OLIVUT RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OCTOBER 31, 2008

Olivut Resources Ltd.
Management's Discussion and Analysis
October 31, 2008

The effective date of this report is December 10, 2008.

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 development activities, and future plans of Olivut Resources Ltd. (the "Company") 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, and delays in obtaining governmental approvals or 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 months and the year ended October 31, 2008 with those in the comparative periods of 2007. In order to better understand this MD&A, it should be read in conjunction with the consolidated financial statements of the Company (the "Financial Statements") 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 Canadian generally accepted accounting principles ("GAAP"). 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 development of properties for the purpose of mining precious and base minerals. The Company has an interest in over 2.6 million acres of properties in northern Canada (collectively referred to as the "HOAM Project").

On November 7, 2008 the Company announced the successful completion of the 2008 drilling program (the "Program").

Highlights of the Program include the following:

- Successful completion of the planned 2008 regional airborne, gravity and drilling programs
- 8 new kimberlite bodies discovered
- 23 drill holes completed
- 16 drill holes intersected kimberlite
- 15 targets tested including 13 new targets identified during the year
- Increased the number of known kimberlite bodies discovered from 10 to 18

Further detail is provided under "*Mineral Property and Exploration and Development Expenditures".*

The historical exploration programs carried out by the Company on the HOAM Project include stream sediment and till sampling, regional magnetic airborne and detailed helimag surveys and drilling, which together indicate favourable conditions for emplacement of diamondiferous kimberlites. The Company's strategy is to continue with acquisition, exploration and development of properties in the HOAM Project and to evaluate new opportunities as they may arise in order to enhance the Company's mineral property portfolio.

Selected Annual Information

	Year Ended October 31 2008 $	2007 $	2006 $
Total revenue	334,314	294,526	25,374
Net (loss)	(3,334,363)	(3,381,301)	(1,023,853)
Basic and diluted net loss per share	(0.11)	(0.13)	(0.09)
Total assets	6,616,572	9,634,253	5,680,299

Summary of Quarterly Results

	2008 4th Quarter	**2008 3rd Quarter**	**2008 2nd Quarter**	**2008 1st Quarter**
Total revenues	$ 61,808	$ 83,112	$ 91,852	$ 97,542
Net (loss) - (Note 1)	$ (889,728)	$ (1,269,430)	$ (555,904)	$ (619,301)
Basic and diluted net loss per share	$ (0.03)	$ (0.04)	$ (0.02)	$ (0.02)

	2007 4th Quarter	**2007 3rd Quarter**	**2007 2nd Quarter**	**2007 1st Quarter**
Total revenues	$ 108,656	$ 98,110	$ 41,311	$ 46,449
Net income (loss) - (Note 1)	$ (1,412,105)	$(1,406,496)	$(1,189,176)	$ 626,475
Basic and diluted net (loss) per share	$ (0.05)	$ (0.05)	$ (0.04)	$ 0.03

Note 1: Net income (loss) amounts have been restated to reflect the change in accounting policy described under *"Critical Accounting Estimates and Changes in Accounting Policies"*

Results of Operations

Three Months and the Year Ended October 31, 2008 compared to Three Months and the Year Ended October 31, 2007

The Company's net loss for the three months and the year ended October 31, 2008 was $889,728 and $3,334,363 respectively (2007 - $1,412,105 and $3,381,301).

The Company has no active business income. Revenue is entirely interest income, primarily earned on cash deposits, which in the three months and the year ended October 31, 2008 amounted to $61,808 and $334,314 respectively (2007 - $108,656 and $294,526). The increase in interest income for the year is primarily due to higher cash and short term investments arising from funds raised from the private equity placement in the third quarter of 2007.

Administrative and general costs totaled $172,317 and $1,235,275 in the three months and the year ended October 31, 2008 respectively (2007 - $362,681 and $1,428,483). The decrease in total administrative and general expenses period over period was primarily due to (1) management services expense, which increased by $7,274 and $247,604 in the three months and year ended October 31, 2008 respectively due to increased salaries and staffing since the Company became publicly listed in January 2007, offset by (2) stock based compensation expense, which decreased by $210,818 and $524,858 for the three months and year ended October 31, 2008 respectively.

