax asset in 2009 and 2008 results from the tax effects of temporary differences between the book value of its mineral properties capitalized for accounting purposes and the amount capitalized for income tax purposes.

Future Income Taxes Recoverable

The income tax provision differs from that computed using the statutory tax rates for the following reasons:

	December 31, 2009	December 31, 2008
	($)	($)
Expected income tax (recovery) loss at federal and provincial statutory rates	**(972,602)**	(4,106,284)
Change in tax rates	**265,444**	(490,219)
Financing costs	**(87,758)**	139,963
Expenses capitalized for tax purposes	**56,275**	1,730,585
Non-deductible expenses	**64,375**	-
Recognition of tax asset not previously recognized	**-**	(1,255,312)
Share issue costs	**(530,000)**	(1,255,312)
Write down of mineral properties, property, plant, equipment	**381,952**	1,528,347
Stock-based compensation	**-**	19,900
Sale of assets	**271,831**	-
Other	**(13,069)**	(13,650)
Change in valuation allowance	**33,552**	2,446,670
Future income taxes recoveries	**(530,000)**	(1,255,312)

Future Income Tax Asset

The tax effects of temporary differences that give rise to the future tax assets and liabilities are:

	December 31, 2009	December 31, 2008
Future income tax assets:	**($)**	($)
Mineral property, plant and equipment	**1,291,650**	1,452,112
Financing arrangements	**167,620**	260,554
Loss carryforwards	**807,840**	586,568
Unrealized losses on "available-for-sale" investments	**146,008**	147,436
Future income tax asset before valuation allowance	**2,413,118**	2,446,670
Valuation allowance	**(2,413,118)**	(2,446,670)
	-	**-**

13. Financial Instruments and Risk Management

The Company's financial assets and liabilities consist of cash and cash equivalents, restricted cash, accounts receivable, due from related parties, investments, accounts payable and accrued liabilities and long-term debt. Cash is classified as held-for-trading and is carried at fair value.

Fair Value of Financial Assets and Liabilities

The carrying amounts of the Company's financial assets and liabilities, exclusive of available-for-sale investments, approximate fair values because of the limited term of these instruments. Investments classified as available-for-sale are measured at their fair values using level 1 quoted prices in an active market. The Company has made the following classifications:

	As at December 31, 2009			
Designation of financial assets	**Held for trading ($)**	**Loans and receivables ($)**	**Available-for-sale securities ($)**	**Total ($)**
Cash and cash equivalents	154,070	-	-	**154,070**
Restricted cash	-	582,589	-	**582,589**
Receivables	-	446,612	-	**446,612**
Due from related parties	-	9,773	-	**9,773**
Investments	-	-	1,095,708	**1,095,708**
Total	154,070	1,038,974	1,095,708	**2,288,752**

	As at December 31, 2009		
Designation of financial liabilities	**Held for trading ($)**	**Other financial liabilities ($)**	**Total ($)**
Accounts payable and accrued liabilities	-	954,875	**954,875**
Long-term debt	-	60,412	**60,412**
Total	-	1,015,287	**1,015,287**

Risk Management of Financial Assets and Liabilities

The Company's financial instruments are exposed to certain financial risks.

a) Currency risk

The Company operates solely in Canada; however, a portion of the Company's capital expenditures are denominated in the United States dollar and a significant portion of the Company's operating costs are denominated in the Canadian dollar. As a consequence, the Company is exposed to currency fluctuations relative to the United States dollar. A significant change in the currency exchange rate between the United States dollar and the Canadian dollar would affect the realizable amount of the United States dollar proceeds realized on the sale of sale of assets to Linear and, consequently, the results of operations, financial position and cash flows. The Company has not hedged its exposure to the United States dollar.

13. Financial Instruments and Risk Management (continued)

b) Interest rate risk

The amount due to Blackfish bore interest at 30-day LIBOR plus 0.5%. As the loan has been paid, the Company has no continuing, material exposure to changes in interest rates. The truck financing loan described in Note 7-Long-term debt bears interest at a fixed rate.

