



Rubicon Resources Limited

ABN 38 115 857 988

2008 ANNUAL REPORT

*Peter Eaton, Sam Middlemas, John Shipp, Kevin Cassidy
(Exploration Manager) and Ian Buchhorn.*



CORPORATE DIRECTORY

DIRECTORS

John Shipp - *Non-Executive Chairman*
Peter Eaton - *Managing Director*
Ian Buchhorn - *Non-Executive Director*

COMPANY SECRETARY

Robert S Middlemas

PRINCIPAL REGISTERED OFFICE

Level 2, 91 Havelock Street, West Perth
Western Australia 6005
PO Box 534, West Perth
Western Australia 6872
Telephone: (08) 9214 7500
Facsimile: (08) 9214 7575
Email: info@rubiconresources.com.au
Internet: www.rubiconresources.com.au

AUDITOR

Butler Settineri (Audit) Pty Ltd
Unit 16, 1st Floor, 100 Railway Road, Subiaco
Western Australia, 6008

SHARE REGISTRY

Security Transfer Registrars Pty Limited
770 Canning Highway, Applecross
Western Australia, 6153
Telephone: (08) 9315 2333
Facsimile: (08) 9315 2233
Email: registrar@securitytransfer.com.au

STOCK EXCHANGE

The Company's shares are quoted on the
Australian Stock Exchange.
The Home Exchange is Perth.

ASX CODE

RBR - ordinary shares

CONTENTS

CHAIRMAN'S LETTER	1
REVIEW OF OPERATIONS	2
CONCISE FINANCIAL REPORT	17
CORPORATE GOVERNANCE STATEMENT	18
DIRECTORS' REPORT	26
AUDITOR'S INDEPENDENCE DECLARATION	33
INCOME STATEMENT	34
BALANCE SHEET	35
STATEMENT OF CHANGES IN EQUITY	36
CASH FLOW STATEMENTS	37
NOTES TO THE FINANCIAL STATEMENTS	38
DIRECTORS' DECLARATION	39
AUDIT REPORT	40
ASX ADDITIONAL INFORMATION	42



Dear Shareholder,

On behalf of the Board of Directors of Rubicon Resources Limited, it is with pleasure that I present the Company's first full year Annual Report as a listed company.

Rubicon has continued to follow its strategy to build real and sustainable shareholder wealth, primarily through the discovery or early identification and acquisition of economically viable mineral resources. The successful IPO in 2007 raised \$10m in order to have sufficient funds to support our diverse project base and to build a team with the ability to discover significant mineral deposits.

We have continued to test exploration targets with the best chance of leading to an economic discovery and have completed in excess of 29,000 metres of drilling during our first year of operations. The main focus during the year has been on the Yindarlgooda project, following the recent discovery by Integra Mining Ltd of the 400,000 ounce Salt Creek deposit a few hundred metres from our tenement boundary. Our exploration here has generated numerous strong gold anomalies that we will continue to explore.

The Company has also entered into a joint venture with St Barbara Ltd on the northern gold and base metal tenements at Yindarlgooda, which ensures that additional funds will be spent on Company ground while leaving our exploration team to focus on our priority targets.

The Company has also focussed its exploration effort on the Warburton Copper project, which has not had any significant exploration undertaken since the 1960s. Vale completed a \$1m investment in Rubicon at 25 cents/share, thereby securing an option to earn a joint venture interest in the Warburton project. The joint venture will see Rubicon continue the exploration to Vale's account with Vale earning up to 75% by funding through to a decision to mine, ensuring sufficient funds are focussed on the exploration of this major base metal project.

In addition to the exploration program, the management team continues to review advanced-stage acquisition and corporate opportunities for the Company and with cash reserves of \$5.6m, is well placed to continue these activities.

Finally, I would like to thank the Board, management and staff at Rubicon for their efforts over the year. I would also like to thank our Shareholders for their ongoing support and their recognition that ultimate success will come with sustained effort over a period of time.

A handwritten signature in blue ink, appearing to read 'John Shipp', written over a light blue background.

JOHN SHIPP
Chairman

2. REVIEW OF OPERATIONS



Senior Field Supervisor Wayne Fitzgerald drilling at Yindarlgooda.

