OLIVUT RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

JULY 31, 2012

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The effective date of this report is September 5, 2012.

This Management's Discussion and Analysis ("MD&A") contains certain "Forward-Looking Statements." All statements, other than statements of historical fact included herein, including without limitation, statements regarding potential mineralization and resources, exploration and evaluation activities, and future plans of Olivut Resources Ltd. (the "Company" or "Olivut") are forward looking statements that involve various known and unknown risks and uncertainties and other factors that could cause actual results to differ materially from expected results, including changes in future prices of precious minerals, variations in resources and grades, accidents, labour disputes and other risks associated with the exploration and mining industry, delays in obtaining governmental approvals and financing. Other than as required by applicable laws, the Company does not update or revise any such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements.

This MD&A provides a detailed analysis of the business of the Company and compares the results for the three and nine months ended July 31, 2012 with those in the comparative period in 2011. In order to better understand this MD&A, it should be read in conjunction with the financial statements of the Company for those periods. The Company prepares and files with various Canadian regulatory authorities its financial statements and MD&A in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS") which replaced Canadian generally accepted accounting principles ("CGAAP") for fiscal periods beginning on or after January 1, 2011. For comparative purposes all financial statement amounts reported in this MD&A related to the year ended October 31, 2011 have been restated in accordance with IFRS. All other periods remain unchanged from the numbers originally reported under CGAAP.

The Company's news releases and other regulatory filings can be found on SEDAR at www.sedar.com.

Description of Business

The Company is engaged in the acquisition, exploration and evaluation of properties for the purpose of mining precious minerals.

As of the date of this report, the Company has two active projects:

- A 100% interest in the HOAM Project located in the Mackenzie Region, Northwest Territories, Canada (the "HOAM Project").

- On July 6, 2011 the Company announced that it had signed an option agreement with Latin American Minerals Inc. (“LAT”) (TSXV:LAT) and certain of its Paraguayan subsidiaries to explore the Itapoty Diamond Project located in central Paraguay, South America. Olivut may earn a 50% interest in the Itapoty Diamond Project. Olivut is the operator.

  The Company is pleased to have the opportunity to complete early stage evaluations for diamond potential in relatively unexplored regions. Olivut views these exploration joint venture opportunities to be very worthwhile for its shareholders as a way to provide possible additional upside potential through new exploration of promising terrain. The intent is to focus limited, initial expenditures on the ground to evaluate the potential for economic diamond deposits of meaningful size. The aim of the Company’s management and the Company’s technical team is to acquire, in their view, enough new scientific information from this early stage analysis to conclude relatively quickly if the project warrants further corporate commitments.

Further detail is provided under “*Mineral Property and Exploration and Evaluation Activities”.*

Summary of Quarterly Results

	2012 **3rd Quarter**	**2012** **2nd Quarter**	**2012** **1st Quarter**	**2011** **4th Quarter**
Total revenues	$12,820	$13,260	$9,696	$10,313
Net (loss)	$(999,129)	$(125,286)	$(405,238)	$(391,076)
Basic and diluted net (loss) per share	$(0.03)	$(0.00)	$(0.01)	$(0.02)

	2011 **3rd Quarter**	**2011** **2nd Quarter**	**2011** **1st Quarter**	**2010** **4th Quarter** Note 1
Total revenues	$12,185	$12,962	$14,728	$14,835
Net (loss)	$(940,671)	$(342,416)	$(437,539)	$(432,301)
Basic and diluted net (loss) per share	$(0.03)	$(0.01)	$(0.01)	$(0.01)

Note 1. Prepared in accordance with CGAAP. All other periods are prepared in accordance with IFRS.

Results of Operations

Three and nine months ended July 31, 2012 compared to three and nine months ended July 31, 2011

The Company’s net loss for the three and nine months ended July 31, 2012 was $999,129 and $1,529,653 respectively (2011 - $940,671 and $1,720,626 respectively).

The Company has no active business income. Revenue is entirely from interest income, primarily earned on cash deposits, which in the three and nine months ended July 31, 2012 amounted to $12,820 and $35,776 respectively (2011 - $12,185 and $39,875 respectively).