Exploration expenses for the three months and the year ended October 31, 2008 were $778,748 and $2,431,521 respectively (2007 - $1,157,452 and $3,244,735). The change in exploration expenses period over period is explained below under "*Mineral Property and Exploration and Development Expenditures*".

Mineral Property and Exploration and Development Expenditures

The Company has a 100% interest in 38 mineral claims and 66 prospecting permits in the Mackenzie Region, Northwest Territories (the "HOAM Project"). The interests in exploration properties are subject to a 1.5% Net Smelter Return royalty ("NSR"), 50% of which is held by a director and officer of the Company. The NSR can be purchased by the Company, at the Company's option, for $10,000,000 until January 10, 2009.

Refundable deposits with the Federal Government of Canada are required for the 66 prospecting permits. These deposits may be refunded if the government approves by January 31, 2009 a representative assessment report for work carried out representing an expenditure at least equalling the amount of the deposit. If no work is done or no representative assessment report is filed and the Company relinquishes the permit, the refundable deposit would be forfeited. If a refund is not claimed a subsequent deposit may be made to maintain the permit in good standing if desired.

A breakdown of the deposits is as follows:

Balance, October 31, 2006	Addition	Balance, October 31, 2007 and 2008
$	$	$
201,452	48,000	249,452

During the year ended October 31, 2008, the Company incurred $2,431,521 (2007 - $3,244,735) on exploration and development expenditures. Cumulative exploration and development expenditures made by the Company on the HOAM Project as at October 31, 2008 totaled $9,698,549 (2007 – $7,267,028).

The 2008 regional airborne program successfully delineated numerous new targets that will require a follow-up helimag program in 2009 to establish drill prioritization. In addition, untested priority helimag targets identified during the 2007 program are scheduled to be drilled during the next field season.

The 2008 drilling program completed 23 drill holes. The focus of the drilling was on untested targets; two holes were drilled into previously identified kimberlite bodies intersected in 2007 in order to provide more information about those targets. The 2008 drilling results support the 2007 results indicating that the two previously tested targets include both diatreme and dyke phases with volume potential. Some of the other known kimberlite bodies also host multiple phases and additional drilling of these bodies is warranted to ensure that they are properly evaluated. The recovery of microdiamonds from the 2007 drill program is significant in that it proves that the mantle source being tapped is diamondiferous. Kimberlite recovered during the 2008 program has been sent to Saskatchewan Research Council for microdiamond recovery and results will be reported as they become available.

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

Liquidity and Capital Resources

As at October 31, 2008, the Company had a cash and cash equivalents balance of $6,010,365 (October 31, 2007 - $8,950,379) to settle current liabilities of $298,948 (October 31, 2007 - $545,156) and working capital of $5,830,784 (October 31, 2007 - $8,600,111).

At no time has the Company held Asset Backed Commercial Paper. 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.

On May 14, 2007 the Company completed a private placement for the sale of 4,600,000 units at $1.75 per unit (a "Unit") for gross proceeds of $8,050,000.

The Company spent approximately $2.4 million on exploration activities and approximately $0.5 million on administrative and general costs (net of working capital changes) for the year ended October 31, 2008. Approximately $3.2 million was spent on exploration activities and approximately $0.3 million was spent on administrative and general costs (net of working capital changes) in the year ended October 31, 2007.

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 complete a 2009 exploration program, pay its ongoing administrative expenses and to meet its existing liabilities until the next fiscal year end, October 31, 2009. In the current global economic and liquidity crisis, management will carefully monitor its cash balances over the course of the next 12 to 24 months and may postpone material exploration expenses if the liquidity crisis does not improve, so as to protect the Company's working capital. The Company does not have a liquidity or going concern issue at this time, however, liquidity may be a concern if the current global economic and liquidity crisis does not improve in the next 24 to 36 months. As at October 31, 2008, the Company did not have any long-term debt or contractual liability or obligations other than as reported in the audited year-end consolidated financial statements.

