

SAVILLE RESOURCES INC.
MANAGEMENT DISCUSSION & ANALYSIS
For the Six Months ended October 31, 2018

The following is a discussion and analysis of the operations, results, and financial position of Saville Resources Inc. (the “Company”) for the six months ended October 31, 2018, and should be read in conjunction with the condensed interim financial statements for the six months ended October 31, 2018 and the audited financial statements for the year ended April 30, 2018, which have been prepared in Canadian dollars and in accordance with International Financial Reporting Standards (“IFRS”).

The effective date of this report is December 10, 2018.

DESCRIPTION OF BUSINESS

Saville is an exploration stage company engaged in the business of acquiring, exploring and, if warranted, developing mineral resource properties and placing such properties into production. The Company holds interests in mineral properties in British Columbia and Quebec and is looking at expanding its portfolio of mineral properties. The Company’s current property does not contain a known ore body. The Company owns no producing properties and, consequently has no current operating income or cash flow. Operations are primarily funded by equity subscriptions.

YEAR-TO-DATE HIGHLIGHTS

- On June 26, 2018, the Company announced the appointment of Mr. Nick Rodway, P.Geo. to the Board of Directors and accepted the resignation of Mr. Steven Chen (Chen Steven Man Fai).
- On August 8, 2018, the Company announced the discovery of a new area of surface mineralization at its 100% owned Covette Property, located in the James Bay Region in the Province of Quebec. The Company organized an exploration team for a reconnaissance program where a new zone of surface mineralization was discovered directly above the area of high conductivity identified by the 2016 VTEM survey. 8 samples were taken along a visible ~200-meter strike length of what is described as an oxidized silicified foliated amphibolitic rock unit. The best of the samples was sample 4289 that assayed 1.2% zinc and 68.7 g/t silver. Samples 4284-4286 returned elevated values of 0.13% to 0.19% nickel.
- On August 9, 2018, the Company closed the first tranche of its non-brokered private placement (the “Private Placement”). The Company issued 10,270,000 units (“Units”) at a price of \$0.05 per share for gross proceeds of \$513,500, and 6,070,000 flow-through shares (“FT Shares”) at a price of \$0.06 per share, for gross proceeds of \$364,200, for total gross proceeds of \$877,700. Each Unit consists of one common share and one share purchase warrant (“Warrant”). Each Warrant will entitle the holder to purchase one additional common share of the Company at a price of \$0.10 per share for a period of 24 months from August 9, 2018. In connection with the completion of the Private Placement, the Company has paid a finder’s fee in the amount of \$21,120. Securities issued pursuant to the Private Placement are subject to a four month hold period expiring December 10, 2018. Proceeds of the private placement will be used for advancement of the Company’s exploration projects and for general corporate purposes. Certain insiders of the Company participated in the financing.
- On September 17, 2018, the Company announced that it had completed and filed, in accordance with National Instrument 43-101, a Technical Report on the Niobium Claim Group Property.
- On September 28, 2018, the Company closed the second and final tranche of its non-brokered private placement (the “Private Placement”). The Company issued 8,620,020 units (“Units”) at a

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price of \$0.05 per share for gross proceeds of \$431,001, and 2,298,000 flow-through shares (“FT Shares”) at a price of \$0.06 per share, for gross proceeds of \$137,880, for total gross proceeds of \$568,881. Each Unit consists of one common share and one share purchase warrant (“Warrant”). Each Warrant will entitle the holder to purchase one additional common share of the Company at a price of \$0.10 per share for a period of 24 months from September 28, 2018. In connection with the completion of the Private Placement, the Company has paid a finder’s fee in the amount of \$6,480. Securities issued pursuant to the Private Placement are subject to a four month hold period expiring January 29, 2019. Proceeds of the private placement will be used for advancement of the Company’s exploration projects and for general corporate purposes. Certain insiders of the Company participated in the financing.

- On October 11, 2018, the Company received TSX Venture Exchange approval on its Niobium Claim Group Property Exploration Earn-In Agreement with Commerce Resources Corp, known as the Niobium Claim Group Property.
- On December 5, 2018, the Company announced the results of the Niobium Claim Group Property program with 14 rock samples assaying >0.80% Nb₂O₅ and the best sample yielding 1.50% Nb₂O₅. The property now has multiple drill ready targets.

