



Rockstone Research

April 5, 2018

Report #3

Exploration in Québec,
Canada



Eager to Start the Treasure Hunt for Niobium in Québec

Today, Saville Resources Inc. [released](#) a complete overview of the historical results from the Niobium Claim Group recently optioned from Commerce Resources Corp., as the latter prefers to focus exclusively on its advanced-stage Ashram REE Deposit. Saville has signed an agreement to acquire up to 75% of the project and that agreement is now going through the TSX-V approval process.

Saville has disclosed results of past boulder sampling on these 21 claims (formerly known as the Eldor Niobium Claims) including truly jaw-dropping grades of extremely high niobium assays never published before. As a comparison, remember that most globally significant niobium deposits have grades between 0.3% and 2.5% Nb₂O₅.

The source of the numerous niobium mineralized boulders on Saville's newly

acquired property has yet to be found, and so the treasure hunt begins. As many niobium-rich boulders have been reported from the Niobium Claim Group, Saville could be close to the discovery of a truly great niobium-rich deposit.

Saville's property has the right host rock and mineralogy for conventional metallurgical processing, that being **carbonatite** rock and **pyrochlore** mineralogy hosting the niobium. Therefore, the mineralogy of the samples is highly favourable. Previous mineralogical work on the carbonatite complex indicates that the niobium and tantalum mineralization present is hosted by the mineral pyrochlore, which is the dominant mineral source of niobium globally. Further, much of the pyrochlore is visible to the naked eye, thus indicating a relatively coarse grain size which is advantageous to metallurgical recovery.

Company Details



Saville Resources Inc.

#1450 – 789 West Pender Street
Vancouver, BC, V6C 1H2 Canada

Phone: +1 604 681 1568

Email: mhodge@savilleres.com

www.savilleres.com

Shares Issued & Outstanding: 30,868,714



▲Chart Canada

Canadian Symbol ([TSX.V](#)): SRE

Current Price: \$0.06 CAD (04/04/2018)

Market Capitalization: \$1.9 Million CAD



▲Chart Germany ([Frankfurt](#))

German Symbol / WKN: S0J / A2DY3Z

Current Price: €0.038 EUR (04/04/2018)

Market Capitalization: €1.2 Million EUR



The Treasure Hunt – Boulder Train Technology

The extremely high-grade boulder disclosed in today's press-release was collected northwest of the Ashram REE Deposit. As the last ice age melted away, the glacier over Québec receded to the north and potentially slightly to the west. Because of this, it is hypothesized that this high-grade boulder may have originated from somewhere within Saville's Property, potentially from the **Southeast Area** – this is where the "treasure hunt" will begin, and where Saville intends to drill test as soon as possible.

