

RED RIVER RESOURCES LIMITED

REMUNERATION POLICY

Non-Executive Directors

Non-executive Directors receive fees which are determined by the board within the aggregate limit set by the shareholders at a General Meeting. The current limit is \$200,000 per annum and currently non executive directors receive \$30,000 pa each and statutory superannuation where necessary. All non-executive Directors receive remuneration by way of fees and receive no retirement benefits excluding statutory superannuation, if applicable.

External professional advice is sought to determine the level of Directors fees to ensure they are appropriate. The board determines the level of fees with reference to other comparable listed companies determined by size and nature of operations.

Director's fees are set at a level to attract suitably qualified individuals to accept the responsibilities of a directorship.

Executives

The executive's remuneration is determined by the board with reference to current market rates and remuneration paid to executives in comparable listed companies determined by size and nature of operations.

Share and Option based remuneration

Red River does not participate in share based remuneration for its executives but can issue share options to Directors, employees and consultants. The terms of the share options to directors, employees and consultants are to be based on what similar sized companies in the mining industry are offering. All share options to be issued to Directors require shareholder approval before being issued.

Remuneration Committee

The board is not of a size currently to allow for the formation of a Remuneration Committee. All decisions regarding remuneration of Directors, executives and key employees are made by the full board.

The board will periodically review the company's circumstances and a Remuneration Committee will be discussed and formed if deemed necessary by the Directors should the company experience a change in structure and board membership.

Signed

Chairman

23 June 2006