RESOURCE PROPERTIES

Niobium Claim Group Property

On January 11, 2018, the Company entered into an exploration earn-in agreement with Commerce Resources Corp. (“Commerce”) on the Niobium Claim Group Property wholly owned by Commerce in Quebec. Under the exploration earn-in agreement, the Company has agreed to perform \$5M CAD of work on the Niobium Claim Group Property (the ‘Property’) over a five-year period to earn a 75% interest in the claims. The Company made a payment of \$25,000 upon signing and a payment of \$225,000 following TSX Venture Exchange approval on October 11, 2018. Commerce will retain a 2% Net Smelter Royalty (NSR) on production from some of the claims with a 1% NSR buyback for \$1M CAD, and a 1% NSR on the claims that are already subject to royalties.

A two-phase exploration approach was proposed for the Property. Phase One was recommended to focus on refining of drill targets and include geological modelling or historic drill intercepts, and surface follow-up. Phase two is recommended to include 6000 meters of diamond drilling to test new targets, as well as further evaluate and expand known mineralized horizons. Over all, the work is recommended to focus on the southeast area, where the strongest potential has been identified, as well as the Miranna Target. The estimated budget is \$693,000 for Phase One and \$5,132,000 for Phase Two, for a combined total budget of \$5,825,000. A NI 43-101 Technical Report has been written and conditionally approved by the TSX Venture Exchange, pending a finalized financial plan to show the Company has the funds to complete the Phase One exploration program.

In fall 2018, the Company executed its Phase One exploration program consisting of geochemical sampling and a detailed ground magnetic geophysical survey. On December 5, 2018, the Company announced the results of the program with 14 rock samples assaying >0.80% Nb₂O₅ and the best sample yielding 1.50% Nb₂O₅. The property now has multiple drill ready targets. The Company is pleased to report that all its objectives were achieved during the program. Further exploration is expected to continue in late winter 2018.

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Covette Property

On November 27, 2017, the Company announced that it has entered into an agreement with Zimtu Capital Corp. (“Zimtu”) to acquire a 100% interest in and to the Covette Property, located in the James Bay Region of Quebec. The Covette Property is located approximately 190 km east of Raddison and 10 km north of the all-weather Trans-Taiga road and adjacent LG-3 transmission line. In exchange for 100% of the right, title, and interest in and to the Covette Property, consisting of 65 mineral claims, the Company paid the vendor \$350,000 in cash. This transaction approved by the TSX Venture Exchange on June 28, 2018.

In early 2017, a 1,402 line kilometer airborne electromagnetic survey was flown and indicated at least 9 anomalies on the property. The anomalies were followed up on during a five day reconnaissance program carried out in late August 2017. Geochemical results from grab sampling returned elevated crustal contamination values of up to 0.18% Ni, 0.09% Cu, and 87 ppm Co. In mid-June 2018 another 2 day ground based reconnaissance program was initiated. Nine samples were taken from a new oxidized foliated amphibolitic rock unit. The samples were sent to AGAT laboratories and assayed returning values of up to 1.2% zinc and 68.7 g/t silver. Other samples from a non-foliated amphibolite unit returned elevated values of 0.13% to 0.19% nickel. As a result, a channel sampling program will be organized to take place in summer 2019. A NI 43-101 Technical Report has been written and approved by the TSX Venture Exchange.

In June 2018 Saville organized an exploration team for a 3-day reconnaissance program where a new zone of surface mineralization was discovered directly above the area of high conductivity, identified by the 2016 VTEM survey. 8 samples were taken along a visible ~200-meter strike length of what is described as an oxidized silicified foliated amphibolitic rock unit. The best of the samples was sample 4289 that assayed 1.2% zinc and 68.7 g/t silver. Samples 4284-4286 returned elevated values of 0.13% to 0.19% nickel.

Bud Property

In late October, 2014, the Company conducted a surface sampling program under the supervision of Bruce Laird, P. Geo., designed to collect 22 kilogram samples of material from several showings on the property for in house bench testing of custom milling processes. The custom milling process is designed to recover free milling gold and may be suitable to the Bud-Elk project and may be tailored to other projects.