2.1 HIGHLIGHTS

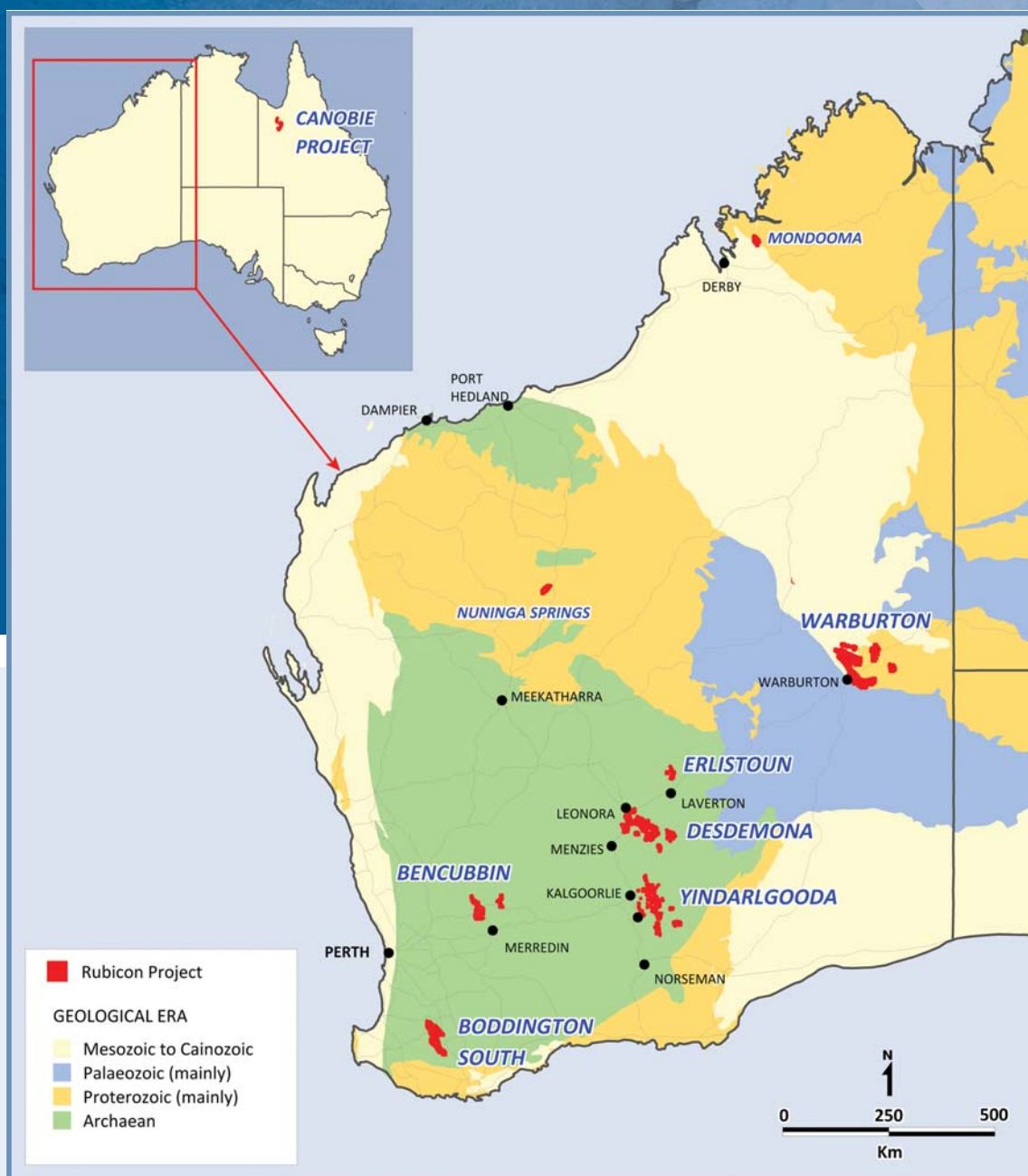
Rubicon Resources Limited (Rubicon) controls over 11,000km² of prospective tenements in seven main project areas in Western Australia and one in Queensland (Figure 1).

Rubicon's project portfolio consists of large contiguous areas within highly mineralised provinces, including the Western Australian Goldfields (Yindarlgooda, Desdemona, Eristoun and Bencubbin), the Musgrave Province (Warburton) and the Mt Isa block (Canobie).

During the year, Rubicon has achieved the following:

