

SAVILLE RESOURCES INC.

Financial Statements

For the Six Months Ended October 31, 2019

The accompanying unaudited condensed interim financial statements of Saville Resources Inc. for the six months ended October 31, 2019 have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. These condensed interim financial statements have not been reviewed by the Company's external auditors.

(Unaudited - Expressed in Canadian Dollars)

Saville Resources Inc.

Condensed Interim Statements of Financial Position

Expressed in Canadian Dollars

(Unaudited – prepared by management)

	October 31, 2019	April 30, 2019
Assets		
Current		
Cash	\$ 136,306	\$ 53,867
Short-term investment (Note 6)	-	500,000
Taxes and other receivables (Note 7)	2,897	91,662
Prepaid expenses	4,763	91,726
	143,966	737,255
Exploration and evaluation assets (Note 8)	2,091,019	2,044,140
	\$ 2,234,985	\$ 2,781,395
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 23,020	\$ 356,957
	23,020	356,957
Equity		
Share capital (Note 9)	10,275,619	10,275,619
Contributed surplus	140,803	140,803
Deficit	(8,204,457)	(7,991,984)
	2,211,965	2,424,438
	\$ 2,234,985	\$ 2,781,395

The financial statements were approved by the Board of Directors on December 2, 2019 and were signed on its behalf by:

“Michael Hodge”
President, Director

“Charn Deol”
Director

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

Saville Resources Inc.

Condensed Interim Statements of Loss and Comprehensive Loss

For the six months ended October 31, 2019 and 2018

Expressed in Canadian Dollars

(Unaudited – prepared by management)

	Three Months Ended October 31,		Six Months Ended October 31,	
	2019	2018	2019	2018
Expenses				
Administrative fees (Note 13)	\$ 37,500	\$ 37,500	\$ 75,000	\$ 75,000
Advertising and travel expenses	25,840	37,572	69,517	41,712
Consulting fees and salaries (Note 10)	25,256	111,774	63,006	123,225
Professional fees	219	1,633	337	8,234
Transfer agent and filing fees	2,172	6,475	4,381	8,834
Office and miscellaneous	2,022	1,793	4,458	1,941
	93,009	196,747	216,699	258,946
Other Income				
Interest income	-	-	4,226	646
Loss before income taxes	93,009	196,747	212,473	258,300
Deferred income tax (Note 14)	-	(1,041)	-	(1,041)
Net Loss and Comprehensive Loss for the Period	93,009	195,706	212,473	257,259
Basic and Diluted Loss Per Share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.01
Weighted Average Number of Common Shares Outstanding – Basic and Diluted	63,415,400	49,731,513	63,415,400	35,571,493

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

Saville Resources Inc.

Condensed Interim Statements of Changes in Equity

For the six months ended October 31, 2019 and 2018

Expressed in Canadian Dollars

(Unaudited – prepared by management)

	Number of shares	Share capital	Contributed surplus	Deficit	Total
Balance, April 30, 2018	30,868,714	\$ 8,733,097	\$ 140,803	\$ (7,567,767)	\$ 1,306,133
Shares issued for cash (Note 9)	27,258,020	1,393,251	-	-	1,393,251
Net loss for the period	-	-	-	(257,259)	(257,259)
Balance, October 31, 2018	58,126,734	\$ 10,068,554	\$ 140,803	\$ (7,825,026)	\$ 2,384,331
	Number of shares	Share capital	Contributed surplus	Deficit	Total
Balance, April 30, 2019	63,415,400	\$ 10,275,619	\$ 140,803	\$ (7,991,984)	\$ 2,424,438
Net loss for the period	-	-	-	(212,473)	(212,473)
Balance, October 31, 2019	63,415,400	\$ 10,275,619	\$ 140,803	\$ (8,204,457)	\$ 2,211,965

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

Saville Resources Inc.

