

Compensation Committee Charter

1. Organization and Composition.

The Board of Directors of The Blacksands Pacific Group (the "Company") shall appoint a Compensation Committee (the "Committee") of at least three directors and shall designate one member of the Committee as Chairperson. Each member of the Committee shall be "independent" as that term is defined in the applicable listing standards of The New York Stock Market. Also each member of the Committee must qualify as a "non-employee director" for the purposes of Rule 16b-3 under the Securities and Exchange Act of 1934 and satisfy the requirements of an "outside director" for purposes of Section 162(m) of the Internal Revenue Code. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate, provided that the subcommittees are composed entirely of independent directors.

2. Purposes.

The purposes of the Committee are to discharge the responsibility of the Board of Directors relating to compensation of the Company's executive officers, including the Chief Executive Officer ("CEO"), review the performance of Company executives, set compensation-related policies, make recommendations to the Board of Directors relating to the Company's equity-based incentive plans and report to the stockholders regarding the Company's executive compensation practices and policies.

3. Duties and Responsibilities.

The following shall be the principal duties and responsibilities of the Committee.

(a) Review, at least annually, the performance of the CEO and recommend to the Board of Directors the CEO's compensation including salary, bonus, incentive and equity compensation for the following year, taking into account the Company's performance, the effect on stockholder value, the CEO's performance, the responsibilities undertaken by the CEO, trends in the companies considered comparable to the Company, and any other factors the Committee considers relevant to the CEO's compensation. The CEO may not be present during voting or deliberations on matters relating to the compensation of the CEO.

(b) Review the goals and objectives to be achieved by the CEO for the following year.

(c) Review with the CEO the performance of the Company's other executive officers.

(d) Review and recommend to the Board of Directors the compensation including salary, bonus incentive and equity compensation of executive officers other than the CEO. The CEO may be present during the voting or deliberations on the compensation of executive officers other than the CEO if the Committee so desires.

(e) Review and make recommendations to the Board of Directors concerning the Company's employee incentive compensation plans including bonuses and equity-based plans, benefit and severance plans and, as appropriate, establishing guidelines in relation thereto.

(f) Review and, if appropriate, approve or recommend approval of employment agreements, severance arrangements, retirement arrangements, change in control agreements and provisions, and any special or supplemental benefits for each executive officer of the Company.

(g) Review and recommend to the Board of Directors compensation for the non-employee directors.

(h) Review and discuss with the Company's management the compensation discussion and analysis ("CD&A") prepared for inclusion in the Company's annual proxy statement or annual report filed with the SEC, and based on such review and discussion recommend to the Board of Directors that the CD&A be filed with such report in the form approved by the Committee. The Committee shall also produce a report to be included in the Company's annual proxy statement or annual report filed with the SEC in accordance with applicable rules and regulations.

(i) In discharging its responsibilities, have full access to any relevant records of the Company and retain outside consultants and legal, financial and other advisors at the Company's expense, to advise the Committee. The Committee shall have the sole authority and responsibility to engage or terminate any outside consultant with respect to identification of director candidates and the nomination of members to the Board of Directors and to approve the terms of any such engagement and the fees of any such consultant. The Committee may also request that any officer or other employee of the Company, the Company's outside counsel or any other person meet with any members of, or consultants or advisors to, the Committee.

(j) Consider such other matters in relation to the compensation and benefit policies of the Company, and carry out such other duties as may be assigned to the Committee from time to time by the Board of Directors.

4. Meetings.

The Committee shall meet as often as may be deemed necessary or appropriate in its judgement either in person or telephonically, but at least twice annually. The Committee shall report to the full Board of Directors with respect to its meetings and prepare minutes of its meeting for inclusion in the Company's corporate records. A majority of the members of the Committee shall constitute a quorum.

5. Annual Review.

The Committee shall annually evaluate the performance of the Committee and shall assess the adequacy of the Committee's Charter, and recommend changes if the Committee determines that changes are appropriate.