- Active and aggressive exploration programs with significant drill programs at Yindarlgooda and Desdemona
- Entered into a Share Subscription Deed and Evaluation and Farm-in Agreement over the Warburton Project with Vale Australia EA Pty Limited (formerly CVRD Australia EA Pty Limited), a wholly owned subsidiary of Companhia Vale do Rio Doce (Vale), the world's second largest mining company by market capitalisation.
 - Vale is now Rubicon's biggest shareholder at approximately 8% of issued capital by subscribing for 4 million Rubicon shares at \$0.25 per share.
 - Vale may earn up to 75% of the Warburton project by sole funding all work up to completion of bankable feasibility studies.
- Exploration access agreements were signed and ministerial entry permits granted for eleven Warburton Copper Area and Gunbarrel tenements at Warburton. Heritage clearance surveys and active field work commenced in April 2008.
- Several RAB, aircore and RC drill programs (29,000 metres) at Yindarlgooda and Desdemona tested a variety of targets; particularly those adjacent to the Salt Creek Gold deposit recently discovered by Integra Mining Ltd.
- Significant drill results at a number of these prospects in line for follow up drilling. Strong areas of bedrock gold anomalism at Tiger Lily, Red Dale North and Salt Creek North. Small gold mineralised zone outlined at QE1.
- The northern part of the Yindarlgooda project has been joint ventured to St Barbara Limited, which can earn 51% or 70% (at Rubicon's election) by the expenditure of up to \$4.0 million.
- All original tenements granted at Canobie and additional tenement applications. Data compilation and regional geophysical interpretation in progress.
- Assimilation of a vast wealth of existing exploration data on many of the Company's project areas is continuing to provide a steady flow of exploration targets.
- Additional tenement acquisition at Yindarlgooda, Desdemona, Warburton and Boddington South.
- Maintenance of a strong exploration team in the face of significant staffing pressures.

FIGURE 1 – RUBICON PROJECT LOCATIONS AND TENEMENTS

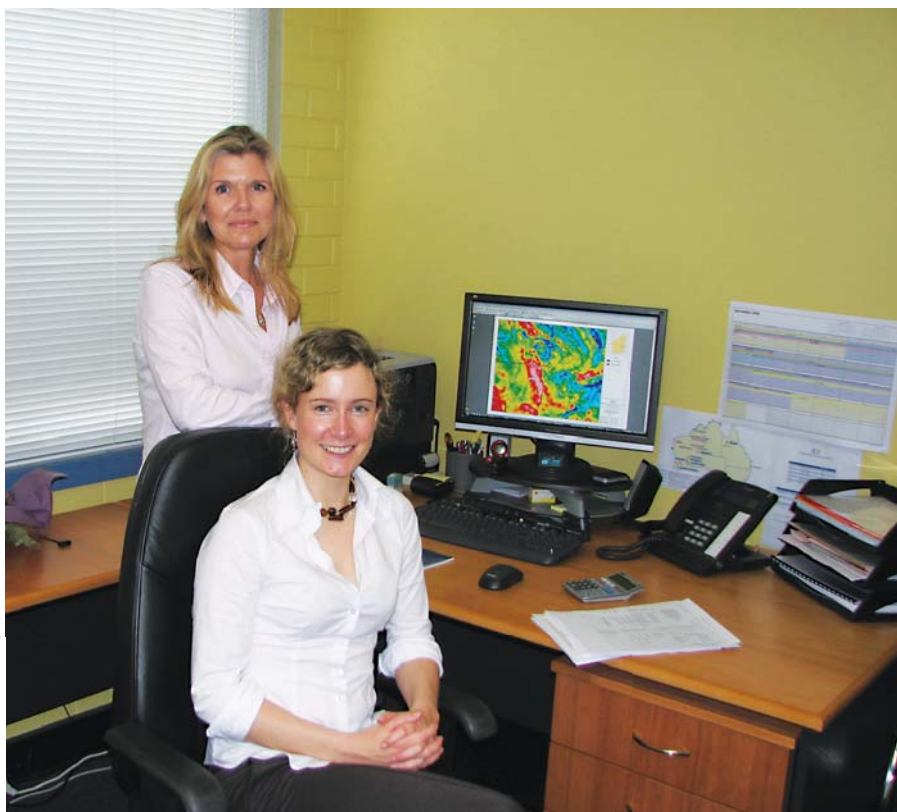


Rubicon's projects (Figure 1) include:

The **Warburton Project** comprises 3,700km² of exploration licences within the western Musgrave Province. This largely unexplored terrain has the potential for Iron Oxide Copper Gold Uranium (IOCGU) mineralisation (eg. Olympic Dam, Prominent Hill and Carrapateena) and stratabound sediment-hosted copper (eg. Mt Isa and Michigan Copper belt) as demonstrated by previous exploration and supported by Rubicon's exploration to date. The Warburton Project is being explored in conjunction with Rubicon's largest shareholder; Vale Australia EA Pty Limited, which has an option to enter into an Exploration Joint Venture on the project. Major field programs are in progress.

The **Yindarlgooda Project** comprises approximately 1,360km² of tenure centred 55km east of Kalgoorlie on a felsic volcanic centre. The project comprises both gold and Volcanogenic Massive Sulphide-style (VMS) base metals occurrences. Known gold mineralisation occurs at Queen Lapage, Taurus and QE1 and Rubicon's tenements are located adjacent to the 400,000 ounce Salt Creek gold deposit recently discovered by a competitor. The bulk of Rubicon's drilling during the year was at Yindarlgooda. Rubicon has entered into a joint venture with St Barbara Limited on the northern tenements of the project.