A follow-up work program has been recommended for the property. A 2-phase (\$515,000) program is recommended to further explore the Bud-Elk property. The recommended Phase 1 program involves extending the exploration grid northwards to cover the area between the northern limit of the current grid and the Morrison showing, then completing geological mapping, soil sampling and IP and magnetometer surveys over the extended grid. Excavator trenching is recommended in Phase 1 to follow-up soil geochemical anomalies from the 2012 program, and in particular areas of anomalous copper and associated gold in the central, northwest and southeast portions of the grid. Excavator trenching is also recommended to test any geochemical anomalies resulting from the recommended grid extension. Phase 1 has a budget of \$215,000.

Phase 2 involves diamond drilling to follow-up on the results of the Phase 1 program, and to follow-up on the results of previous work on the property. In particular, drilling is warranted at the Buckhorn showing to test the at-depth continuation of mineralization discovered by the 2008 trenching program. Phase 2 has a budget of \$300,000 and is in-part contingent on the results of the Phase 1 program.

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During the year ended April 30, 2017, the Company negotiated another one year extension to extend the due date to April 4, 2017. The Company has paid \$10,000 cash for the extension. The Company and the Optioner have mutually agreed to another extension of the balloon payment with the details to be determined at a later date.

On December 29, 2017, the Company and vendor of the property amended the agreement to convert the final payment of \$75,000 and 100,000 common shares will be satisfied by the payment of \$30,000 and 250,000 shares. The shares were issued January 17, 2018, with a fair value of \$25,000.

In July 2018, as a result of the completion of option payments, all mineral titles have been converted over to the Company in the British Columbia Mineral Titles Database.

In late September 2018, a property examination and exploration program was conducted by the Company's President and CEO, Mike Hodge, under the supervision of Director Nick Rodway, P.Geol. The program consisted of the collection of 21 grab rock samples from bedrock. The samples have been sent to ALS Laboratories of Vancouver B.C for geochemical analysis and the results are expected in early 2019.

RESULTS OF OPERATIONS

The net loss for the six months ended October 31, 2018 was \$257,259 compared to a net loss of \$113,512, for the six months ended October 31, 2017, an increase of \$143,747. The increase is due to additional consulting fees and advertising and promotion for the Company's property acquisitions and private placement activities during the period. During the six months ended October 31, 2018:

- administrative fees increased to \$75,000 (2017 - \$65,000) for the management and administrative services provided to the Company,
- advertising and travel expenses increased to \$41,712 (2017 - \$7,647) due to the increased business activities being promoted by the Company in the current period,
- salaries and consulting fees increased to \$123,225 (2017 - \$19,028) as the Company hired consultants to assist with the increased business activities in the current period,
- professional fees increased to \$8,234 (2017 - \$1,663) related to the legal costs associated with the Company new property acquisitions,
- transfer agent and filing fees decreased to \$8,834 (2017 - \$14,104) due to increased activities related to share issuances and property agreements in the prior year's period, and
- Property investigation costs decreased to \$nil (2017 - \$5,697) for costs related to properties that were investigated but not acquired.

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SELECTED FINANCIAL INFORMATION

Quarterly data for the last eight quarters:

	October 31, 2018	July 31, 2018	April 30, 2018	January 31, 2018	October 31, 2017	July 31, 2017	April 30, 2017	January 31, 2017
Revenues	-	-	-	-	-	-	-	-
G&A Expenses	196,747	62,199	94,464	102,512	20,863	92,649	36,034	33,107
Note Write-down	-	-	-	-	-	-	(17,997)	5,999
Other loss (Income)	-	-	-	-	-	-	17,997	(5,999)
Net Loss (Income)	195,706	61,553	94,464	157,262	20,863	92,649	72,011	33,107
-per share	0.00	0.00	0.00	0.01	0.00	0.02	0.00	0.00
-per share-diluted	0.00	0.00	0.00	0.01	0.00	0.02	0.00	0.00
Total Assets	2,519,801	1,347,195	1,364,061	1,481,515	981,182	1,142,794	330,461	365,419
Liabilities(L.T.)	-	-	-	-	-	-	-	-
Cash Dividends	-	-	-	-	-	-	-	-
Working Capital (Deficiency)	1,138,361	500,939	852,277	969,307	395,894	442,231	(305,872)	(259,838)
Share Capital:								
-Authorized	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
-Outstanding	58,126,734	30,868,714	30,868,714	30,343,714	19,466,714	19,466,714	5,178,381	5,178,381
-Warrants	42,680,353	23,790,333	23,790,333	23,265,333	16,288,333	16,288,333	2,000,000	2,000,000
-Options	-	-	-	-	-	-	-	120,000

