
RAINY RIVER ANNOUNCES BUY-OUT OF NSR ROYALTY

VANCOUVER, British Columbia, May 13, 2009 – Rainy River Resources Ltd. (TSX-V:RR) (the “**Company**”) announced today that it has entered into an agreement with two arm’s length optionors (the “**Optionors**”) pursuant to which the Company will buy out their rights to a 3% net smelter return royalty (the “**NSR**”) on lands forming part of the Company’s Rainy River project in northwestern Ontario. The properties were already subject to the NSR when the Company acquired them from Nuinsco Resources Limited in mid 2005, the NSR having been a term of the option agreement under which Nuinsco acquired the subject properties (the “**Underlying Option Agreement**”). The properties covered by the NSR now form the core of the Company’s Rainy River project.

Under the Underlying Option Agreement, the Company has a right of first refusal to match any offer to purchase received by the Optionors for all or any portion of the NSR which the Optionors are willing to accept. The Optionors gave notice to the Company that they accepted an offer from Franco-Nevada Corporation to purchase the NSR over the core portion of the properties for \$1.5 million, with the Optionors keeping a residual portion of the NSR over the relatively unexplored outlying properties. The accepted Franco-Nevada offer triggered the Company’s right of first refusal, which the Company advised it would exercise and which led to negotiations resulting in the agreement to buy out the entire NSR from the Optionors. Management believes that it is in the Company’s interests to purchase all of the Optionors’ rights and interests arising under the Underlying Option Agreement.

Under the buy-out agreement, the Company will purchase the entire NSR for the aggregate one-time purchase price of \$475,000 cash and 600,000 common shares to be issued from treasury, which will be valued and issued at a deemed issue price equal to the volume weighted average trading price of the Rainy River common shares on the TSX Venture Exchange over the five trading days immediately preceding the day on which the TSX Venture Exchange gives written notice to Rainy River of its conditional acceptance of the agreement (the “**Share Value**”); however, if the Share Value is below \$2.00 per share or \$1.2 million in total, the number shares to be issued to the Optionors will be increased so that the total Share Value equals \$1.2 million.

The proposed purchase of the NSR is a continuation of the Company’s strategy of improving the potential economics of its Rainy River project. In November of 2008 the Company purchased a tonnage royalty held by Nuinsco on the properties. The completion of the buy-out of the NSR royalty will result in there being no royalty burdens held by any third parties over the core properties comprising the Rainy River project.

The proposed buyout agreement is subject to the prior acceptance of the TSX Venture Exchange. The Consideration Shares will be subject to a four-month hold period that will run from the date the shares are issued.

**On behalf of the Board of Directors of
Rainy River Resources Ltd.,**

Nelson W. Baker, President

For further information, please contact Brad Baker at 604.639.4495
or by e-mail at bwb@rainyriverresources.com.

Forward-Looking Statements: *this press release contains forward-looking statements within the meaning of Canadian securities laws applicable to the Company’s disclosures regarding the proposed acquisition of the above-described NSR*

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royalty pursuant to an agreement with two arm's length optionors. While the Company believes that the proposed agreement is likely to receive regulatory acceptance and will close, it can give no assurance that its expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. The Company cautions that any forward-looking statements made by the Company are not guarantees of future results, and that actual results may differ materially from those in forward-looking statements as a result of various factors, including, but not limited to, the Company's inability to obtain the necessary TSXV acceptance to proceed with the proposed transaction. Readers are urged to review the Company's public filings available through the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com for a more complete discussion of the risk factors associated with the Company's business and their potential effects. This press release is not, and is not to be construed in any way as, an offer to buy or sell securities.

The TSX Venture Exchange has not reviewed and does not accept the responsibility for the adequacy or accuracy of this news release.