The Company is not exposed to any significant interest rate risk due to the short-term maturity of its monetary assets and liabilities and or fixed interest rates.

c) Credit risk

The Company is exposed to credit risk as a consequence of its restructuring under the BIA. The ability of the Company to finance its operations will be affected by its credit rating and perception in the marketplace that the Company may not be able finance development and exploration of its prospects.

d) Derivatives – mineral properties

The Company retains and/or has obligations related to certain carried interest rights and net smelter royalties ("NSR"), the value of which is derived from future events and commodity prices. These rights are derivative instruments. However, the mineral property interests to which they relate are not sufficiently developed to reasonably determine value.

e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages liquidity risk through the management of its capital structure and continuously monitors its capital expenditures and cash used in operations. To the extent that the Company does not have sufficient liquidity to meet its obligations, management will consider securing additional funds through debt or equity transactions. At December 31, 2009, credit risk magnified the liquidity risk that certain suppliers may not provide future services.

f) Price risk

Price risk is remote as the Company is not a producing entity.

14. Commitments and Contingencies

The Company may become subject to tax audits of the flow-through expenditures renounced to investors; however, the Company believes that all Canadian Exploration Expenditures were effected and renounced in compliance with the prescribed regulations of the *Income Tax Act (Canada*).

Pursuant to the Proposal to creditors and approval by the Court of the Company's restructuring plan (See Note 1-Restructuring), all creditors were paid during September 2009, except those claims which were disallowed by the Trustee. One creditor, who is a former officer of the Company, appealed the disallowance of his claim for severance, punitive damages and reimbursement of legal costs. The claim amount for severance, aggregating $360,000 was accrued in the accounts during 2008. During May 2010, the Company and the former officer reached a settlement whereby the Company delivered $125,000, in cash, and equipment which had been previously written down to $1 and classified as held for sale. The accrual for settlement was adjusted and the statement of operations credited for the excess salaries previously

14. Commitments and Contingencies (continued)

accrued. Subsequent to year end and pursuant to a settlement agreement, the Trustee paid the cash portion to settle the claim and the Company executed a bill of sale that delivered the equipment to the former officer. As part of the settlement, each of the former officer and the Company released each other from further claims.

The Transaction with Linear anticipates partial reimbursement of deposits made to certain suppliers for which reimbursement is dependent on Linear taking delivery of the related plant and equipment. Pursuant to agreements negotiated with Linear, the Company may receive approximately $996,000 and US$1.8 million at future dates. Terms of the Transaction with Linear resulted in Linear assuming GLR's contractual obligations to two major suppliers. On December 31, 2009, GLR received a $300,000 reimbursement from Linear. The remaining amounts will be reimbursed to GLR once the related equipment is available for delivery from the respective suppliers. Reimbursements will be recognized in the accounts when received due to uncertainty in respect of Linear's procurement plans.

Subsequent to year end, GLR signed a one-year lease extension on the Kirkland Lake premises. Pursuant to the terms of the renewed lease agreement, the Company is committed to paying approximately $22,245, during 2010, to a company owned by the President of GLR.

15. Management of Capital

The Company considers in its management of capital all components included in shareholders' equity and its debt obligations. Its objectives are to ensure that the Company will continue to operate as a going concern in order to pursue the development if its mineral interests, to sustain future development and growth as well as to maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk.

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. In order to maintain or adjust the capital structure, the Company may issue shares, seek debt financing, or acquire or dispose of assets. The Company, on approval from the Board of Directors, will make changes to its capital structure as deemed appropriate under specific circumstances.

During its 2009 restructuring under the Bankruptcy and Insolvency Act, the Company was subject to certain externally imposed capital restraints in respect of its debt obligations. On January 7, 2009, shares of the Company were de-listed from trading on the Toronto Stock Exchange for failure to meet continued listing requirements. On April 27, 2009, the Ontario Securities Commission issued a permanent cease trade order that halted all trading in and all acquisitions of securities of GLR for failing to file continuous disclosure materials as required by Ontario securities law. Until the Company causes the Ontario Securities Commission to lift the permanent cease trade order the Company does not have the ability to enter the equity market. (See Note 1).

