

ENVIRONMENTAL, HEALTH & SAFETY POLICY

Saguaro Resources Ltd. (Saguaro) is committed to conducting its operations in a manner that protects the health and safety of the environment, public, contractors and employees. Saguaro will make health, safety and environmental protection a core value and part of the genetic DNA of all business activities from acquisition and management of its properties, to final abandonment and reclamation.

Saguaro will strive to achieve an accident free work place. Saguaro managers, supervisors, employees, contractors and subcontractors will assess and control hazards affecting people, environment or property. The Company will develop and maintain a proactive safety, health & environmental management program, which will define key principles by which all work will be conducted. Saguaro will take visible actions to influence and apply Saguaro's environment, health & safety management system. Saguaro will apply positive health, safety & environmental behaviors on Saguaro sites.

Saguaro will identify and assess hazards, and assign controls. All Saguaro employees, contractors and subcontractors are required to report hazards, near miss or unsafe conditions to their supervisor immediately. Saguaro will communicate with employees, contractors and subcontractors to make them aware of hazards and of the responsibility for implementing controls. Saguaro will maintain effective corporate and site specific emergency response capability ensuring personnel are adequately trained to handle emergencies in order to protect the public, and the environment.

Saguaro will conduct business according to all regulatory requirements, striving to comply with both the intent and specific requirements of regulations. Compliance is the responsibility of all employees and contractors, and is a condition of employment. Saguaro will ensure compliance to our Environment, Health and Safety Policy.

All Saguaro employees, contractors and subcontractors, and the EH&S department will maintain adequate training as defined in our health, safety, and environmental programs. Saguaro will provide orientations, and site specific training as required.

Saguaro managers and supervisors will regularly conduct inspections to assess hazard controls, working conditions, operating and maintenance practices, and regulatory compliance. Saguaro and its contractors will provide and maintain adequate and safe tools and equipment suitable for the work at hand.

Saguaro employees, contractors and subcontractors will report all accidents or near miss events to Saguaro management. Reports will be investigated by supervisors or managers, and the EH&S department to determine cause, implement corrective actions, and reduce risk of future loss. At Saguaro we believe that if you see questionable safety behavior, you now own that safety behavior and have the right to correct that behavior immediately, whether it is refusing work or stop work immediately, until Safety Standards are corrected.

The Board of Directors at Saguaro Resources Ltd. meet on a quarterly basis to ensure that all necessary policies, procedures and industry practices that are designed to protect our employees and contractors, as well the members of the public and environment are being adhered to. In an effort to identify opportunities to improve health, safety and environment performance, operations at the field level are regularly assessed.

Safety is not a matter of chance. It is a matter of choice. We take safety personally.



Stacy Knull, P.Eng.

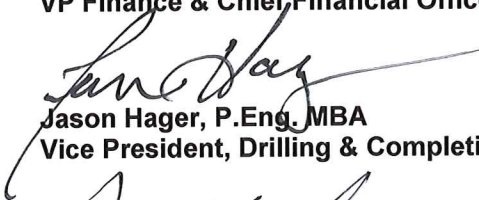
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