2. REVIEW OF OPERATIONS (CONTINUED)



The **Desdemona Project** comprises 1,650km² of tenements located to the southeast of Leonora. This includes leases adjacent to the historical Kookynie gold mining centres of Cosmopolitan, Butterfly, Orient Well and Niagara with 500,000 ounces of past production and leases along the Keith-Kilkenny Fault Zone. The basalt-rhyolite succession in the western part of the project is the southern continuation of the sequence that hosts the Teutonic Bore and Jaguar VMS base metal deposits located 40km north of Rubicon's tenements.

The **Erlistoun Project** comprises gold and non-nickel base metal rights to approximately 200km² of tenements 70km north of Laverton with significant gold mineralisation known to the north and south.

The 820km² **Bencubbin Project** covers the entire Bencubbin greenstone belt located 70km north of Merredin. A strong gold-in-auger anomaly generated by CRA in the early 1990s returned up to 12m @ 2.2g/t gold in follow up drilling.

The 1,280km² **Boddington South Project**, located 200km southeast of Perth covers the southern extension of prominent northwest trending faults passing through the 25 million ounce Boddington gold camp that are coincident with geochemical targets from CSIRO laterite sampling.

The **Mondooma Project** is located approximately 90km northeast of Derby in the Kimberley region of Western Australia. Previous explorers identified gold and copper mineralisation at the Robinson River prospect and a small lignite deposit in Canning Basin sediments at Alexander Creek.

The **Canobie Project** in Queensland comprises six exploration permits totalling 1,650km² over magnetic, gravity and structural targets in the covered northeastern part of the Mt Isa Inlier.

2.2 EXPLORATION OVERVIEW & OBJECTIVES

Rubicon's strategic objective is to create an income-generating mining company as soon as possible, through exploration that is focused on the discovery of mineral resources capable of conversion to mining reserves on either its existing Projects or on new opportunities to be assessed.

Rubicon retains a very large land-holding of over 11,000km². The Company is committed to the rapid definition and advancement of those projects with strong exploration potential, the use of alternate exploration funding where we believe this will add value for shareholders and the profitable divestment of non-strategic tenements to ensure the best use of the exploration funds available. The third party agreements discussed below are indicative of this philosophy.



From left to right

Project Geologist Shelley Nankivell drilling at Yindarlgooda.

*Office Manager Carol Sisson and GIS/Data
Manager Kim Lukehurst.*

*Exploration Manager Kevin Cassidy and
Managing Director Peter Eaton at Rocky Dam,
Yindarlgooda.*

While facing a difficult period of shortages of technical staff and exploration equipment and sharply rising costs, Rubicon has achieved a solid year of exploration results and has significantly advanced its major projects at Warburton and Yindarlgooda and has progressed the other projects in line with their tenement grant status and current priorities.

At Warburton, in spite of the apparent remoteness of the project area and conducting exploration on Aboriginal Reserve Lands, the project has been rapidly advanced during the year. Native Title access agreements were signed and much of the initial work program heritage clearances have been completed. The decision to involve Vale in the exploration of the project secures long term funding and additional technical input for the project while maintaining strong exposure to exploration success. Regional geochemical surface sampling, field mapping and geophysical surveys are in progress.

Compilation of the extensive database of previous exploration data over the Eastern Goldfields projects (Yindarlgooda, Desdemona and Erlistoun) has continued during the year as new information becomes available and additional tenements are granted. This work has resulted in the targeting of new areas as well as the delineation of areas for divestment.

At Yindarlgooda, the discovery and delineation of the 400,000 ounce Salt Creek gold deposit with minimal surface expression has highlighted the potential of the project. Rubicon is in the process of drill-testing numerous prospects in the vicinity of Salt Creek where strong supergene anomalies in rotary air blast (RAB), aircore drilling and soil sampling have been defined. Significant gold mineralisation has also been defined at the QE1 prospect. Electromagnetic surveys at the Rocky Dam and Reef Dam base metal prospects defined significant conductors that require drill testing as salt lake access conditions improve.

Following an approach by St Barbara Limited to earn an interest in gold and base metal targets in the northern group of Yindarlgooda tenements, the Rocky Dam joint venture was formed. The potential expenditure of up to \$4.0m by St Barbara on these tenements is an excellent outcome for the Company.

Exploration work has continued at our other projects. At Desdemona, data compilation and RAB/aircore drilling programs continued. At Bencubbin, auger sampling defined an extensive gold anomaly over the Bencubbin greenstone belt. The original tenements have been granted at Boddington South and Canobie and data compilation and geophysical interpretation of all publicly-available data is in progress. At Mondooma, exploration has been delayed by heritage clearance surveys.