During the three and nine months ended July 31, 2012 administrative and general expenses totaled $497,717 and $810,024 respectively compared to $141,305 and $482,079 respectively in the three and nine months ended July 31, 2011. The increase in expenses quarter over quarter was primarily due to an increase in non-cash stock based compensation costs because of the granting of additional options to consultants, management and the Board of Directors during the three months ended July 31, 2012. Excluding the impact of non-cash stock based compensation expense, administrative and general expenses declined $5,408 and $20,879, respectively, for the three and nine months ended July 31, 2012 compared to the prior year.

Exploration expenses for the three and nine months ended July 31, 2012 were $509,969 and $904,495 respectively (2011 - $806,784 and $1,273,247 respectively). The change in exploration expenses period over period is explained below under "*Mineral Property and Exploration and Evaluation Activities*".

Mineral Property and Exploration and Evaluation Activities

The HOAM Project

The Company has a 100% interest in the HOAM project located in the Mackenzie Region, Northwest Territories (the "HOAM Project"), Canada. This interest is subject to a 1.5% Net Smelter Return royalty ("NSR"), 50% of which is held by a director and officer of the Company. The Company has been very successful in identifying kimberlite occurrences in this previously unexplored area of the NWT. Twenty-eight kimberlite discoveries have been made to date. Although some of these discoveries are microdiamond bearing, the sources of the extremely positive, yet discrete, kimberlite indicator mineral ("KIM") populations (including G10 garnets), recovered from stream sediment and till samples collected throughout this large project area, remain to be found.

Numerous additional moderate to high priority targets have been delineated by an ongoing evaluation of regional geophysical data being conducted by an independent expert. The objective of this evaluation is to identify potential new kimberlite occurrences. The 2011 exploration season included 7,596 line kilometres of detailed geophysical surveys, geochemical sampling over certain areas and limited drilling. Numerous new drill targets were defined by the airborne survey work. During 2011, a light weight drill was utilized to initially test certain anomalies. Five shallow holes were completed. Kimberlite was intersected in three of the five holes drilled into four previously untested targets with varied magnetic signatures. Drilling is underway for the 2012 summer exploration season to evaluate numerous, previously untested, high priority targets. Analysis is ongoing to further evaluate many of the high priority target areas in order to provide information for planning future work. Additional detailed airborne geophysical surveys are justified and will be undertaken as financing and weather permit. Actual exploration costs on the HOAM Project for the nine months ended July 31, 2012 were $720,495 or $335,373 less than the $1,055,868 spent in the nine months ended July 31, 2011.

The Itapoty Diamond Project

In July 2011 the Company signed an option agreement with Latin American Minerals Inc. ("LAT") (TSXV:LAT) to explore the Itapoty Diamond Project located in central Paraguay, South America.

The southern hemisphere location provides a complementary work season to that of the HOAM summer program in Canada. Paraguay's mineral resources remain largely underexplored.

A sampling program was undertaken in July 2011. Sixty-five samples were taken with the majority from heavy mineral trap sites in streams. Fourteen stream sediment samples yielded 22 diamonds ranging in size from 0.5mm to 2.4mm. The largest stone weighs 0.07 carats. The majority of the stones are octahedrons, tetrahexahedrons and fragments and are predominantly colourless, transparent and inclusion free. The sampling was conducted over a previously recognized trend of recovered diamonds. Samples were treated in LAT's laboratory in Paraguay and the results were confirmed by Olivut's Sr. Technical Advisor, Dr. Malcolm McCallum. In September 2011, a detailed ground magnetic survey commenced and continued to late December 2011.

Planning is underway for the next phase of work based on the results of the sampling and geophysical programs. It is anticipated that a stream sediment/colluvium sampling program will be conducted to constrain the potential source area(s) of the results of the 2011 sampling, as well as the results from previous LAT work, which included an additional 37 macro diamonds (1-2mm) and kimberlite indicator minerals. Additional detailed geophysics over select areas may be conducted after analysis of the sampling results. The diamond distribution suggests multiple local sources and surface features of most of the diamonds indicate a proximal source. The regional and local structural setting is considered to be favourable for kimberlite pipe emplacement.

Olivut has the option to earn a 50% interest in the Itapoty Diamond Project by expending CDN$250,000 by July 5, 2012 ($328,140 was incurred by July 31, 2012) and an additional CDN$750,000 by January 5, 2014. Olivut is the operator of the project.