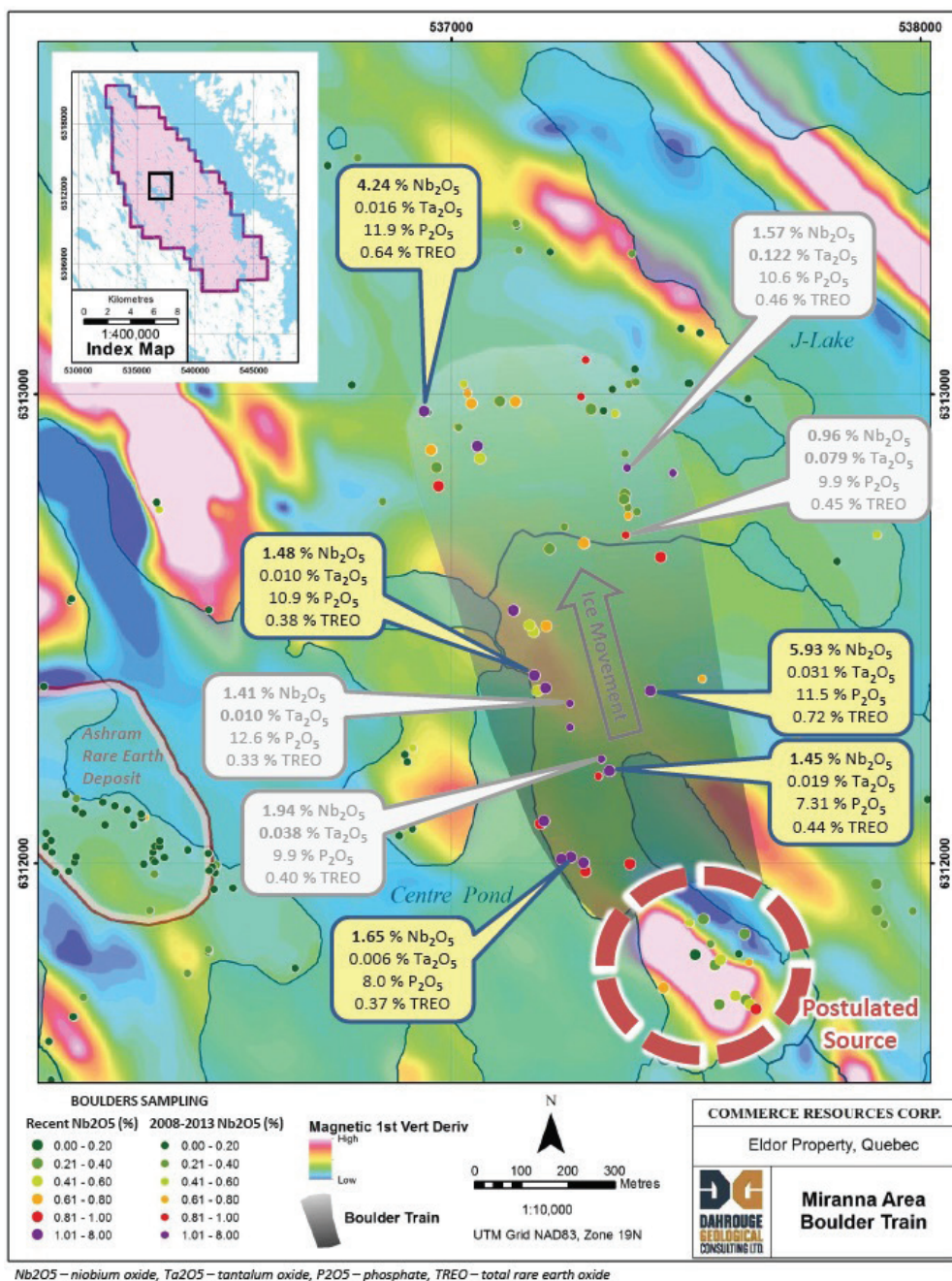
For almost 50 years now, only 3 primary niobium mines have been responsible for global supply: **Araxa** in Brazil producing about 80% of the world's niobium with estimated head grades of 2.5% Nb₂O₅ (yet with a 50% recovery), **Catalao** in Brazil supplying about 10% of global output with resource grades between 0.9-1.3% Nb₂O₅, and **Niobec** in Québec, Canada, also having approximately a 10% share in world supply with resource grades of 0.4-0.53% Nb₂O₅. All of these niobium mines share one important criteria: **Carbonatite** host rock.

The niobium market continues to see increased demand of about **7% CAGR by 2020** without any new additions – so far – to the current list of 3 producers.

As niobium is not traded on an exchange or futures market, investors looking for exposure can only do so with publicly listed niobium companies. However amongst the 3 producing mines, only Catalao is owned by a publicly listed company (China Molybdenum Co. Ltd.).

According to today's press-release:

"Saville Resources Inc. (the "Company" or "Saville") is pleased to provide an overview of the work completed historically by Commerce Resources Corp. on the Niobium Claim Group (the "Property") located in northern Quebec, approximately 130 km south of Kuujuaq.



Nb₂O₅ – niobium oxide, Ta₂O₅ – tantalum oxide, P₂O₅ – phosphate, TREO – total rare earth oxide

The Company has completed their review of the results collected on these claims since 2007, and is currently delineating targets for an upcoming drill program. The Property is being acquired based on the strong niobium-tantalum potential demonstrated from the considerable amount of exploration work completed to date (surface sampling, geophysics, and drilling).