16. Supplemental Cash Flow Information

	2009 $	2008 $
Income taxes paid	-	-
Interest paid	30,852	87,007
Future income taxes-		
Future tax benefit forgone by issuance of flow-through shares	-	810,000
Capital stock-		
Warrants issued for financial services	-	(339,000)
Future income taxes	(530,000)	(810,000)
Contributed surplus-		
Warrants issued for financial services	-	339,000
Stock options issued	-	59,402

SCHEDULE 25.1(B) - INTERM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2010

Financial Statements

June 30, 2010
(Unaudited)

Notice to Reader:

The unaudited interim financial statements of GLR Resources Inc. ("Company") as at and for the three and six months ended June 30, 2010 and 2009 ("Financial Statements") have been prepared by management and have not been reviewed by the Company's auditors. The Financial Statements should be read in conjunction with the audited financial statements as at and for the year ended December 31, 2009 which are available on the SEDAR website at www.sedar.com. The Financial Statements are presented in Canadian dollars, unless otherwise indicated, and are prepared in accordance with Canadian generally accepted accounting principles.

GLR Resources Inc.
Balance Sheets
(Canadian dollars)

(Unaudited)	June 30 2010 $	December 31 2009 $
Assets		
Current assets		
Cash and cash equivalents	**285,890**	154,070
Restricted cash	**583,213**	582,589
Taxes recoverable *(Note 3)*	**15,204**	75,093
Other receivables	**4,165**	371,519
Prepaid expenses and advances	**10,054**	1,946
Assets held for sale	**1**	1
Due from related parties *(Note 6)*	**10,415**	9,773
	908,942	1,194,991
Investments	**37,616**	1,095,708
Property, plant and equipment *(Note 5)*	**115,907**	128,449
Mineral properties and deferred expenditures *(Note 4)*	**2,530,842**	1,936,657
	3,593,307	4,355,805
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities *(Note 6)*	**653,529**	954,875
Current portion of long-term debt *(Note 9)*	**14,411**	13,950
	667,940	968,825
Long-term liabilities		
Long-term debt *(Note 9)*	**39,112**	46,462
	39,112	46,462
	707,052	1,015,287
Shareholders' equity		
Capital stock *(Note 7)*	**17,234,186**	17,234,186
Contributed surplus *(Note 8)*	**3,415,474**	3,415,474
Accumulated deficit	**(17,766,408)**	(17,214,462)
Accumulated comprehensive income (loss)	**3,003**	(94,680)
	2,886,255	3,340,518
	3,593,307	4,355,805

Commitments and contingencies (Notes 1 and 10)

The accompanying notes are an integral part of these financial statements.

GLR RESOURCES INC.
STATEMENTS OF OPERATIONS AND DEFICIT
(Canadian dollars except share and per share amounts)

(Unaudited)	**Three months ended June 30**		**Six months ended June 30**	
	2010	2009	**2010**	2009
	$	$	**$**	$
Operating Expenses				
Amortization	**5,339**	413	**12,542**	826
Office and general *(Note 6)*	**21,298**	36,652	**44,454**	71,678
Interest expense and finance fees	**168**	94,010	**1,636**	137,678
Public relations	**501**	1,391	**(1,396)**	13,678
Professional fees	**13,309**	48,511	**41,453**	75,573
Shareholder information	**14,907**	1,343	**40,655**	11,701
Restructuring costs	**-**	598,457	**5,781**	610,564
Salaries, fees and benefits	**94,419**	104,983	**187,237**	201,901
Write-down of mineral properties	**20,176**	-	**20,176**	-
Other	**1,050**	(269)	**41**	1,541
	171,167	885,491	**352,579**	1,125,140
Other income (expense)				
Loss on sale of securities	**-**	-	**(200,020)**	-
Interest	**592**	294	**653**	384
	592	294	**(199,367)**	384
Net loss for the period	**(170,575)**	(885,197)	**(551,946)**	(1,124,756)
Deficit, beginning of period	**(17,595,833)**	(15,036,741	**(17,214,462)**	(14,797,182)
Deficit, end of the period	**(17,766,408)**	(15,921,938	**(17,766,408)**	(15,921,938)
Net loss per share–basic and fully diluted	**(0.00)**	(0.01)	**(0.01)**	(0.02)
Weighted average number of shares (000's) – basic and fully diluted	**63,595**	63,595	**63,595**	63,595

The accompanying notes are an integral part of these financial statements.