During the three and nine months ended July 31, 2012, the Company incurred $509,969 and $904,495 respectively (2011 - $806,784 and $1,273,247 respectively) on exploration and evaluation expenditures. The principal expenditures year-to-date were for diamond drilling related costs $609,362 (2011 - $481,975) and air and ground geophysics $52,808 (2011 - $506,581) on the HOAM project. Cumulative exploration and evaluation expenditures made by the Company as at July 31, 2012 total $14,199,837 (at October 31, 2011 - $13,295,342). This cumulative total represents $13,356,407 spent on the HOAM Project (October 31, 2011 – $12,635,912), $328,140 (October 31, 2011 - $188,309) spent on the Itapoty Diamond Project and $515,290 spent on other projects where the Company's interests have been terminated (October 31, 2011 - $471,121).

Additional information is available at www.sedar.com and the Company's website at www.olivut.com.

Liquidity and Capital Resources

As at July 31, 2012, the Company had a cash and cash equivalents balance of $2,320,934 (October 31, 2011 - $1,079,727) to settle current liabilities of $404,683 (October 31, 2011 - $302,953) and working capital of $2,083,440 (October 31, 2011 - $849,863).

Cash equivalents are entirely guaranteed investment certificates issued by a major Canadian chartered bank. All of the Company's financial liabilities have contractual maturities of less than one year and are subject to normal trade terms.

During the three and nine months ended July 31, 2012, cash used by operating activities was $402,423 and $1,267,216 respectively, a decrease of $12,624 and $52,830 respectively compared to the cash used in the three and nine months ended July 31, 2011. The decrease year-to-date primarily reflects decreased spending on exploration activities and administrative and general expenses.

The Company's ability to continue operations and fund its business is dependent on management's ability to secure additional financing. It is anticipated that the Company will continue to rely on equity financing to meet its ongoing working capital requirements. On the basis of the Company's current cash position, management of the Company believes that it has sufficient funds to meet its ongoing administrative and general costs until the fiscal year end October 31, 2012, and will be soliciting additional financing during the next year to enable the Company to continue exploration on its projects and to consider new opportunities. Management carefully monitors its cash balances and may postpone material exploration expenses so as to protect the Company's working capital if equity markets do not permit additional financing. As at July 31, 2012, the Company did not have any long-term debt or contractual liability or obligations other than as reported in the financial statements.

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet transactions.

Transactions with Related Parties

During the three and nine months ended July 31, 2012 a total of $63,000 and $88,000 respectively (2011 - $58,000 and $91,500 respectively) for exploration consulting expenditures, and $3,200 and $8,000 respectively (2011 - $2,400 and $7,200) for administrative and general expenses (other than salary and benefits) included in the statement of operations were accrued or paid to directors and officers of the Company or persons or companies related to or controlled by them. The directors and officers of the Company or persons or companies related to or controlled by them were also reimbursed at cost for expenses incurred on behalf of the Company. Included in accounts payable and accrued liabilities at July 31, 2012 is $66,800 (October 31, 2011 - $nil) relating to the above transactions owing to directors and officers of the Company or persons or companies related to or controlled by them.

Amounts owing to the related parties are unsecured, non-interest bearing with no fixed terms of repayment.

Critical Accounting Estimates

The areas which require management to make significant judgements, estimates and assumptions are described in detail in Note 3 to the Condensed Interim Financial Statements for the quarter ended January 31, 2012.

Changes In Accounting Policies Including Initial Adoption

The Company has adopted IFRS effective November 1, 2011 with a transition date of November 1, 2010. For further details, please refer to notes 2, 3, and 14 of the Condensed Interim Financial Statements for the quarter ended January 31, 2012.

Transition to International Financial Reporting Standards

As previously discussed in the Company's MD&A for the year ended October 31, 2011, the Company implemented its conversion from CGAAP to IFRS through a transition plan that involves the following four phases: scoping and planning ("phase 1"), detailed assessment ("phase 2"), operations implementation ("phase 3") and post implementation ("phase 4"). Phases 1, 2 and 3 were completed during 2010 and 2011. Phase 4, which involves the maintenance of IFRS compliant financial data and processes for fiscal 2012 and beyond, will be carried out throughout 2012. There were no significant issues noted during the reporting process for the Company's nine months ended July 31, 2012. Management does not anticipate any significant issues with completing phase 4 of its transition plan.

