

**RENFORTH RESOURCES INC.**  
**EXECUTIVE COMPENSATION DISCLOSURE STATEMENT**  
National Instrument 51-102 Form 51-102F6  
(For the financial year ended December 31, 2010)

**DATED: MAY 18, 2011**

For the purposes of this executive compensation disclosure statement:

- (a) "Chief Executive Officer" or "CEO" means an individual who acted as chief executive officer of the Company or acted in a similar capacity, for any part of the most recently completed financial year;
- (b) "Chief Financial Officer" or "CFO" means an individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;
- (c) "Named Executive Officer" or "NEO" means each of the following individuals:
  - (i) a CEO;
  - (ii) a CFO;
  - (iii) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6), for that financial year; and
  - (iv) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

The following disclosure sets out the compensation that the Board intended to pay, make payable, award, grant give or otherwise provide to each NEO and director for the financial year ended December 31, 2010.

**COMPENSATION DISCUSSION AND ANALYSIS**

The Compensation Committee of the Board of Directors of the Company has the responsibility for, among other things, establishing, reviewing and recommending to the Board compensation and incentive plans and programs and reviewing and approving compensation and awards under compensation and incentive plans and programs for the CEO, CFO and senior officers, with the intention of attracting, retaining and appropriately rewarding officers in order to motivate their performance in the achievement of the Company's business objectives and aligning their interest with the long-term interests of the shareholders of the Company.

The service of the Company's CEO is provided directly through a management contract between the Company and the CEO. The service of the CFO is provided indirectly through a management services agreement between the Company and CFO Advantage Inc. (a company owned by the CFO).

The Compensation Committee will meet as often as the Chair shall determine to be necessary or appropriate. The Board of Directors, upon the advice of the Compensation Committee, determines executive compensation for the Company. The Board of directors is responsible for establishing and monitoring the Company's long range plans and programs for attracting, retaining, developing and motivating employees, with input from the Compensation Committee as required. The Compensation Committee reviews recommendations for the appointment of persons to senior executive positions, considers terms of employment including succession planning and matters of compensation. The Company has adopted an incentive stock option plan that complies with the policies of the CNSX. The Company's compensation policies and programs are designed to recognize and reward executive performance consistent with the success of the Company's business.

The significant objectives, elements and formula for compensation to be awarded to, earned by, paid to, or payable to NEOs for the year ended December 31, 2010, were to:

- (i) Attract and retain experienced and talented executive officers;
- (ii) Inspire excellence in the performance of executive officers; and
- (iii) Align shareholder and executive officer interests.

Compensation of the NEO's is composed primarily of base fees and stock based compensation.

***Base Fees:***

Base Fees form an essential component of the Company's compensation strategy as they are key to the Company remaining competitive, are fixed and therefore not subject to uncertainty, and can be used as the base to determine other elements of compensation and benefits.

In determining the base fees of executive officers, the Board of Directors considers the following:

- (a) the recommendations of the President and Chief Executive Officer of the Company (other than with respect to the compensation of the President and Chief Executive Officer);
- (b) the particular responsibilities related to the position;
- (c) the experience, expertise and level of the executive officer;
- (d) the executive officer's length of service to the Company; and
- (e) the executive officer's overall performance based on informal feedback.

There is no mandatory framework that determines which of the above-referenced factors may be more or less important and the emphasis placed on any of these factors is at the discretion of the Board of Directors and may vary among the executive officers. In respect of the base fees paid to the President and Chief Executive Officer, the Board of Directors also broadly considered the performance of the President and Chief Executive Officer against the Company's performance in the previous year. The Company does not engage in benchmarking and did not focus on any particular performance metric.

### ***Long-Term Incentives:***

The Board of Directors believes that granting stock options to officers, directors, and consultants encourages retention and more closely aligns the interests of such key personnel with the interests of shareholders while at the same time not drawing on the limited cash resources of the Company. The Company does not utilize a set of formal objective measures to determine long-term incentive entitlements, rather, long-term incentive grants, such as stock options, to NEOs are determined in a discretionary manner on a case by case basis, but having consideration to the number of options previously granted. There are no other specific quantitative or qualitative measures associated with option grants and no specific weights are assigned to any criteria individually, rather, the performance of the Company is broadly considered as a whole when determining the number of stock based compensation (if any) to be granted and the Company does not focus on any particular performance metric.