Condensed Interim Statements of Cash Flows
For the six months ended October 31, 2019 and 2018
Expressed in Canadian Dollars
(Unaudited – prepared by management)

	2019	2018
Operating Activities		
Net loss for the period	\$ (212,473)	\$ (257,259)
Items not involving cash		
Deferred income taxes	-	(1,041)
Changes in non-cash working capital		
Taxes and other receivable	88,765	6,503
Prepaid expenses	86,963	(108,700)
Accounts payable and accrued liabilities	(334,388)	25,253
Cash Flows (Used in) Operating Activities	(371,133)	(335,244)
Investing Activities		
Exploration and evaluation costs	(71,428)	(792,114)
Proceeds from sale of mineral property	25,000	-
Short term investments	500,000	(250,000)
Cash Flows (Used in) Investing Activities	453,572	(1,042,114)
Financing Activities		
Shares issued for cash	-	1,446,581
Share issuance costs	-	(57,794)
Cash Flows From (Used in) Financing Activities	-	1,388,787
Net Change in Cash and Cash Equivalents	82,439	11,429
Cash and Cash Equivalents, Beginning of Period	53,867	277,639
Cash and Cash Equivalents, End of Period	\$ 136,306	\$ 289,068
Supplemental Cash Flows Information		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ -
Shares issued for resource property interests	\$ -	\$ -

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

Saville Resources Inc.

Notes to the Condensed Interim Financial Statements

For the six months ended October 31, 2019

Expressed in Canadian Dollars

(Unaudited – prepared by management)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Saville Resources Inc. (“Saville” or “the Company”) is a publicly listed company incorporated in British Columbia with limited liability under the legislation of the Province of British Columbia and its shares are listed on the TSX Venture Exchange under the symbol “SRE” and the Frankfurt Stock Exchange under the symbol “SOJ”. The Company is principally engaged in the acquisition, exploration, development and mining of mineral properties.

The head office, principal address and registered and records office of the Company are located at 1450, 789 West Pender Street, Vancouver, BC, Canada, V6C 1H2.

The Company is in the process of exploring its mineral property interests and has not yet determined whether its investments contains mineral reserves that are economically recoverable. The Company’s continuing operations and the underlying value and recoverability of the amounts shown for the investment in the mineral properties is entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the investment in the mineral properties, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition of the investment in the mineral properties.

2. GOING CONCERN

These financial statements were prepared on a going concern basis, under the historical cost convention. 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 and 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 for 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, there is a material uncertainty that may cast significant doubt on Company’s ability to continue as going concern. The Company expects that it will need to obtain further financing in the form of debt, equity or a combination thereof for the next 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 planned exploration and other programs. As at October 31, 2019 and April 30, 2019, the Company reported the following:

	October 31, 2019	April 30, 2019
Net loss for the period	\$212,473	\$424,217
Deficit	\$8,204,457	\$7,991,984
Working capital	\$120,946	\$380,298

Accordingly, These financial statements do not give effect to adjustments, which could be material, to the carrying values and classification of assets and liabilities, which may be required should the Company be unable to continue as a going concern.

3. BASIS OF PREPARATION

a) Statement of compliance

These statements are prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”), applicable to the presentation of interim financial statements, including IAS 34, Interim Financial Reporting (“IAS 34”).

Saville Resources Inc.

Notes to the Condensed Interim Financial Statements

For the six months ended October 31, 2019

Expressed in Canadian Dollars

(Unaudited – prepared by management)

3. BASIS OF PREPARATION – Continued

b) Basis of measurement

These financial statements have been prepared under the historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss (“FVTPL”), which are stated at their fair value.

c) Approval of the financial statements

The financial statements of the Company for the six months ended October 31, 2019 were authorized for issue in accordance with a resolution of the directors on December 2, 2019.