In addition, the conversion from CGAAP to IFRS as a primary basis for preparing the Company's financial statements has resulted in (a) changes in the Company's accounting policies; (b) changes to the Company's financial reporting process and systems; (c) incremental controls relating to the conversion and the design, implementation and testing of changes to the Company's financial reporting process and systems; and (d) additional financial expertise and training requirements. The conversion did not have any significant impact on the Company's key financial performance ratios or compensation plans.

Outstanding Share Data

As of September 5, 2012, an unlimited number of common shares with no par value are authorized of which 33,852,382 shares are issued and outstanding.

Under the terms of the Company's Stock Option Plan, as at September 5, 2012 a total of 3,345,000 options to purchase common shares at exercise prices ranging from $0.165 to $1.70 per common share and expiring between January 18, 2013 and June 27, 2022 are outstanding.

Commitments and Contingencies

1. Environmental Contingencies

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

2. Management Contracts

The Company is party to a management contract. Minimum contract commitments remaining under the agreement are approximately $660,000, including $220,000 due within one year. Upon the occurrence of certain events such as a change of control, the contract requires payment of up to $1,000,000. As the likelihood of these events taking place is not determinable, the contingent payment has not been reflected in the financial statements for the nine months ended July 31, 2012.

3. Flow-Through Shares

Pursuant to the issuance of 1,079,200 common shares with flow-through tax benefits to the shareholders on December 22, 2011 the Company has renounced $1,349,000 of qualified exploration expenditures with an effective date of December 31, 2011.

The Company is required to expend this amount on qualified exploration expenditures by December 31, 2012. As of July 31, 2012, the amount remaining to be expended is approximately $700,000.

The Company has indemnified the subscribers of current and previous flow-through share offerings against any tax related amounts that become payable by the shareholder as a result of the Company not having met its expenditure commitments.

4. Operating Lease

The Company is committed to an operating lease for equipment rental, which expires on May 2, 2014. Minimum lease payments for successive fiscal years ending October 31 are as follows:

Year	$ Amount
2012	720
2013	2,880
2014	1,440
	5,040

The Company is not involved in any outstanding litigation.

Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and evaluation of mineral properties. The capital of the Company consists of capital stock and equity reserves. The Board of Directors does not establish quantitative return on capital criteria for the Company's management, but rather relies on the expertise of management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage. Accordingly, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for its administrative costs, the Company will spend its existing working capital and raise additional amounts as needed and if reasonably available. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

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 nine months ended July 31, 2012. The Company is not subject to externally imposed capital requirements.

Risks and Uncertainties

Risks and uncertainties include, but are not limited to, the following:

1. Financial Risk Factors

The Company's financial risk exposures and the impact on the Company's financial instruments are summarized below:

a) Credit Risk

The Company's credit risk is primarily attributable to cash and cash equivalents, amounts receivable and a loan receivable. The Company has no significant credit risk arising from operations. The loan receivable is described in Note 6 to the financial statements for the nine months ended July 31, 2012 and is secured by all assets of the borrower. Management believes that the credit risk with respect to these financial instruments is remote.

b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient cash to meet liabilities when due. All of the Company's financial liabilities have contractual maturities of less than one year and are subject to normal trade terms. Further discussion relating to liquidity risk is described above under *"Liquidity and Capital Resources".*

In the absence of cash flow from operations the Company must rely on its shareholders or capital markets to fund operations. Although the Company has been successful in the past in obtaining financing, there can be no assurance that additional funding will be available, or available under terms favourable to the Company. Failure to obtain such additional financing could result in delay or the indefinite postponement of further exploration and the development of the Company's properties, as well as the loss of prospecting permits and mineral claims and even the risk of the Company continuing as a going concern.

c) Market Risk

i. Interest Rate Risk

The Company has cash and cash equivalent balances and no interest bearing debt at July 31, 2012. The Company's current policy is to invest cash in investment-grade short-term guaranteed investment certificates issued by its banking institution. The Company periodically monitors the investments it makes and is satisfied with the credit rating of its banks. The Company considers interest rate risk to be minimal as investments are short-term, the Company does not carry interest bearing debt and it is expected that future financings, if any, would be secured from equity placements rather than debt obligations.

ii. Foreign Currency Risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars. Management believes that the foreign exchange risk from currency conversions is negligible.