This work includes numerous surface samples grading >1% Nb₂O₅ and >1,000 ppm Ta₂O₅ to a **peak assay of 16.1% Nb₂O₅ and 7,540 ppm Ta₂O₅** returned from the same boulder

sample. This boulder sample assayed the highest Nb-Ta grade ever returned from the Eldor Carbonatite Complex and highlights the strong potential for high-grade discovery on the Property.

In addition to surface sampling, high-grade drill intersections have also been returned from the Property **including 0.85% Nb₂O₅ over 19.54 m** (EC10-033 – Southeast Area), with individual core samples up to 1.85% Nb₂O₅, as well as **329 ppm Ta₂O₅ over 33.93 m** (EC10-040 – Southeast Area).

In addition, further surface sampling



Table 1 – Select Mineralized Boulder Sample Results from the Miranna Area

Sample ID	Nb ₂ O ₅ (%)	Ta ₂ O ₅ (ppm)	P ₂ O ₅ (%)
139977	5.93	310	11.5
116702	4.24	160	11.9
118014	1.94	380	9.9
118010	1.57	1,220	10.6
116719	1.60	1,060	10.3
139980	1.06	1,040	11.1
116718	1.04	670	9.1

work was completed throughout the Miranna Area in the fall of 2017, by Commerce Resources Corp., and includes those claims that comprise the Company's Property. Assay results from this work are pending.

Mineralogical analysis indicates pyrochlore as the primary host mineral for the niobium-tantalum, which is also the dominant source mineral for niobium and tantalum processing globally. In addition, the mineralization is often associated with strong phosphate mineralization, primarily hosted by apatite, making it an additional commodity of interest.

Collectively, the work has outlined three primary areas of interest at various stages of exploration; the Miranna Area, Southeast Area, and the Northwest Area. The Company believes that these numerous, high-grade, niobium-tantalum occurrences demonstrate the prospective nature of the Property and indicate a strong potential for a deposit of significance to be present.

The Company is currently preparing an NI 43-101 Technical Report on the Niobium Claim Group Property, which consists of 21 contiguous claims within the Eldor Property owned by Commerce Resources Corp. Saville recently signed an Earn-In Agreement (subject to TSX Venture Exchange approval) providing the Company with the exclusive right to earn up to a 75% interest in the Property (see news release dated January 11, 2018). The agreement is conditionally approved by the TSX Venture Exchange, pending receipt of an acceptable NI 43-101 Technical Report on the property.

Miranna Area

The Miranna Area is characterized by a strongly mineralized (Nb-Ta-Phosphate), glacially dispersed, boulder train with

Table 2: Select Mineralized Drill Hole Intersections from the Southeast & Northwest Areas

Expl. Area	DDH ID	Interval (m)	Nb ₂ O ₅ (%)	Ta ₂ O ₅ (ppm)	P ₂ O ₅ (%)
Northwest	EC08-006	13.15	0.55	166	5.0
	EC08-008	46.88	0.46	60	4.6
	Incl.	9.95	0.64	20	5.9
Southeast	EC08-015	26.10	0.54	71	5.9
		10.64	0.76	77	8.4
	EC08-016	25.38	0.40	281	8.8
	EC08-019	33.99	0.34	237	6.1
	EC08-021	8.82	0.59	214	5.3
	EC10-032	15.33	0.71	30	6.6
	and	28.55	0.57	63	6.7
	EC10-033	74.25	0.57	145	8.9
	Incl.	19.54	0.85	97	8.9
	EC10-040	33.93	0.48	329	7.2
	and	5.84	1.09	46	9.8



Boulder sampling on the Niobium Claim Group Property from Saville Resources Inc.

a distinct geophysical anomaly at its apex. High-grade niobium and tantalum has been sampled from these boulders, with select highlights noted in Table 1.