The Company is further evaluating other opportunities to potentially acquire advanced exploration, development and operating opportunities, preferably within Australia. It is further continuously reviewing its existing portfolio to maximise shareholder return through potential exploration funding arrangements with third parties.

2. REVIEW OF OPERATIONS (CONTINUED)



2.3 CORPORATE OVERVIEW

Rubicon listed on 2 February 2007 and has 80 million shares on issue and 8.45 million unlisted options. During the year, Vale Australia EA Pty Limited subscribed for 4 million Rubicon shares at \$0.25 per share, making Vale Rubicon's biggest shareholder at approximately 8% of issued capital.

The Company is well placed with \$5.6 million in cash as at 30 June 2008. Current market conditions have vindicated Rubicon's original \$10 million capital raising.

2.4 PROJECT DESCRIPTIONS

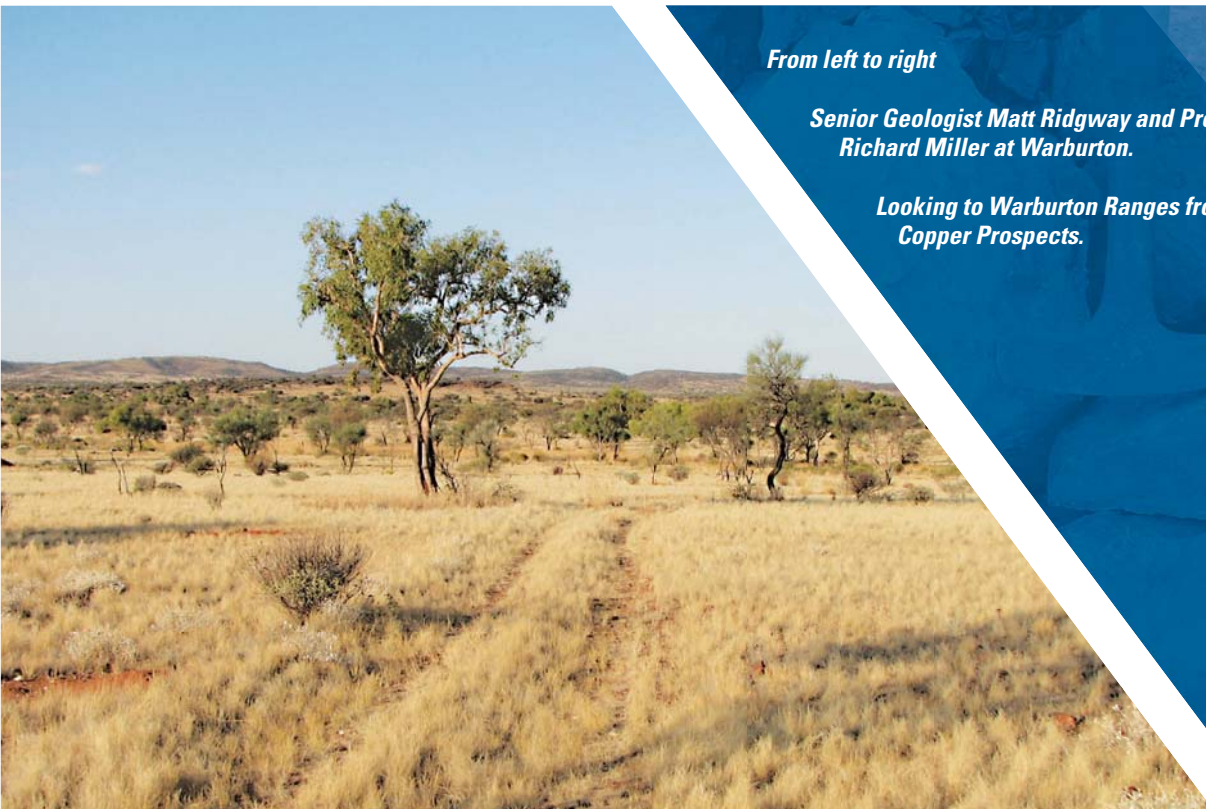
WARBURTON PROJECT

The Warburton Project comprises 3,700km² of exploration licences within the western Musgrave Province (Figure 1 & 2). Copper mineralisation was discovered in the **Warburton Copper Area** in the early 1960s and limited mining of narrow chalcocite-rich veins was conducted at the **Harry Simms Mine** (Figure 2). The Warburton Copper Area was subjected to a significant exploration campaign in the late 1960s and early 1970s that focussed on the discovery of further high grade veins. Some 200 outcropping copper occurrences were discovered in the program that culminated in the drilling of 12 diamond core holes, of which four intersected significant copper mineralisation up to 3.5m @ 8.2% copper and 16g/t silver.