As discussed in "Mineral Property and Exploration and Evaluation Activities", the Company acts as operator of an exploration project in Paraguay. At July 31, 2012 the Company has spent $328,140 on the Itapoty Diamond Project in Paraguay and has the option to spend an additional $671,860 by January 5, 2014, all in Canadian dollars. Management believes that the Company will not be subject to any material foreign currency risk related to this option.

iii. Price Risk

The Company is exposed to price risk with respect to commodity prices. Although the Company has no influence on commodity prices, it closely monitors commodity prices to determine appropriate courses of action.

d) Fair Value

The fair value hierarchy consists of the following: (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1); (b) inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. as derived from prices) (Level 2); and (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The Company has designated its cash equivalents as held-for-trading, measured at fair value. Amounts receivable and loan receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities are classified as other financial liabilities, which are measured at amortized cost.

The carrying amounts for amounts receivable and accounts payable and accrued liabilities on the balance sheet approximate fair value because of the limited terms of these instruments. The fair value of the loan receivable approximates carrying value as the interest rate approximates the current rate for similar instruments.

The Company's financial instruments that are carried at fair value consist of cash equivalents that do not have quoted market prices. They have been classified as level 2 within the fair value hierarchy.

e) Sensitivity to Financial Risks

The Company considers interest rate risk to be minimal as investments are short-term, the loan receivable has a fixed interest rate and the Company does not carry interest bearing debt. It is expected that future financings, if any, would be secured from equity placements rather than debt obligations. Based on cash and cash equivalents held by the Company as at July 31, 2012, a 1% increase or decrease in the interest rate would generate a respective increase or decrease in interest income of approximately $23,000.

The Company does not hold any balances in foreign currencies to give rise to foreign exchange risk.

Price risk is remote since the Company is not a producing entity.

There were no changes in the nine months ended July 31, 2012 that occurred that were attributed to financial risk.

2. Exploration

The Company's exploration projects are subject to conditions beyond its control that can affect the carrying costs and exploration and evaluation costs for varying lengths of time. Such conditions include environmental hazards, unusual or unexpected geological formations or pressures and periodic interruptions due to inclement or hazardous weather conditions, geopolitical, economic, regulatory conditions as well as dependence on key employees. Such risks could result in damage to, or destruction of, mineral properties or facilities, personal injury, environmental damage, delays in exploration programs, monetary losses and possible legal liability. Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. Success in establishing marketable mineral reserves is a result of a number of factors, including the quality of management, the Company's level of geological and technical expertise, the quality of land holdings, the availability of suitable employees, contractors, consultants and equipment and other factors.

If mineralization is discovered, 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 recovery process to extract the minerals from the ore and to construct mining and processing facilities. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment of resources or reserves.

Whether a resource deposit will ultimately be commercially viable depends on a number of factors, including the particular attributes of the deposit such as the deposit's size, financing costs and the prevailing prices for the applicable resource. Also of key importance are government regulations, including those relating to prices, taxes, royalties, land tenure, land use, land treaties and environmental protection.

The Company's continued existence is dependent upon the preservation of its interest in the underlying exploration properties, the discovery of economically recoverable reserves, the achievement of profitable operations and the ability of the Company to raise financing, if necessary and/or available, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's or its potential joint venture partners' ("Optionors") title. Property title may be subject to unregistered prior agreements, native land claims and non-compliance with regulatory requirements.

3. Licenses and Permits, Laws and Regulations

The Company's exploration activities may require permits from various government authorities, and are subject to extensive federal, provincial and local laws and regulations governing prospecting, exploration, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. The Company relies on the expertise and commitment of its management team, their advisors, and contractors to ensure compliance with current laws and fosters a climate of open communication and cooperation with regulatory bodies. The Company believes that it or its Optionors hold all necessary licenses and permits under applicable laws and regulations and believes it is presently complying in all material respects with the terms of such licenses and permits.

There can be no guarantee that the Company or its Optionors will be able to maintain or obtain all necessary licenses and permits that may be required to explore and evaluate the properties under exploration, commence construction or operation of mining facilities or to maintain continued operations.