The geophysical anomaly at the apex of

the boulder train, known as the Miranna Target, is interpreted to be the source of the mineralization and has yet to be drill tested. With the boulder train now well delineated and found to contain some of the highest Nb-Ta-Phosphate grades

on the Property to date, the Miranna Target is high priority for drill testing.

Southeast and Northwest Areas

The Southeast and Northwest areas are where Nb-Ta mineralization was first discovered in the Eldor Carbonatite Complex, and therefore, have seen the majority of the exploration focus. A total of 37 holes for approximately 7,512 m over several drill campaigns have been completed by Commerce Resources Corp. on the Property, of which, 28 holes for 6,495 m have been completed on Nb-Ta targets. Select drill intersections from the Northwest and Southeast areas are presented in Table 2.

Both the Southeast and Northwest areas remain underexplored with the last niobium-tantalum focused work in these areas completed in 2008 and 2010 respectively. The drill intersections to date are highly encouraging, with the results of the 2010 drilling in the Southeast Area exceeding that of 2008. This area in particular requires additional infill and step-out drilling to further delineate the mineralization discovered to date, and to evaluate the merits of completing an initial mineral resource estimate.

Further, the numerous mineralized boulders in the area, as well as the shallow nature of several drill intersections, indicate the mineralization extends to surface where it is being obscured by only a thin veil of overburden. The highest-grade Nb-Ta boulder (16.1% Nb₂O₅ and 7,540 ppm Ta₂O₅) was collected along the western edge of the Northwest Area, from within the Property, with glacial ice direction indicating a source further south within the complex and potentially within the Company's claims.

Geophysical surveys have identified numerous targets throughout the Southeast and Northwest areas to further guide drilling with many remaining to be drill tested, providing additional upside to those zones already discovered. Collectively, the data supports a strong potential for a Nb-Ta-Phosphate mineralized body of significant grade and size to be present on the Property.”



Figure M5. World map showing locations of selected niobium and tantalum mines, deposits, and occurrences, by deposit type. Not all the mines are currently active.
LCT, lithium-caesium-tantalum; Nb, niobium; Ta, tantalum

Source: "Critical Mineral Resources of the United States" (USGS, 2017)

Most of the current exploration, development and operating niobium mines have resource grades between 0.3-2% Nb₂O₅, apart from the world's largest and highest grade niobium mine, Araxá in Brazil, with average grades of approximately 2.5% Nb₂O₅.