GLR Resources Inc.
Statements Comprehensive Income (Loss) and Accumulated Other Comprehensive Income (Loss)
(Canadian Dollars)

(Unaudited)	Three months ended June 30		Six months ended June 30	
	2010	2009	**2010**	2009
	$	$	**$**	$
Net loss	**(170,575)**	(885,197)	**(551,946)**	(1,124,756)
Other comprehensive income (loss):				
Gain (loss) on available-for-sale securities, net of tax benefit	**4,176**	25,053	**(91,683)**	41,756
Total comprehensive loss	**(166,399)**	(860,144)	**(643,629)**	(1,083,000)

(Unaudited)	Three months ended June 30		Six months ended June 30	
	2010	2009	**2010**	2009
	$	$	**$**	$
Accumulated other comprehensive income (loss), beginning of period	**(7,179)**	7,179	**94,680**	(9,524)
Gain (loss) on available-for-sale securities, net of tax benefit	**4,176**	25,053	**(97,683)**	41,756
Accumulated other comprehensive income (loss), end of period	**(3,003)**	32,232	**(3,003)**	32,232

The accompanying notes are an integral part of these financial statements.

GLR Resources Inc.
Statements of Cash Flow
(Canadian Dollars)

(Unaudited)	Three months ended June 30		Six months ended June 30	
	2010	2009	**2010**	2009
	$	$	**$**	$
Operations				
Net loss	**(170,575)**	(885,197)	**(551,946)**	(1,124,756)
Adjustments to reconcile net income (loss) to cash flow from operating activities:				
Amortization	**5,339**	413	**12,542**	826
Loss on sale of Linear Gold shares	**-**		**200,020**	
Write-down of mineral properties	**20,176**	-	**20,176**	-
	(145,060)	(884,784)	**(319,208)**	(1,123,930)
Net change in non-cash working capital items:				
Restricted cash	**(5)**	(52,758)	**(624)**	(52,758)
Taxes recoverable	**112,262**	(9,862)	**59,889**	(11,614)
Other receivables	**(218)**	-	**(218)**	(418)
Prepaid expenses and advances	**-**	150,000	**(8,108)**	-
Assets held for sale	**-**	-	**-**	300,000
Due from related parties	**(1,241)**	3,348	**(642)**	2,193
Accounts payable and accrued liabilities	**(134,879)**	688,635	**(301,346)**	790,635
Cash flow used in operating activities	**(169,141)**	(112,421)	**(570,257)**	(95,892)
Financing activities				
Long-term debt	**(3,460)**	-	**(6,889)**	-
Cash flow from financing activities	**(3,460)**	-	**(6,889)**	-
Investing activities				
Expenditures on resource assets and mineral properties	**(66,039)**	(11,287)	**(614,361)**	5,021
Property, plant and equipment	**-**	(243)	**-**	(17,368)
Proceeds from sale of Linear Gold shares	**-**	-	**1,323,327**	-
Cash flow used in investing activities	**(66,039)**	(11,530)	**708,966**	(12,347)
Net increase (decrease) in cash and cash equivalents	**(238,640)**	(123,951)	**131,820**	(108,239)
Cash and cash equivalents, beginning of period	**524,530**	130,675	**154,070**	114,963
Cash and cash equivalents, end of period	**285,890**	6,724	**285,890**	6,724

Supplementary cash flow information (Note 13)

The accompanying notes are an integral part of these financial statements.

1. Nature of operations and going concern

Nature of Operations

GLR Resources Inc. ("GLR" or the "Company") is a federally incorporated company. GLR holds a portfolio of grass roots exploration properties, which it continues to evaluate. Unless otherwise indicated all dollar amounts are expressed in Canadian currency.

The Company's Canadian exploration activities are mainly undivided interests in properties that are explored jointly with others. Accordingly, these financial statements reflect GLR's pro-rata share of the assets, liabilities, and expenditures of these undivided interests, as appropriate.

Going Concern

These financial statements are prepared in accordance with Canadian generally accepted accounting principles and on the assumption that the Company will be able to realize the carrying value of its assets and discharge its liabilities in the normal course of operations as a going concern. If the "going concern" assumption is not appropriate, then material adjustments may be necessary in the carrying amounts and/or classifications of assets and liabilities in these financial statements.

The recoverability of the amount shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of GLR to obtain the necessary financing to complete exploration and development, and upon future profitable production or proceeds from the disposition thereof, all of which are uncertain.