The net loss for the three months ended October 31, 2018 was \$196,706 compared to a net loss of \$20,863, for the three months ended October 31, 2017, an increase of \$174,843. The increase is due to consulting fees, advertising and promotion, and professional fees incurred for the Company's property acquisitions and private placements during the period. During the three months ended October 31, 2018:

- advertising and travel expenses increased to \$37,572 (2017 – \$477) due to the increased business activities being promoted by the Company in the current period,
- salaries and consulting fees increased to \$111,774 (2017 - \$228) as the Company hired consultants to assist with the increased business activities in the current period, and
- professional fees increased to \$1,633 (2017 – \$24,510 recovery) related to the legal costs that were reclassified to share issuance costs in the prior year's period.

• **Table 1 – Share Capital**

	December 10, 2018	October 31, 2018	April 30, 2018
Shares	58,126,734	58,126,734	30,868,714
Warrants	42,680,353	42,680,353	23,790,333
Fully Diluted	<u>100,807,087</u>	<u>100,807,087</u>	<u>54,659,047</u>

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The Company completed a consolidation of its share capital on July 7, 2017, as approved at the 2016 Annual and Special Meeting of shareholders held on June 29, 2016. The consolidation of the common shares of the Company was done on the basis of five (5) pre-consolidation shares for one (1) post-consolidation share. The 25,891,911 common shares of the Company outstanding at April 30, 2017 were reduced to 5,178,381 common shares on July 7, 2017.

On July 7, 2017, the Company completed a non-brokered private placement financing of 14,288,333 Units (“Units”) of the Company at a price of \$0.06 per Unit (post-consolidation) for gross proceeds of \$857,300. Each Unit consists of one common share in the capital of the Company and one common share purchase warrant, with each warrant exercisable into one common share at a price of \$0.10 for a period of 24 months from closing. The terms of the warrants include an acceleration clause such that if the volume weighted average trading price of Saville’s common share trading price on the TSX Venture Exchange is \$0.16 or higher for at least 20 consecutive trading days, the Company may accelerate the expiry date of the Warrants upon 30 days notice to the holders of the Warrants. Finder's fees of \$16,656 were paid by the Company on a portion of the offering in accordance within the Exchange policies and guidelines.

On December 8, 2017, the TSX Venture Exchange accepted the Company’s debt settlement agreement with Zimtu Capital Corp. (“Zimtu”), a creditor of the Company, whereby the Company issued common shares of the Company at a deemed price of \$0.06 per share in full and final settlement of the amounts owing to Zimtu. Pursuant to the Settlement Agreement, \$219,000 in debts was settled and a total of 3,650,000 common shares were issued on December 11, 2017 with a fair value of \$273,750. A loss on the settlement of shares of \$54,750 was recorded on the transaction.

On December 19, 2017, the Company closed the first tranche of a non-brokered private placement financing of 4,590,000 Units (“Units”) of the Company at a price of \$0.06 per Unit for gross proceeds of \$275,400. Each Unit consists of one common share in the capital of the Company and one transferrable common purchase share warrant with each warrant exercisable into one common share at \$0.10 for a period of 24 months from closing. Finder’s fees of \$3,765 were paid by the Company on a portion of the offering in accordance within the Exchange policies and guidelines. All of the securities issued under this offering will be subject to a hold period expiring four months and one day from closing.

On January 15, 2018, the Company closed the first tranche of a non-brokered private placement financing of 2,387,000 Flow-Through Units (“FT Units”) of the Company at a price of \$0.10 per FT Unit for gross proceeds of \$238,700. Each FT Unit consists of one common flow-through share in the capital of the Company and one transferrable common purchase share warrant with each warrant exercisable into one common share at \$0.15 for a period of 24 months from closing. Finder’s fees of \$1,435 were payable by the Company on a portion of the offering in accordance within the TSX Venture Exchange policies and guidelines. At April 30, 2018, the Company has incurred \$43,238 of qualified expenditures. The flow-through proceeds were renounced under the look-back Rule on December 31, 2017.

