

**Charter of the
Compensation Committee of The Board of Directors
of Rand Logistics, Inc.**

Statement of Policy

The purpose of the Compensation Committee is 1) to discharge the Board of Directors' (the "Board") responsibilities relating to compensation of Rand Logistics, Inc.'s (the "Company") executives, and 2) to produce an annual report on executive compensation for inclusion in the Company's proxy statement.

Membership

The Compensation Committee shall be composed entirely of independent directors. For purposes of the Compensation Committee, an independent director shall be one who meets the independence requirements provided by the listing standards of The NASDAQ Capital Market ("NASDAQ") and the Securities and Exchange Commission (the "SEC"). The members of the Compensation Committee shall be "non-employee directors" as defined in Rule 16b-3 promulgated under the Securities Exchange Act of 1934 as amended (the "Exchange Act"), and "outside directors" as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended.

The members of the Compensation Committee shall be elected by the Board at the annual organizational meeting of the Board and shall serve until the next annual organizational meeting or until their respective successors shall be duly elected and qualified.

Scope of Powers and Functions

The Compensation Committee shall have such powers and functions as may be assigned to it by the Board or the Corporate Governance/Nominating Committee from time to time; however, such functions shall, at a minimum, include the following, as well as any functions as shall be required of compensation committees by NASDAQ:

- to review and approve the compensation of the Chief Executive Officer;
- to review and approve the compensation of executive officers;
- to make recommendations to the Board with respect to incentive compensation plans and equity-based plans, including without limitation the Company's stock options plans;
- to administer the Company's stock option plans and grant stock options or other awards pursuant to such plans;
- to evaluate its own performance at least annually and report on such performance to the Board; and
- The Compensation Committee shall have such other powers and functions as may be assigned to it by the Board from time to time.

In addition, the Compensation Committee has sole authority to retain and terminate any compensation consultant or consulting firm to assist in the evaluation of director, CEO or senior executive compensation, including sole authority to approve the consultant's fees and other retention terms. The Compensation Committee may also, at its discretion, engage outside legal counsel or other advisers as it deems necessary to carry out its functions.

Administrative

The Compensation Committee shall meet at least once per year and shall hold any additional meetings as may be called by the Chairman of the Compensation Committee or management. Members of senior management or others may attend meetings of the Compensation Committee at the invitation of the Compensation Committee and shall provide pertinent information as necessary. The Compensation Committee may meet via telephone conference calls. A majority of the members of the Compensation Committee shall constitute a quorum for all purposes.

Minutes of each meeting shall be prepared and the Compensation Committee shall report regularly to the Board as to its activities.