On January 7, 2009, shares of the Company were de-listed from trading on the Toronto Stock Exchange for failure to meet continued listing requirements. On April 27, 2009, the Ontario Securities Commission issued a permanent cease trade order that halted all trading in and all acquisitions of securities of GLR for failing to file continuous disclosure materials as required by Ontario securities law. This had the effect of severely limiting the Company's ability to raise funds in already distressed capital markets.

The Company's ability to discharge its liabilities and realize the carrying value of its assets in the normal course of operations is dependent upon, among other things, management's ability to raise the required amount of debt and/or equity financing and for profitable operations to be achieved. There can be no assurance that the Company will be successful with those initiatives.

Restructuring

During May 2010, the Company reached a settlement with its former chief operating officer. As a consequence of concluding this settlement, Paddon + Yorke Inc. ("PYI" or the "Trustee") is now able to finalize the administrative aspects of the Company's insolvency under the *Bankruptcy and Insolvency Act* ("BIA").

2. Summary of significant accounting policies

These interim unaudited financial statements include all adjustments that are, in the opinion of management, necessary for fair presentation. The results of operations for the three and six month periods ended June 30, 2010 are not necessarily indicative of the results expected for the full year.

These interim unaudited financial statements are prepared in accordance with Canadian generally accepted accounting principles and follow the same accounting policies and methods set forth in the Company's

2. Summary of significant accounting policies (continued)

audited consolidated financial statements as at and for the year ending December 31, 2009 and should be read in conjunction with those audited financial statements and notes thereto.

Future Accounting Changes:

International Financial Reporting Standards ("IFRS")
In 2006, the Canadian Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB's strategic plan outlines the convergence of Canadian GAAP with IFRS over a five-year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to use IFRS, replacing Canada's own GAAP. The date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. Accordingly, the Company will be required to adopt IFRS on January 1, 2011. The transition will require the restatement, for comparative purposes, of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun to assess the adoption of IFRS for fiscal 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

3. Taxes Recoverable

Taxes recoverable is comprised of recoverable goods and services tax and Quebec sales tax.

4. Mineral properties and deferred expenditures

The following table summarizes the Company's mineral properties and deferred expenditures during the six months ended June 30, 2010:

	Opening balance ($)	Additions ($)	Write-down ($)	Net ($)
Sackville, Ontario	311,436	110,537	-	**421,973**
Goldie, Ontario	511,825	-	-	**511,825**
Baldwin, Ontario	463,509	108,082	-	**571,591**
Kirkland West, Ontario	251,180	1,208	-	**252,388**
Casa Berardi, Quebec	262,704	392,281	-	**654,985**
General and other	136,003	2,253	(20,176)	**118,080**
	1,936,657	614,361	-	**2,530,842**

The following table summarizes the Company's mineral properties and deferred expenditures during the six months ended June 30, 2009:

4. Mineral properties and deferred expenditures (continued)

	Opening balance ($)	Additions ($)	Disposals ($)	Net ($)
Stares, Ontario	790,722	-	-	**790,722**
Goldie, Ontario	498,519	-	-	**498,519**
Baldwin, Ontario	319,414	787	-	**320,201**
Kirkland West, Ontario	249,972	1,208	-	**251,180**
Casa Berardi, Quebec	29,480	157		**29,637**
Golden Pond, Saskatchewan	341,488	-	-	**341,488**
General and other	171,270	23,267	(30,440)	**164,097**
	2,400,865	25,419	(30,440)	**2,395,844**

5. Property, plant and equipment

	June 30, 2010			December 31, 2009		
	Cost	Accumulated amortization	Net book value	Cost	Accumulated amortization	Net book value
	$	$	$	$	$	$
Exploration equipment	121,843	11,882	**109,961**	121,843	-	**121,843**
Office furniture and fixtures	36,776	30,830	**5,946**	36,776	30,170	**6,606**
	158,619	28,931	**115,907**	6,999,462	30,170	**128,449**

6. Related party transactions

The financial statements include balances and transactions with directors and/or officers of the Company and/or corporations related to or controlled by them. These transactions are measured and recorded at their exchange amounts, being the amounts agreed to by the related parties.