On February 16, 2018, the Company closed the second tranche of a non-brokered private placement financing of 50,000 Flow-Through Units (“FT Units”) of the Company at a price of \$0.10 per FT Unit for gross proceeds of \$5,000. Each FT Unit consists of one common share in the capital of the Company and one transferrable common purchase share warrant with each warrant exercisable into one common share at \$0.15 for a period of 24 months from closing. Additionally, the Company issued 575,000 Units at a price of \$0.08 per Unit for gross proceeds of \$46,000. Each Unit consists of one common share in the capital of the Company and one transferrable common purchase share warrant with each warrant exercisable into one common share at \$0.10 for a period of 24 months from closing. Finder's fees of \$1,600 were paid by the Company on a portion of the offering in accordance within the Exchange policies and guidelines.

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On August 9, 2018, the Company closed the first tranche of its non-brokered private placement. The Company issued 10,270,000 units (“Units”) at a price of \$0.05 per share for gross proceeds of \$513,500, and 6,070,000 flow-through shares (“FT Shares”) at a price of \$0.06 per share, for gross proceeds of \$364,200, for total gross proceeds of \$877,700. On September 28, 2018, the Company closed the second tranche of its non-brokered Private Placement. The Company issued 8,620,020 Units at a price of \$0.05 per share for gross proceeds of \$431,001, and 2,298,000 FT Shares at a price of \$0.06 per share, for gross proceeds of \$137,880, for total gross proceeds of \$568,881. Each Unit consists of one common share and one share purchase warrant (“Warrant”). Each Warrant will entitle the holder to purchase one additional common share of the Company at a price of \$0.10 per share for a period of 24 months from issuance. In connection with the completion of the Private Placement, the Company has paid a finder’s fee in the amount of \$27,600. Certain insiders of the Company participated in the financing.

SELECTED ANNUAL INFORMATION

	Year ended	Year ended	Year ended
	April 30, 2018	April 30, 2017	April 30, 2016
Revenues	-	-	-
G & A Expenses	310,488	118,472	100,372
Net Loss	365,238	154,449	388,895
(Loss) Earnings per share- basic and diluted	(0.02)	(0.01)	(0.02)
Working Capital (Deficiency)	852,277	(305,872)	(141,423)
Total Assets	1,364,061	330,461	322,359
Exploration and evaluation assets-Annual	126,966	10,000	-
Exploration and evaluation assets-Cumulative	453,856	326,890	316,890
Liabilities (L.T.)	-	-	-
Cash dividends	-	-	-

Other MD&A Requirements

Risk Factors

An investment in securities of the Company is speculative and involves significant risks and uncertainties which should be carefully considered by prospective investors before purchasing such securities. The occurrence of any one or more of these risks and uncertainties could have a material adverse effect on the value of any investment in the Company and on the business, prospects, financial position or operating results of the Company. The risks noted below do not necessarily comprise all those faced by the Company.

- The Company faces liquidity issues that threaten its ability to continue as a going concern. The Company has no current source of operating revenue. Should there be a funding shortfall, there can be no assurance that financing would be available on terms acceptable to the Company. There can be no assurance that management will be able to adequately reduce costs or secure additional financing if required. If funding is not obtained in a timely manner, the Company may not be able to continue as a going concern.
- Fluctuations in the market prices of minerals will affect the profitability of the Company’s operations and its financial condition. The Company’s revenues, if any, are expected to be in large part derived from the extraction and sale of minerals or interests related thereto. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the

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Company's control, including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of minerals, and therefore the economic viability of any of the Company's current exploration projects cannot accurately be predicted.

- The Company's potential profitability is partly dependent upon factors beyond the Company's control. As with other enterprises in the mining industry, the Company's mineral exploration and development related activities are subject to conditions beyond the Company's control that may impact upon the potential profitability of its mineral projects. For instance, world prices of and markets for minerals are unpredictable, highly volatile, potentially subject to governmental interference, currency pegging and/or controls and respond to changes in domestic, international, political, social and economic environments.
- Another factor is that rates of recovery of minerals from mined ore may vary from the rates experienced in tests and a reduction in the recovery rates will adversely affect profitability and, possibly, the economic viability of its projects.