The project is located on Aboriginal Reserve Land and access agreements with the Ngaanyatjarra People for all of the Warburton Copper and Gunbarrel tenements were signed in late 2007. The bulk of the heritage clearance surveys for the planned field work have been completed during the year. Rubicon has been very pleased with its relationship with the Ngaanyatjarra People and the ability to complete its negotiations and surveys in an expedient and harmonious manner.

In February 2008, Rubicon entered into an Evaluation and Farm-in Agreement over the project with Vale Australia EA Pty Limited, a wholly owned subsidiary of Vale.

Under the terms of the agreement, Rubicon is spending \$1 million on the initial evaluation and exploration of the Warburton project. At the end of this evaluation period, subject to obtaining board approval, Vale will spend \$3 million over a three-year period on further exploration and potential development. Upon spending this \$3 million, Vale may exercise an option to enter into an Exploration Joint Venture Agreement with Rubicon, thereby earning 51% of the project.

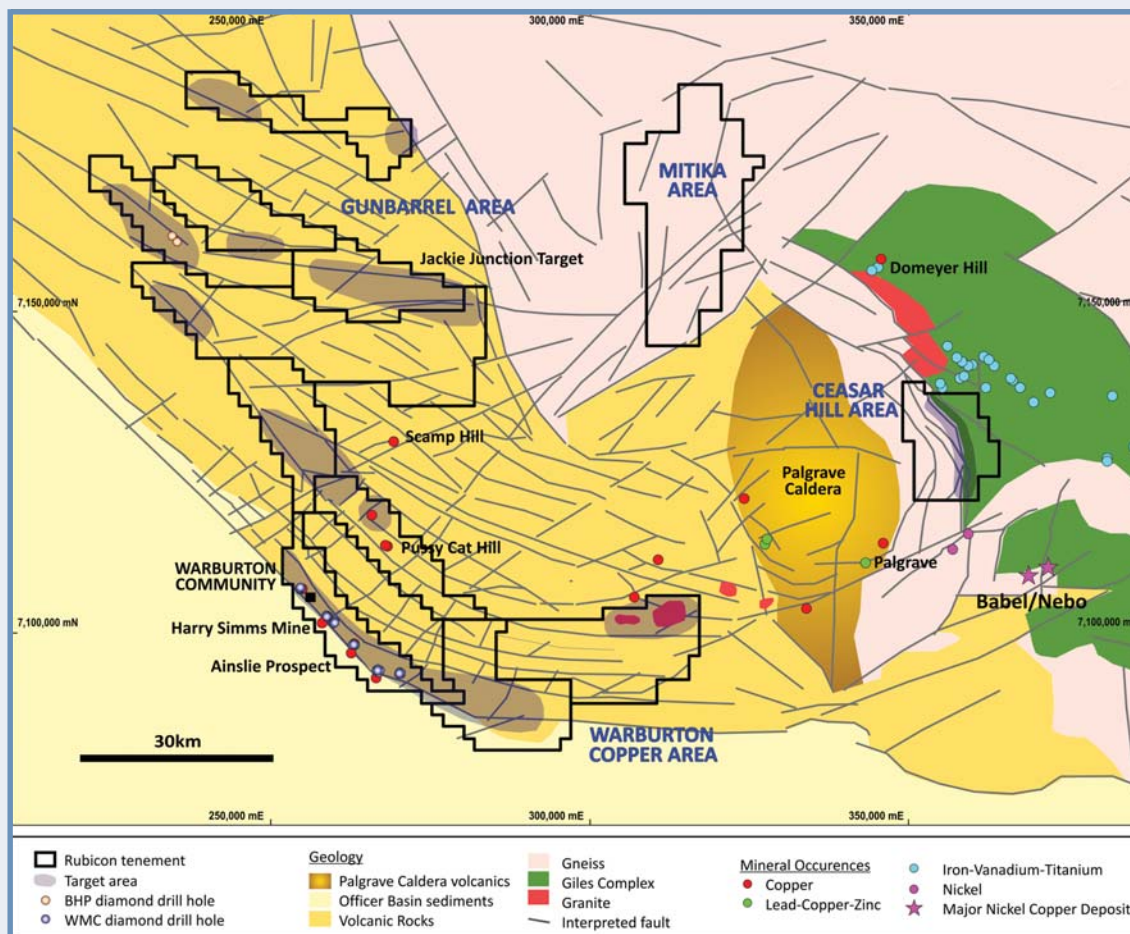


From left to right

Senior Geologist Matt Ridgway and Project Geologist Richard Miller at Warburton.

Looking to Warburton Ranges from the Warburton Copper Prospects.