4. SIGNIFICANT ACCOUNTING POLICIES

The policies applied in these condensed interim financial statements are consistent with policies disclosed in Note 4 of the audited financial statements for the year ended April 30, 2019. Therefore, these condensed interim financial statements should be read in conjunction with the Company’s audited financial statements for the year ended April 30, 2019.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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 and estimates about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The following are the critical judgments and areas involving estimates, that management have made in the process of applying the Company’s accounting policies and that have the most significant effect on the amount recognized in the financial statements.

a) Critical judgments in applying accounting policies

Going concern assumption

These financial statements have been prepared on the basis of the accounting principles applicable to a going concern, which assumes the Company’s ability to continue in operation for the foreseeable future and to realize its assets and discharge its liabilities in the normal course of operations. There are several adverse conditions that cast substantial doubt upon the soundness of this assumption. Refer to note 2 for more details.

Exploration and evaluation assets

The Company makes certain judgements and assumptions regarding indicators of impairment and the recoverability of the carrying values of exploration and evaluation assets. Management has assessed for impairment indicators for the Company’s properties and has concluded that no indicators of impairment as at July 31, 2019.

b) Key sources of estimation uncertainty

Income taxes

Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were originally recorded, such differences will affect the tax provisions in the period in which such determination is made.

Saville Resources Inc.

Notes to the Condensed Interim Financial Statements

For the six months ended October 31, 2019

Expressed in Canadian Dollars

(Unaudited – prepared by management)

6. SHORT-TERM INVESTMENTS

As at October 31, 2019, the Company had a Guaranteed Investment Certificates (“GIC”) totalling \$nil (April 30, 2019 - \$500,000, with an interest rate of prime minus 2.45%).

7. TAXES AND OTHER RECEIVABLES

	October 31, 2019	April 30, 2019
GST receivable	\$ 2,897	\$ 40,954
QST receivable	-	50,708
Total	\$ 2,897	\$ 91,662

8. EXPLORATION AND EVALUATION ASSETS

The following is a description of the Company’s most significant property interests and related spending commitments:

	Niobium Claim Group Property	Covette Property	Bud Property	Total
Balance, April 30, 2018	\$ 71,966	\$ -	\$ 381,890	\$ 453,856
Acquisition costs – cash	225,000	350,000	-	575,000
Assays	15,944	486	1,205	17,635
Drilling	147,030	-	-	147,030
Field supplies and rentals	89,130	-	-	89,130
Geological expenses	388,932	-	9,400	398,332
Insurance	1,205	-	-	1,205
Permitting	3,094	4,157	-	7,251
Travel and accommodation	365,208	12,895	1,598	379,701
Total property costs for the year	1,235,543	367,538	12,203	1,615,284
Less: Option fee received	-	(25,000)	-	(25,000)
Balance, April 30, 2019	\$ 1,307,509	\$ 342,538	\$ 394,093	\$ 2,044,140
Acquisition costs – cash	-	250	-	250
Assays	34,906	-	-	34,906
Field supplies and rentals	8,976	-	-	8,976
Geological expenses	22,722	152	-	22,874
Travel and accommodation	4,873	-	-	4,873
Total property costs for the period	71,477	402	-	71,879
Less: Option fee received	-	(25,000)	-	(25,000)
Balance, October 31, 2019	\$ 1,378,986	\$ 317,940	\$ 394,093	\$ 2,091,019

Saville Resources Inc.

Notes to the Condensed Interim Financial Statements

For the six months ended October 31, 2019

Expressed in Canadian Dollars

(Unaudited – prepared by management)

8. EXPLORATION AND EVALUATION ASSETS - Continued

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 \$5 million of work on the Niobium Claim Group 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 \$1 million, and a 1% NSR on the claims that are already subject to royalties.

Covette Property

On November 27, 2017, the Company 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 Zimtu \$350,000. This agreement was accepted by the TSX Venture Exchange on June 28, 2018.

On February 20, 2019, the Company entered into an option agreement (the “Option Agreement”) with Astorius Resources Ltd. (“Astorius”) to sell its 100% interest in the Covette Property, located in the James Bay Region in the Province of Quebec. Under the terms of the Option Agreement, Astorius will acquire a 100% interest and rights in the property by paying an aggregate of \$1,250,000 in cash (\$25,000 received during the year ended April 30, 2019 and \$25,000 received during the three months ended July 31, 2019), payable over 36 months of signing the agreement. A 2% Net Smelter Return (“NSR”) is included in the Option Agreement payable to the Company. Astorius must spend a minimum of \$300,000 qualified exploration and development expenditures by February 5, 2021.