Profitability will also depend on the costs of operations, including costs of labour, equipment, electricity, environmental compliance, diesel prices and other production inputs, the discovery and/or acquisition of additional mineral reserves and mineral resources, the successful conclusion of feasibility and other mining studies, access to adequate capital for project development and sustaining capital, design and construction of efficient mining and processing facilities within capital expenditure budgets; securing and maintaining title to concessions and other mining rights, obtaining permits, consents and approvals necessary for the conduct of exploration, development, construction and production, the ability to procure major equipment items and key consumables in a timely and cost-effective manner. Such costs will fluctuate in ways the Company cannot predict and are beyond the Company's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide political and economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to predict. These changes and events may materially affect the Company's financial performance.

Liquidity and Capital Resources

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed share capital financings or proceeds from property sales or options. At October 31, 2018, the Company had working capital of \$1,138,361 (April 30, 2018 – \$852,277).

The Company's ability to continue as a going concern is dependent upon the Company's ability to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its mineral property interests, the attainment of profitable mining operations. Management is actively engaged in the review and due diligence of opportunities of merit in the mining sector and is seeking to raise the necessary capital to meet its funding requirements. The conditions described above may cast significant doubt as to the appropriateness of the use of the going concern assumption. Management of the Company does not expect that cash flows from the Company's operations will be sufficient to cover all of its operating requirements, financial commitments and business development priorities during the next twelve months. Accordingly, the Company expects that it will need to obtain further financing in the form of debt, equity or a combination thereof for the next

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twelve months. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of any or all of its development projects.

Financial Instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

At October 31, 2018 and April 30, 2018, the Company's financial instruments consist of cash, short-term investments, GST and other receivables, and accounts payable and accrued liabilities. The Company classified its cash, short-term investments, other receivable as loans and receivables, accounts payable and accrued liabilities as other liabilities. The fair values of cash, short-term investment, other receivable and accounts payable and accrued liabilities approximate their carrying values due to the relatively short-term maturity of these instruments.

The Company is exposed to a variety of financial instrument related risks. The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high credit quality financial institution.

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 ensures that there is sufficient working capital to fund its ongoing operating expenditures, after taking into account cash flows from operations and the Company's holdings of cash and short-term investment. As at October 31, 2018, the Company had working capital of \$1,138,361 (April 30, 2018: \$852,277).

Additional Disclosure for Venture Issuers without Significant Revenue

As the Company has not had significant revenue from operations in its last three financial years, the following is a breakdown of the material costs incurred:

	Year ended April 30		
	2018	2017	2016
Capitalized Exploration and Evaluation Costs	\$453,856	\$326,890	\$316,890
Capitalized Property held for Sale	Nil	Nil	Nil
General and Administration Expenses	\$310,488	\$118,472	\$100,372
Gain on sale of marketable securities	Nil	Nil	Nil
Gain on sale of mineral properties	Nil	Nil	Nil

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The components of exploration and evaluation assets are as follows:

		Niobium Claim Group Property	Covette Property	Bud Property	Total
Balance, April 30, 2017	\$	-	\$ -	326,890	\$ 326,890
Property costs					
Acquisition costs – cash		25,000	-	30,000	55,000
Acquisition costs – shares		-	-	25,000	25,000
Permitting		3,728	-	-	3,728
Geological expenses		43,238	-	-	43,238
Total costs for the year		71,966	-	55,000	126,966
Balance, April 30, 2018	\$	71,966	\$ -	381,890	\$ 453,856
Property costs					
Acquisition costs – cash		225,000	350,000	-	575,000
Assays		-	486	-	486
Field supplies and rentals		14,617	-	-	14,617
Geological expenses		95,772	-	-	95,772
Permitting		3,094	4,157	-	7,251
Travel and accommodation		88,408	10,580	-	98,988
Total costs for the period		426,891	365,223	-	792,114
Balance, October 31, 2018	\$	498,857	\$ 365,223	381,890	\$ 1,245,970

RELATED PARTY TRANSACTIONS

The Company incurred the following fees and expenses in the normal course of operations.