During the financial year ended December 31, 2010, the Company granted options to the following officers and directors of the Company: David Danziger, Kyle Appleby, Paul Pathak, Judi Wood, Norman Brewster and Alpha Pang.

The dollar value ascribed to option to the NEO's and Directors represents non-cash consideration and was estimated using the Black-Scholes Model as at the date of grant.

### **Summary Compensation Table**

The following table sets forth the total compensation paid to or earned by the Named Executive Officers for the Company's most recently completed financial year:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
David Danziger, CEO & President	2010	120,000 <sup>(1)</sup>	Nil	16,400 <sup>(2)</sup>	Nil	Nil	Nil	Nil	136,400
	2009	120,000 <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	120,000
Kyle Appleby CFO	2010	75,000 <sup>(3)</sup>	Nil	2,050 <sup>(2)</sup>	Nil	Nil	Nil	Nil	77,050
	2009	75,000 <sup>(3)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	75,000

(1) Compensation to Mr. Danziger has been accrued and remains payable as at the date of this report.

(2) The fair value of stock options granted during the last financial year is based on the Black Scholes valuation model on the grant date under the following assumptions: expected dividend yield 0%, expected volatility 100%, risk free interest rate of 1.42% and an expected life of 5 years. The options vested over twelve months from the date of grant.

(3) Compensation to Mr. Appleby has been paid as consulting fees pursuant to a consulting agreement with CFO Advantage Inc. (a company owned by Mr. Appleby).

## Incentive Plan Awards

### *Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth the outstanding option-based awards granted to Named Executive Officers of the Corporation for the year ended December 31, 2010.

Name and principal position	Option-based Awards					Share-based Awards	
	Grant Date	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$ (1))	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
David Danziger, President & CEO	26-Oct-10	400,000	0.10	25-Oct-15	Nil	Nil	Nil
Kyle Appleby, CFO	26-Oct-10	50,000	0.10	25-Oct-15	Nil	Nil	Nil

<sup>(1)</sup> Calculated based on the difference between the closing market price of the common shares on the last trading day of the most recently completed financial year (being \$0.03) and the exercise price of the options on that date.

### *Incentive Plan Awards – Value Vested or Earned During the Year*

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to Named Executive Officers during the most recently completed financial year. The aggregate value of the option based awards vested during the year is based on the difference between the Company share price on the vesting day of any options that vested during the financial year ended December 31, 2010 and the exercise price of the options.

Name and principal position	Option based awards – Value vested during the year (\$)	Share based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year
David Danziger, President & CEO	Nil	Nil	Nil
Kyle Appleby, CFO	Nil	Nil	Nil

## Director Compensation

The Corporation's policy with respect to directors' compensation was developed by the Committee. The following table sets forth the compensation awarded, paid to or earned by the directors of the Corporation during the most recently completed fiscal year ended December 31, 2010. Directors of the Corporation that are also officers or employees of the Corporation are not compensated for service on the Board of Directors, therefore no fees are payable to David Danziger for his service as a director of the Corporation.

### *Director Compensation Table*

The following table sets forth the value of all compensation provided to directors, not including those directors who are also Named Executive Officers, for the Company's most recently completed financial year.

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards <sup>(1)</sup> (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Paul Pathak <sup>(2)</sup>	Nil	Nil	10,250	Nil	Nil	Nil	10,250
Norman Brewster <sup>(3)</sup>	Nil	Nil	20,500	Nil	Nil	Nil	20,500
Judi Wood	44,000 <sup>(4)</sup>	Nil	10,250	Nil	Nil	Nil	10,250
Alpha Pang	51,000 <sup>(4)</sup>	Nil	10,250	Nil	Nil	Nil	10,250

<sup>(1)</sup> The fair value of stock options granted during the last financial year is based on the Black Scholes valuation model on the grant date under the following assumptions: expected dividend yield 0%, expected volatility 100%, risk free interest rate of 1.42% and an expected life of 5 years. The options vested over twelve months from the date of grant.

<sup>(2)</sup> Mr. Pathak also provides legal consulting services to the Company in his role as Corporate secretary and legal counsel.

<sup>(3)</sup> Mr. Brewster also provides geological consulting services to the Company.

<sup>(4)</sup> Fees paid to independent directors have been accrued and remain payable as at the date of this report.