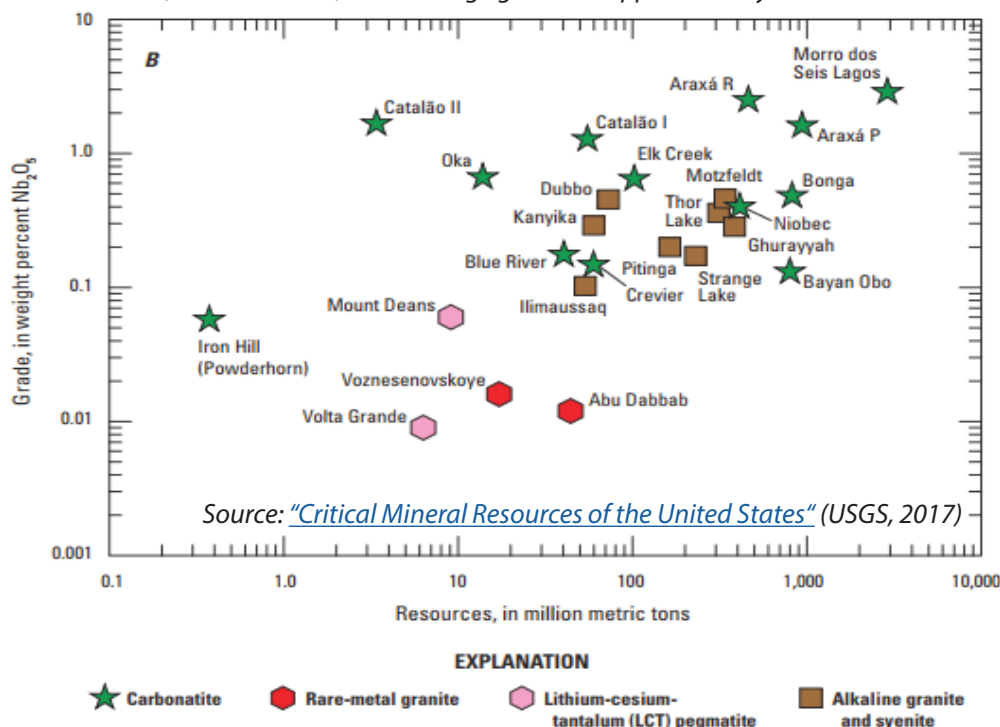


Figure M6. Log-log plots of deposit grades and tonnages of A, tantalum, and B, niobium, by deposit type. The data include different levels of probability, including measured, indicated, and inferred resources and (or) proven and probable reserves. Data and sources are given in table M4. P, primary deposit; R, residual deposit; Nb₂O₅, niobium pentoxide; Ta₂O₅, tantalum pentoxide

Previous Coverage

Report #2: "Win-Win Situation to Develop One of the Most Attractive Niobium Prospects in North America"

Report #1: "Saville Resources: Getting Ready to Create Shareholder Value"



Disclaimer and Information on Forward Looking Statements:

All statements in this report, other than statements of historical fact should be considered forward-looking statements. Much of this report is comprised of statements of projection. Statements in this report that are forward looking include that Saville Resources Inc. ("Saville") or any other company or market will perform as expected; that Saville is eager to start a treasure hunt for niobium in Quebec; that Commerce Resources Corp. prefers to focus on its advanced-stage Ashram REE Deposit; that Saville will get TSXV approval for its purchase of the Niobium Claim Group Property; that most globally significant niobium deposits have grades between 0.3-2.5% Nb₂O₅; that Saville could be close to the discovery of a truly great niobium-rich deposit; that Saville has the right host rock and mineralogy for conventional processing; that the mineralogy of the samples is highly favourable; that pyrochlore is the dominant mineral source of niobium globally; that much of the pyrochlore on Saville's property is visible to the naked eye thus indicating a relatively coarse grain size which is advantageous to metallurgical recovery; that Saville can and will start developing its projects; that exploration will discover a mineable deposit; that a substantial amount of high-grade minerals can be produced from Saville's properties; that the infrastructure can be jointly developed. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in these forward-looking statements. Risks and uncertainties include: the receipt of all necessary approvals; the ability to find sufficient high grade niobium to mine; uncertainty of future production, capital expenditures and other costs; financing and additional capital requirements for exploration, development and construction of a mine; mineral grade may not be as high as expected; the receipt in a timely fashion of further permitting for its projects; legislative, political, social or economic developments in the jurisdictions in which Saville carries on business; there may be no agreement with neighbors on developing infrastructure; operating or technical difficulties or cost increases in connection with mining or development activities; the ability to keep key employees and operations financed; and the resource prices available when the resource is mined. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Rockstone

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Author Profile & Contact

Stephan Bogner (Dipl. Kfm., FH)
Rockstone Research
8050 Zurich, Switzerland
Phone: +41-44-5862323
Email: sb@rockstone-research.com

Stephan Bogner studied at the Inter-



national School of Management (Dortmund, Germany), the European Business School (London, UK) and the University of Queensland (Brisbane, Australia).

Under supervision of [Prof. Dr. Hans J. Bocker](#), Stephan completed his diploma thesis ("Gold In A Macroeconomic Context With Special Consideration Of The Price Formation Process") in 2002.

A year later, he marketed and translated into German Ferdinand Lips' bestseller ("Gold Wars"). After working in Dubai for 5 years, he now lives in Switzerland and is the CEO of [Elementum International AG](#) specialized in duty-free storage of gold and silver bullion in a high-security vaulting facility within the St. Gotthard Mountain Massif in central Switzerland.

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