Key Management Compensation	October 31, 2018	October 31, 2017
Consulting fees	\$ 30,000	\$ 30,840

Included in accounts payable is \$nil (April 30, 2018 - \$nil) payable to directors of the Company. During the year ended April 30, 2018, the Company reversed \$27,850 of over accrued director fees since all of their former directors have resigned. The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

COMMITMENTS

On June 1, 2017, the Company entered into a Management & Administration Agreement (“Agreement”) with Zimtu Capital Corp. (“Zimtu”). Under the terms of the agreement, Zimtu will provide the Company with administrative and managerial services, including corporate maintenance, continuous disclosure services, rent, and office space, over a period of 6 months at a rate of \$12,500 per month. On December

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1, 2017, the agreement was extended for an additional 12 months, and on December 1, 2018, it was renewed for a further 12 months.

On October 31, 2018, the Company entered into a Consulting Agreement (“Agreement”) with Zimtu Capital Corp. (“Zimtu”). Under the terms of the agreement, Zimtu will provide the Company with marketing services, social media strategy including access to networks, conference opportunities, and newsletter writing over a period of 12 months with an annual cost of \$100,000, paid in advance of service.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and assumptions

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

In particular, information about significant areas of estimation uncertainty considered by management in preparing the financial statements includes:

- The Company’s assessment as to whether any impairment exists in the valuation of its assets, and
- The Company’s recognition of deferred tax assets.

Judgments

The critical judgments that the Company’s management has made in the process of applying the Company’s accounting policies from those involving estimations that have the most significant effect on the amounts recognized in the Company’s financial statements are as follows:

- Economic recoverability and probability of future economic benefits of exploration, evaluation and development costs

Management has determined that exploratory drilling, evaluation, development and related costs incurred which have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit including geologic information, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

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- Going concern

Significant judgments used in the preparation of these financial statements include, but are not limited to those relating to the assessment of the Company's ability to continue as a going concern.

DISCLOSURE CONTROLS AND PROCEDURES

The Chief Executive Officer and Chief Financial Officer, of the Company have evaluated or caused to be evaluated for effectiveness the Company's disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR") which have been designed or caused to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP. The Company took into consideration the following two characteristics common to companies of a similar size:

1. The limited number of personnel in smaller companies, which constrains the Company's ability to fully segregate conflicting duties;
2. The Company relies on an active board of directors, and management with open lines of communication to maintain the effectiveness of the Company's disclosure controls and procedures.

In addition, management has relied upon certain informal procedures and communication, and upon "hands-on" knowledge of senior management to maintain the effectiveness of disclosure controls and procedures. As a result of the evaluation, the Company has concluded that the DC&P and ICFR are effective as required by its current size, and in compliance with the recommendations of National Instrument 52-109. However, there can be no assurance that the risk of a material misstatement in the financial statements can be reduced to less than a remote likelihood. There have been no changes in the Company's internal control over financial reporting during the six months ended October 31, 2018 or the year ended April 30, 2018, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

FORWARD LOOKING STATEMENTS

This Management Discussion and Analysis of Financial Condition and Results of Operations contains "forward-looking information" which include, but is not limited to, information about the transactions, statements with respect to the future financial or operating performances of the Company and its projects, the future price of metals, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production revenues, margins, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, cost and timing of plant and equipment, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation and rehabilitation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking information statements can be identified by the use of words such as "proposes", "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved.

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Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities and feasibility studies; assumptions in economic evaluations that may prove inaccurate; fluctuations in the value of the Canadian or US dollar; future prices of metals; possible variations of ore grade or recovery rates; failure of plant or equipment or failure to operate as anticipated; accidents; labour disputes or slowdowns or other risks of the mining industry; climatic conditions; political instability; or arbitrary decisions by government authorities.

OFF-BALANCE SHEET ARRANGEMENTS

- None.

CORPORATE ACTIVITIES

- The Company's Annual General Meeting was held on December 5, 2018 in Vancouver with all agenda items passing.
- On November 27, 2017, the Company announced the appointment of Mr. Michael Hodge as Director, President & Chief Executive Officer of the Company and Ms. Jody Bellefleur as Chief Financial Officer of the Company. The Company also announced the resignation of Mr. Zhi Gang Ding as a Director of the Company.
- On June 26, 2018, the Company announced the appointment of Mr. Nick Rodway to the Board of Directors and accepted the resignation of Mr. Steven Chen (Chen Steven Man Fai).

APPROVAL

The Board of Directors of Saville Resources Inc. has approved the disclosure contained in this MD&A on December 10, 2018.