	Six months ended June 30	
	2010	2009
	$	$
Transactions during the period:		
Exploration expenditures	**15,750**	21,000
Management fees paid for services	**150,000**	156,562
Administrative costs	**11,123**	11,123

6. Related party transactions (continued)

	As at June 30, 2010	As at December 31, 2009
Related party receivables included in:	**$**	$
Other (non-interest bearing, no fixed terms of repayment)	**10,416**	7,379
	10,416	7,379
Related party payables included in:		
Accounts payable and accrued liabilities	**33,304**	41,757

Exploration expenditures were indirectly paid to the brother of the President of GLR. Management fees paid, indirectly, are in respect of services rendered by each of the President and the Chief Financial Officer of GLR. Administrative expense is comprised of rent paid to a company controlled by the President of the Company.

Other related party receivables are miscellaneous expense advances for which expense reports have not cleared at period end.

Accounts payable is comprised of $33,304 payable to members of the Special Committee for fees earned during the period that the Company was subject to the forbearance agreement with Blackfish and BIA proceedings.

7. Capital stock

Share capital

GLR's authorized share capital consists of an unlimited number of Class A Voting Common Shares, and an unlimited number of non-voting, redeemable Class B Preferred Shares, Series A. This series is redeemable by the Company, in whole or in part, at the rate of $1,000 per Series A share. The holders of the Series A shares are not entitled to dividends.

The issued Class A Voting Common Share capital is as follows:

	Number of Shares	$
Balance at June 30, 2010 and December 31, 2009	**63,595,024**	**17,234,186**

Warrants

A summary of the Company's warrant activity during the three months ended June 30, 2010 is as follows:

	Warrants #	Weighted average exercise price $
Outstanding, December 31, 2009	3,715,950	0.60
Issued	-	-
Exercised	-	-
Cancelled	-	-
Expired	(3,715,950)	0.60
Outstanding, June 30, 2010	-	-

7. Capital stock (continued)

Options

GLR has a stock option plan (the "Plan") pursuant to which options to purchase Class A Voting Common Shares may be granted to certain officers, directors and employees. The plan allows for the issuance of up to 10% of the aggregate number of Class A Common Shares issued and outstanding from time-to-time. As at June 30, 2010 the Company had 4,429,502 (December 31, 2009 – 4,229,502) options available for issuance. A continuity of the unexercised options to purchase Class A Voting Common Shares is as follows:

	Weighted average exercise price ($)	Options #
Outstanding at December 31, 2009	0.53	2,130,000
Transactions during the period:		
Exercised	-	-
Granted	-	-
Forfeited	-	-
Expired	0.55	(200,000)
Outstanding at June 30, 2010	**0.53**	**1,930,000**
Exercisable at June 30, 2010	**0.53**	**1,930,000**

The following table provides additional information about outstanding stock options at June 30, 2010.

Range of Exercise Prices	No. of Options Outstanding	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price ($)
$0.35	200,000	0.55	0.35
$0.40	230,000	1.40	0.40
$0.50-$0.60	1,430,000	1.78	0.57
$0.70	70,000	2.58	0.70
$0.18 - $0.70	**1,930,000**	**1.64**	**0.53**

8. Contributed Surplus

	$
Balance at December 31, 2009	**3,415,474**
Value of vesting options	-
Value of warrants issued	-
Value transferred on exercised options and warrants	-
Balance at June 30, 2010	**3,415,474**

9. Long-term Debt

Long-term debt arises from the purchase of a truck during December 2009 for use in operations by the President of the Company. The loan is for a period of 48 months, is fully secured and bears interest at the rate 5.9% per annum.

10. Commitments and Contingencies

The Company may become subject to tax audits of the flow-through expenditures renounced to investors; however, the Company believes that all Canadian Exploration Expenditures were effected and renounced in compliance with the prescribed regulations of the *Income Tax Act (Canada)*.

Pursuant to the Proposal to creditors and approval by the Court of the Company's restructuring plan, all creditors were paid during September 2009, except those claims which were disallowed by the Trustee. One creditor, who is a former officer of the Company, appealed the disallowance of his claim for severance, punitive damages and reimbursement of legal costs. The claim amount for severance, aggregating $360,000 was accrued in the accounts during 2008. During May 2010, the Company and the former officer reached a settlement whereby the Company delivered $125,000, in cash, and equipment which had been previously written down to $1 and reclassified as held for sale. Subsequent to March 31, 2010, the Trustee paid the cash portion to settle the claim and the Company executed a bill of sale that delivered the equipment to the former officer. As part of the settlement, each of the former officer and the Company released the each other from further claims. The accrual for settlement was adjusted at December 31, 2009 and the statement of operations credited for the excess salaries previously accrued.