Bud Property

The Company holds a 100% interest (the “Option”) in the Bud mineral claims in the Greenwood Mining Division of British Columbia (the “Bud Property”) subject to a 2.5% net smelter return (“NSR”) royalty to a maximum of \$2,500,000.

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 to \$30,000 and 250,000 shares. During the year ended April 30, 2018, the Company paid \$30,000 cash and the shares were issued January 17, 2018, with a fair value of \$25,000.

9. SHARE CAPITAL

- (a) Authorized - Unlimited number of common shares without par value
- (b) Issued - As of October 31, 2019, there are 63,415,400 common shares issued and outstanding (April 30, 2019 – 63,415,400).

During the year ended April 30, 2019:

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.

Saville Resources Inc.

Notes to the Condensed Interim Financial Statements

For the six months ended October 31, 2019

Expressed in Canadian Dollars

(Unaudited – prepared by management)

9. SHARE CAPITAL – Continued

During the year ended April 30, 2019: - Continued

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 (see Note 14), 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.

On December 27, 2018, the Company issued 5,198,666 flow-through shares at a price of \$0.06 per share, for gross proceeds of \$311,920 (see Note 14). In connection with the completion of the private placement, the Company has paid finder’s fees in the amount of \$23,192 to certain finders.

On February 4, 2019, the Company closed the second tranche of its non-brokered private placement. The Company issued 90,000 Units at a price of \$0.05 per share for gross proceeds of \$4,500. Each Unit consists of one common share and one share purchase 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 36 months from issuance.

(c) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	October 31, 2019		April 30, 2019	
	Number of Warrants	Exercise Price	Number of Warrants	Exercise Price
Outstanding, beginning of period	42,770,353	\$0.19	23,790,333	\$0.26
Granted	-	-	18,980,020	\$0.10
Expired	(16,188,333)	\$0.32	-	-
Outstanding, end of period	26,582,020	\$0.11	42,770,353	\$0.19

The following warrants were outstanding and exercisable:

Expiry Date	Exercise Price	Number of Warrants	
		October 31, 2019	April 30, 2019
July 7, 2019	\$0.10	-	14,188,333
October 3, 2019	\$1.25	-	1,000,000
October 3, 2019	\$2.50	-	1,000,000
December 19, 2019	\$0.10	4,590,000	4,590,000
January 15, 2020	\$0.15	2,387,000	2,387,000
February 16, 2020	\$0.15	625,000	625,000
August 9, 2020	\$0.10	10,270,000	10,270,000
September 28, 2020	\$0.10	8,620,020	8,620,020
February 4, 2022	\$0.10	90,000	90,000
Total outstanding		26,582,020	42,770,353
Total exercisable		26,582,020	42,680,353

Saville Resources Inc.

Notes to the Condensed Interim Financial Statements

For the six months ended October 31, 2019

Expressed in Canadian Dollars

(Unaudited – prepared by management)

9. SHARE CAPITAL – Continued

(d) Options

The Company has a stock option plan in place under which it is authorized to grant options of up to 10% of its outstanding shares of the Company, being 6,341,540 to officers, directors, employees and consultants. The exercise price of each option is to be determined by the Board of Directors but shall not be less than the discounted market price as defined by the TSX Venture Exchange. The expiry date for each option should be for a maximum term of five years. Options granted to consultants not engaged in investor relations activities are granted for past services and vest immediately. Options granted to investor relations consultants vest according to TSX Venture Exchange policy. There are currently nil (April 30, 2019 – nil) stock options outstanding.

10. RELATED PARTY TRANSACTIONS AND BALANCES

The Company incurred the following fees and expenses in the normal course of operations during the six months ended October 31, 2019 and 2018.