FIGURE 2 – WARBURTON PROJECT - GEOLOGY TENEMENTS AND TARGETS



2. REVIEW OF OPERATIONS (CONTINUED)

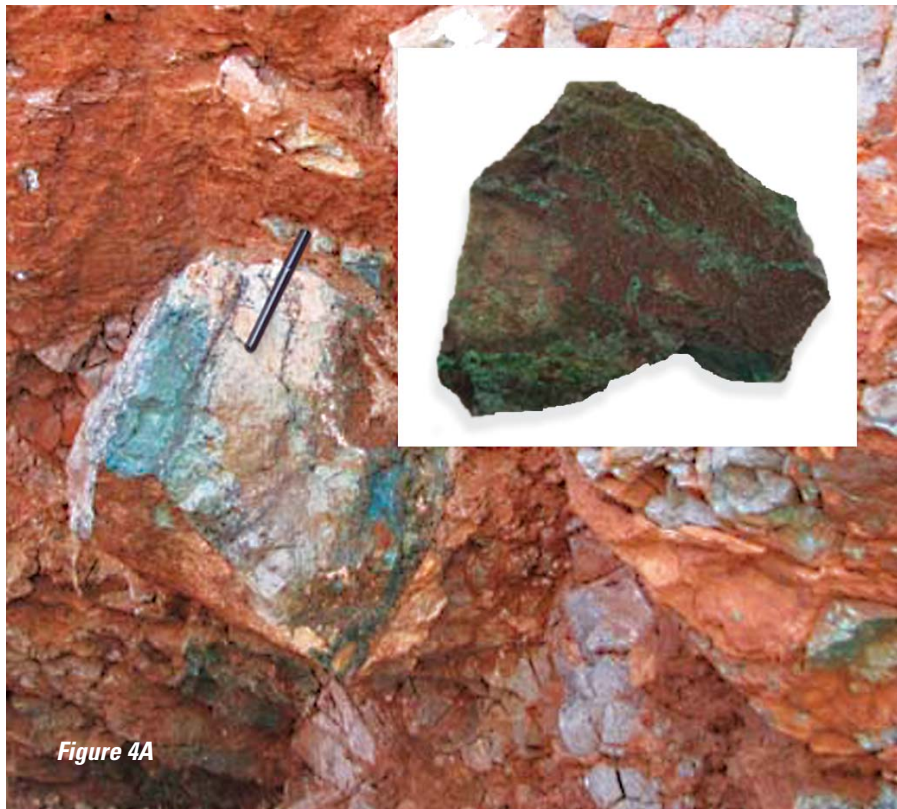


Figure 4A

Vale may proceed to a 70% interest in the project by sole funding exploration and development studies up to the commencement of a Bankable Feasibility Study (BFS) and an additional 5% interest by sole funding the BFS.

Exploration activities for the project have focused on the Warburton Copper area and has consisted of reprocessing and interpretation of available aeromagnetic data, regional mapping and soil sampling over an approximate 50 kilometre strike of the prospective rock units and regional gravity and ground magnetic traverses. The Geological Survey of Western Australia (GSWA) has also completed a 2.5 x 2.5 kilometre spaced gravity survey over Rubicon's tenements as part of a regional survey. This data has been integrated with Rubicon's gravity to provide an excellent regional dataset (Figure 3).

During the regional mapping, further sediment-hosted copper carbonate mineralisation has been observed in outcrop, providing additional support for the exploration model. Limited rock chip sampling of malachite-bearing mineralisation averaged 5% copper ranging up to 15% copper. The conglomerate-hosted style of mineralisation (eg the Ainslie Prospect – Figures 2 & 4) represents an important bulk-tonnage target that was not significantly tested by previous drilling and is therefore a near-term drill target. Rubicon's tenements cover a 60-kilometre strike of these prospective rocks of which only 12 kilometres was previously explored. This zone coincides with a gravity ridge adding additional support to the exploration model (Figure 3).

At **Caesar Hill**, the GSWA gravity survey has confirmed that the favourable basal part of the Giles Complex rocks that host the Babel-Nebo nickel-copper deposit to the southeast continues onto the Caesar Hill tenement (Figure 3). Native Title access has not been achieved for this tenement as yet, but given this development, access will be fast tracked.

At the **Jackie Junction Prospect** within the **Gunbarrel Area**, a partly outcropping, strongly magnetic unit coincident with a gravity ridge is interpreted as a potential equivalent of the Giles Complex (Figure 3). This tenement will be granted imminently and heritage surveys followed by field mapping and geochemical sampling will be undertaken in late 2008.

The regional programs discussed will be completed in 2008 and will be followed by targeting of specific prospect areas and planning of detailed exploration, including early drilling of the known surface mineralisation, in the 2009 field season.