The Transaction with Linear anticipates partial reimbursement of deposits made to certain suppliers for which reimbursement is dependent on Linear taking delivery of the related plant and equipment. Pursuant to agreements negotiated with Linear, the Company may receive approximately $996,000 and US$1.8 million at future dates. Terms of the Transaction with Linear resulted in Linear assuming GLR's contractual obligations to two major suppliers. On December 31, 2009, GLR received a $300,000 reimbursement from Linear. The remaining amounts will be reimbursed to GLR once the related equipment is available for delivery from the respective suppliers. Reimbursements will be recognized in the accounts when received.

The Company has entered into a one-year lease extension for its current location in Kirkland Lake. Lease payments for the remainder of the year total approximately $16,684

11. Management of Capital

The Company considers in its management of capital all components included in shareholders' equity and its debt obligations. Its objectives are to ensure that the Company will continue to operate as a going concern in order to pursue the development if its mineral interests, to sustain future development and growth as well as to maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk.

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. In order to maintain or adjust the capital structure, the Company may issue shares, seek debt financing, or acquire or dispose of assets. The Company, on approval from the Board of Directors, will make changes to its capital structure as deemed appropriate under specific circumstances.

The Company is subject to certain externally imposed capital restraints and debt obligations. On January 7, 2009, shares of the Company were de-listed from trading on the Toronto Stock Exchange for failure to meet continued listing requirements. On April 27, 2009, the Ontario Securities Commission issued a permanent

11. Management of Capital (continued)

cease trade order that halted all trading in and all acquisitions of securities of GLR for failing to file continuous disclosure materials as required by Ontario securities law.

Until the Company causes the Ontario Securities Commission to lift the permanent cease trade order, the Company does not have the ability to enter the equity market. (See Note 1-Going Concern).

12. Financial Instruments

The Company's financial assets and liabilities consist of cash, accounts receivable, prepaids and advances, due from related parties, accounts payable and accrued liabilities and note payable. Cash is classified as held-for-trading and is carried at fair value. Amounts due from related parties and prepaids and advances are classified as loans and receivables at amortized cost. Accounts payable and accrued liabilities approximate their fair values due to the relatively short periods to maturity. Accounts payable and accrued liabilities and note payable are classified as other financial liabilities, which are measured at amortized cost.

The carrying amounts of the Company's financial assets and liabilities approximate fair values because of the limited term of these instruments.

The Company's financial instruments are exposed to certain financial risks.

a) Currency risk

The Company operates solely in Canada; however, a portion of the Company's capital expenditures are denominated in the United States dollar and a significant portion of the Company's operating costs are denominated in the Canadian dollar. As a consequence, the Company is exposed to currency fluctuations relative to the United States dollar. A significant change in the currency exchange rate between the United States dollar and the Canadian dollar would affect the realizable amount of the United States dollar proceeds realized on the sale of sale of assets to Linear and, consequently, the results of operations, financial position and cash flows. The Company has not hedged its exposure to the United States dollar.

b) Interest rate risk

The truck financing loan described in Note 9-Long-term debt bears interest at a fixed rate. The Company is not exposed to any other significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

c) Credit risk

The Company is exposed to credit risk as a consequence of its restructuring under the BIA. The ability of the Company to finance its operations will be affected by its credit rating and perception in the marketplace that the Company may not be able finance development and exploration of its prospects.

d) Derivatives – mineral properties

The Company retains and/or has obligations related to certain carried interest rights and net smelter royalties ("NSR"), the value of which is derived from future events and commodity prices. These rights are derivative instruments. However, the mineral property interests to which they relate are not sufficiently developed to reasonably determine value.

e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages liquidity risk through the management of its capital structure and continuously monitors its capital expenditures and cash used in operations. To the extent that the Company does not have sufficient liquidity to meet its obligations, management will consider securing additional funds through

12. Financial Instruments (continued)

debt or equity transactions. At June 30, 2010, credit risk magnified the liquidity risk in that certain suppliers may not provide future services.

f) Price risk

Price risk is remote as the Company is not a producing entity.

13. Supplemental Cash Flow Information

	2010 $	2009 $
Income taxes paid	-	-
Interest paid	32,851	5,424