

**REDZONE RESOURCES LTD.
INVESTMENT POLICY**

1. The board of directors (the "**Board**") of Redzone Resources Ltd. ("**Redzone**" or the "**Company**"), has endorsed a strategic investment initiative for the Company pursuant to which the Company has been mandated to actively seek, assess and make investments in companies, properties, projects or joint ventures that are considered to be of strategic value (collectively the "**Strategic Investments**").
2. In order to enable management to effectively evaluate potential Strategic Investments and to be in a position of being able to respond expeditiously to opportunities that may arise, the Board has endorsed the guidelines set out below that are to be followed by the management and directors of the Company in acquiring and disposing of Strategic Investments.
3. In this Policy:
 - (a) "**Strategic Investment Portfolio**" means the portfolio of Strategic Investments owned by the Company from time to time;
 - (b) "**Authorized Officers**" means the Chief Executive Officer, Chief Financial Officer, and Chief Operating Officer of the Company;
 - (c) "**Permitted Investments**" means Mineral Project Acquisitions, as defined pursuant to 3(d), investments in publicly traded equity securities of mining companies, and joint ventures and, for greater certainty does not include short positions in investments or derivatives;
 - (d) In general terms, "**Mineral Project Acquisitions**" are defined as the legal rights obtained by the Company, either directly or indirectly, to acquire an interest in the mineral rights of a defined geographical area with the intent to explore, potentially develop and potentially exploit mineral resources; and
 - (e) when calculating the amount of the expenditure associated with a Strategic Investment, the aggregate expected expenditure (when multiple transactions commit the Company to multiple acquisitions and / or property expenditures in connection with a single Strategic Investment) is to be used for the purposes of determining whether the Strategic Investment is within the authority of management or the Board as set out in section 3 and 4 of these Guidelines.
3. Management of the Corporation is responsible for:
 - (a) managing the day-to-day operation of the Strategic Investment Portfolio;
 - (b) identifying and evaluating potential Strategic Investments;
 - (c) conducting due diligence on a potential Strategic Investment to ensure that it would add strategic value to the Corporation;

- (d) if approval of the Board is not required prior to the Company acquiring or disposing of a Strategic Investment pursuant to 3(e) below:
 - (i) immediately advising the Board of the Strategic Investment that has been made; and
 - (ii) ensuring that the Strategic Investment is made with the approval of at least two of the Authorized Officers;
 - (e) seeking the approval of the Board of the proposed acquisition or disposition of the Strategic Investment when the investment involves the acquisition and / or expenditure of an amount equal to or more than \$500,000 (or the disposition of a Strategic Investment for an amount equal to or more than \$500,000) and, for the purposes of so doing, providing the Board with sufficient information to enable it to make an informed decision on the proposed Strategic Investment;
 - (f) ensuring that all Strategic Investments are appropriately documented;
 - (g) ensuring that copies of the documentation evidencing the Strategic Investment are available for review by the Board; and
 - (h) providing reports to the Board on a quarterly basis on the status of the Strategic Investment Portfolio (the “**Management Reports**”).
4. The Board is responsible for:
- (a) monitoring compliance with this investment policy;
 - (b) serving an advisory role to management in connection with its consideration of proposed Strategic Investments;
 - (c) reviewing all Strategic Investments proposed by management of the Company pursuant to paragraph 3(e) above and satisfying itself that the proposed Strategic Investment offers strategic value to the Company;
 - (d) reviewing the Management Reports,; and
 - (e) reviewing and assessing the adequacy of this investment policy annually and proposing revisions as required.
5. An Authorized Officer or any other Board member who has a personal interest in a proposed Strategic Investment must disclose such interest. If the Board, as applicable, concludes that the interest is such that it could reasonably be expected to interfere with the exercise of the Authorized Officer’s or other Board member’s independent judgment, such person must abstain from the investment review and approval processes with respect to the proposed Strategic Investment.