Off-Balance Sheet Arrangements

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

Transactions with Related Parties

During the year ended October 31, 2008, a total of $249,805 (2007 - $196,485) for exploration consulting expenditures, $NIL (2007 - $8,500) for deferred public offering costs and share issuance consulting costs and $9,600 (2007 - $6,800) for administrative and general expenses 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 October 31, 2008 is $18,600 (October 31, 2007 - $65,953) relating to the above transactions owing to directors and officers of the Company or persons or companies related to or controlled by them.

The above transactions were in the normal course of operations and were measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. The amounts owing to the related parties are unsecured, non-interest bearing with no fixed terms of repayment.

Directors and officers of the Company or persons or companies related or controlled by them participated in the private placement of units completed May 14, 2007 described on Note 11(b) to the audited consolidated financial statements for the year ended October 31, 2008 and purchased a total of 212,715 units providing proceeds to the Company of $372,251.

Critical Accounting Estimates and Changes in Accounting Policies

The Company's critical accounting principles and methods are disclosed in full in note 2 of the audited consolidated financial statements for the year ended October 31, 2008.

Effective November 1, 2007, the Company adopted four new standards issued by The Canadian Institute of Chartered Accountants ("CICA"). These standards have been adopted retrospectively.

Accounting Changes

The Company adopted the revised CICA Handbook Section 1506, “Accounting Changes.” Under the revised section, voluntary changes in accounting policy are permitted only if they result in financial statements that provide more reliable and relevant information to the reader. Changes in accounting policy must be applied retrospectively, while changes in accounting estimates are to be applied prospectively. The revised section also outlines additional disclosures required when accounting changes are applied, including the justification for the change, a complete description of the policy, the primary source of GAAP and the detailed effect on financial statement line items. The Company has included disclosures recommended by the new Handbook section in Note 3 to the audited Consolidated Financial Statements for the year ended October 31, 2008.

Inventory

The Company adopted CICA Handbook Section 3031, “Inventories”, which replaces Section 3030, “Inventories”, and harmonizes the Canadian standards related to inventories with International Financial Reporting Standards (“IFRS”). This section provides more extensive guidance on the determination of cost, narrows the permitted cost formulas, requires impairment testing, and expands the disclosure requirements to increase transparency. The adoption of this policy had no effect on the audited consolidated financial statements for the year ended October 31, 2008.

Capital Disclosures

CICA Handbook Section 1535 specifies the disclosure of (i) an entity’s objectives, policies and processes for managing capital: (ii) quantitative data about what the entity regards as capital: (iii) whether the entity has complied with any capital requirements; and (iv) if it has not complied, the consequences of such non-compliance. The Company has included disclosures recommended by the new Handbook section Note 13 to the audited consolidated financial statements for the year ended October 31, 2008.

Financial Instruments, Disclosures and Presentation

CICA Handbook Sections 3862 and 3863 replace Handbook Section 3861, “Financial Instruments – Disclosure and Presentation”, revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks. The Company has included disclosures recommended by the new Handbook Section in Note 14 to the audited consolidated financial statements for the year ended October 31, 2008.

Change in Accounting Policy

Effective October 31, 2008, the Company changed its accounting policy of capitalizing mineral property exploration and development costs in order to provide more reliable and relevant financial information during a period of market uncertainty and for all future periods. Under the new policy, which is in accordance with CICA Handbook section 3061, development costs are expensed until it has been established that a mineral deposit is commercially viable and a mine development decision has been made by the Company. Thereafter, the Company capitalizes expenditures subsequently incurred to develop the mine, prior to the start of mining operations. The consolidated financial statements for the year ended October 31, 2007 have been restated to reflect adjustments made as a result of this change in accounting policy. The accumulated effect of the change has been reflected in the opening deficit of the consolidated financial statements for the year ended October 31, 2008.

Future accounting changes:

IFRS

In January 2006, the CICA Accounting Standards Board adopted a strategic plan for the direction of accounting standards in Canada. As part of that plan, accounting standards in Canada for public companies are expected to converge with IFRS by the end of 2011. The Company's changeover plan to adopt IFRS encompasses review of and possible changes to its accounting policies, information technology and data systems, internal control over financial reporting, disclosure controls and procedures, financial expertise and training and certain business matters, such as compensation arrangements. The Company is in the early stages of assessing the impact of the various elements of the changeover plan.