Key Management Compensation	October 31, 2019	October 31, 2018
Salaries and consulting fees	\$ 48,000	\$ 30,000

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.

As at October 31, 2019, there was \$nil (April 30, 2019 - \$nil) due from (to) the related parties of the Company.

11. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to meet its daily operating expenses. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the six months ended October 31, 2019 or the year ended April 30, 2019. The Company is not subject to externally imposed capital requirements.

12. FINANCIAL INSTRUMENTS

Fair Value

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, 2019 and April 30, 2019, the Company's financial instruments consist of cash, short-term investment, other receivable and accounts payable and accrued liabilities. The Company classifies its cash, short-term investment, other receivable as financial assets at amortized cost, accounts payable and accrued liabilities as financial liabilities at amortized cost. 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.

Saville Resources Inc.

Notes to the Condensed Interim Financial Statements

For the six months ended October 31, 2019

Expressed in Canadian Dollars

(Unaudited – prepared by management)

12. FINANCIAL INSTRUMENTS - Continued

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, 2019, the Company had working capital of \$120,946 (April 30, 2019 - \$380,298).

13. COMMITMENTS

- (a) 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. The Agreement was renewed to November 30, 2019 during the year ended April 30, 2019.
- (b) 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.

14. LIABILITY AND INCOME TAX EFFECT ON FLOW-THROUGH SHARES

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds, less the qualified expenditures made to date, represent the funds received from flow-through share issuances that have not been spent.

On January 15, 2018, the Company issued 2,387,000 shares on a flow-through basis at a price of \$0.10 per shares for gross proceeds of \$238,700, and recognized a liability on flow-through shares of \$nil. At April 30, 2019, the Company has incurred \$238,700 of qualified expenditures. The flow-through proceeds were renounced under the Look-back Rule on December 31, 2017. Part XII.6 tax of \$2,074 was paid during the year ended April 30, 2019.

On February 16, 2018, the Company issued 50,000 shares on a flow-through basis at a price of \$0.10 per shares for gross proceeds of \$5,000, and recognized a liability on flow-through shares of \$nil. At April 30, 2019, the Company has incurred \$5,000 of qualified expenditures.

On August 9, 2018, the Company issued 6,070,000 shares on a flow-through basis at \$0.06 per share for proceeds of \$364,200, and recognized a liability on flow-through shares of \$30,350. At April 30, 2019, the Company has incurred \$364,200 of qualified expenditures. Of the total, the Company incurred \$71,835 of qualified expenses as of December 31, 2018 and the remaining balance was renounced under the Look-back Rule on December 31, 2018.

On September 28, 2018, the Company issued 2,298,000 shares on a flow-through basis at \$0.06 per share for proceeds of \$137,880, and recognized a liability on flow-through shares of \$22,980. At April 30, 2019, the Company has incurred \$137,880 of qualified expenditures. The flow-through proceeds were renounced under the Look-back Rule on December 31, 2018.

Saville Resources Inc.

Notes to the Condensed Interim Financial Statements

For the six months ended October 31, 2019

Expressed in Canadian Dollars

(Unaudited – prepared by management)

14. LIABILITY AND INCOME TAX EFFECT ON FLOW-THROUGH SHARES - Continued

On December 27, 2018, the Company issued 5,198,666 shares on a flow-through basis at \$0.06 per share for proceeds of \$311,920, and recognized a liability on flow-through shares of \$77,980. At April 30, 2019, the Company has incurred \$311,920 of qualified expenditures. The flow-through proceeds were renounced under the Look-back Rule on December 31, 2018.

	Issued on August 9, 2018	Issued on September 28, 2018	Issued on December 27, 2018	Total
Balance, April 30, 2018	\$ -	\$ -	\$ -	\$ -
Liability incurred on flow-through shares issued	30,350	22,980	77,980	131,310
Settlement of flow-through share liability on incurring expenses	(30,350)	(22,980)	(77,980)	(131,310)
Balance, October 31, 2019 and April 30, 2019	\$ -	\$ -	\$ -	\$ -