Outstanding Share Data

As of December 10, 2008, an unlimited number of common shares with no par value are authorized of which 31,650,637 shares are issued and outstanding. 280,000 warrants exercisable at an exercise price of $1.00 per share expired January 10, 2008. 322,000 broker's warrants exercisable at an exercise price of $2.00 per share expired May 14, 2008. 2,300,000 share purchase warrants are issued and outstanding at an exercise price of $2.00 per share and expire May 14, 2009. Pursuant to a CPC escrow agreement 880,270 common shares are subject to a 36-month staged release of which 484,147 shares have been released leaving a balance of 396,123 held in escrow. There is also a value escrow agreement pursuant to which 2,083,740 common shares are subject to a 36-month staged release escrow of which 1,146,057 have been released leaving a balance of 937,683 shares held in escrow. All escrowed shares will be released by January 9, 2010.

Under the terms of the Company's Stock Option Plan, as at December 10, 2008, a total of 2,305,000 options to purchase common shares at exercise prices ranging from $ 0.74 to $1.15 per common share and expiring between January 17, 2012, and March 6, 2013 are outstanding.

Commitments and Contingencies

Environmental Contingencies

The Company's exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and 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, the future amounts of which cannot yet be determined or estimated.

Management Contracts

The Company is party to a management contract. Minimum contract commitments remaining under the agreement were approximately $660,000, including $220,000 due within one year. The contract also requires that additional payments of up to $1,000,000 be made upon the occurrence of certain events. As the likelihood of these events taking place is not determinable, the contingent payments have not been reflected in the audited consolidated financial statements for the year ended October 31, 2008.

Operating Lease

The Company is committed to an operating lease for equipment rental, which expires on April 1, 2011. Minimum lease payments for successive years ending October 31, 2011 total $12,702, of which $5,256 is due within one year.

Year	Amount $
2009	5,256
2010	5,256
2011	2,190
Total	12,702

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 development of mineral properties. 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.

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. 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 year ended October 31, 2008. The Company is not subject to externally imposed capital requirements.

Risks & Uncertainties

Financial Risk Factors

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

Credit risk

The Company's credit risk is primarily attributable to amounts receivable, refundable deposits and a loan receivable. The Company has no significant credit risk arising from operations. Financial instruments included in amounts receivable consist primarily of goods and services tax due from the Federal Government of Canada. The refundable deposits are described in Note 6 to the consolidated financial statements for the year ended October 31, 2008. The loan receivable is described in Note 8 to the consolidated financial statements for the year ended October 31, 2008 and is secured by all assets of the borrower. Management believes that the credit risk with respect to these financial instruments is remote.

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.

Market risk

a) Interest rate risk

The Company has cash balances and no interest bearing debt at October 31, 2008. The Company's current policy is to invest cash in investment-grade short-term deposit certificates issued by its banking institution. The Company periodically monitors the investments it makes and is satisfied with the credit rating of its bank. 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 will be secured from equity placements.

b) 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.

c) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. The current global economic and liquidity crisis has had an adverse impact on the wholesale diamond price market. If such conditions are protracted they may have a significant negative impact on the economic viability of future diamond developments.

Sensitivity to financial risks

The Company has designated its cash equivalents and refundable deposits 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 cash equivalents, amounts receivable, refundable deposits 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 current interest rates have not changed significantly. There were no changes in the year ended October 31, 2008 that occurred that were attributed 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 will be secured from equity placements.

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

Exploration

The Company's exploration projects are subject to conditions beyond its control that can affect the carrying costs and development 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 its underlying exploration properties, the discovery of economically recoverable reserves, the achievement of profitable operations and the ability of the Company to raise alternative financing, if necessary, 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 title. Property title may be subject to unregistered prior agreements, native land claims and non-compliance with regulatory requirements.

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 holds 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 will be able to maintain or obtain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities or to maintain continued operations.

Environmental Contingencies

The Company's mining and exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and 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.