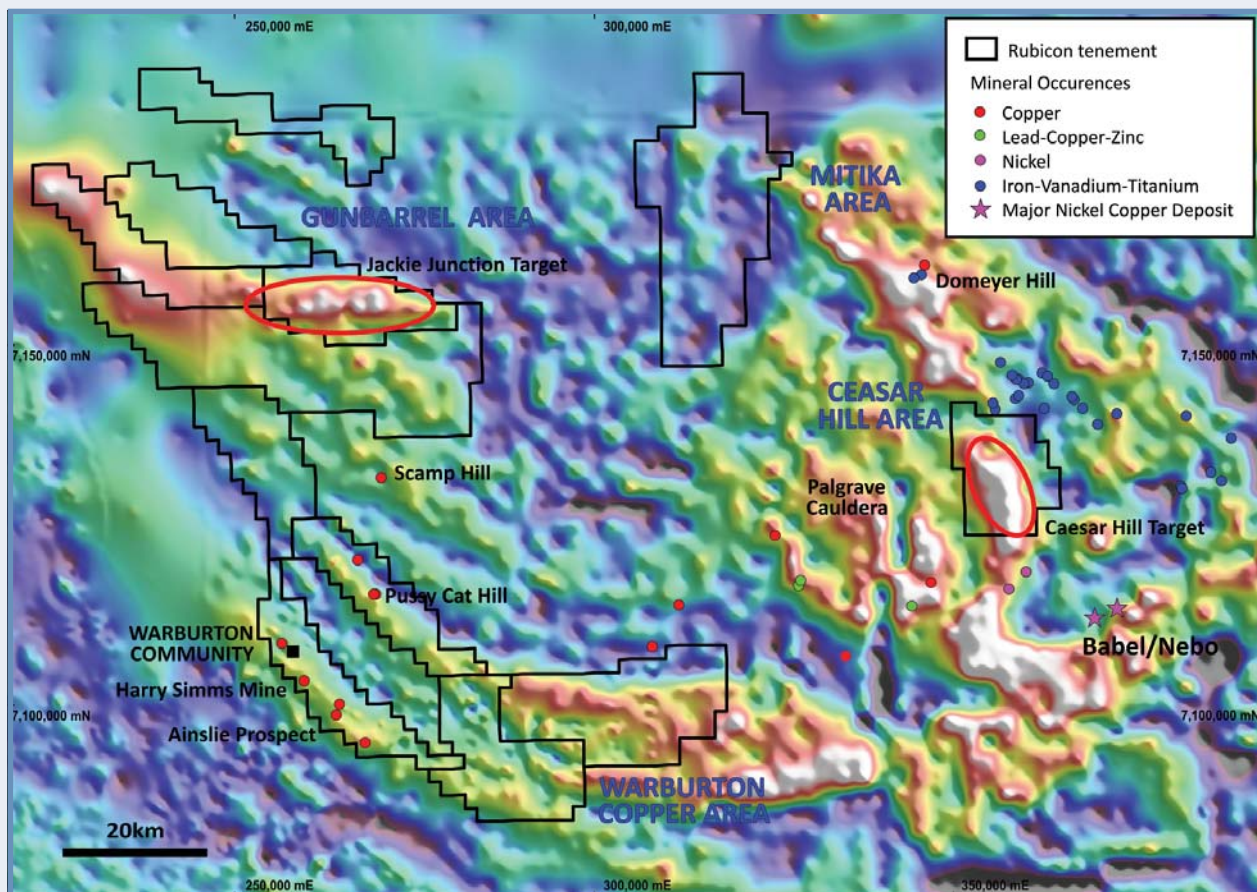
From left to right

Figure 4A Vein-style Copper Mineralisation - Harry Simms Mine

Figure 4B Conglomerate Hosted Copper Mineralisation - Ainslie Prospect

Figure 4B

FIGURE 3 – WARBURTON GRAVITY IMAGE



2. REVIEW OF OPERATIONS (CONTINUED)



From left to right

Director Ian Buchhorn and Peter Eaton examine RAB chips at Tiger Lily.

Aircore drilling on Lake Yindarlgooda.

YINDARLGOODA PROJECT

Rubicon's exploration during the year also focused on gold and VMS base metal exploration at Yindarlgooda (Figure 1 & 5). Exploration has comprised RC (27 holes for 1,888 metres) and RAB and aircore drill programs (585 holes for 22,978 metres), electromagnetic (EM) surveys at base metal prospects, acquisition of gravity data, soil sampling programs and ongoing compilation and interpretation of previous exploration data.

Gold Exploration

Gold exploration focused on the assessment of prospects adjacent to the 400,000 ounce Salt Creek gold deposit discovered adjacent to Rubicon's tenements. Drilling of the Salt Creek deposit has been undertaken up to Rubicon's tenement boundary (Figure 6). RAB/aircore programs were undertaken at the **Salt Creek North**, **Red Dale North** and **Hickmans Find** prospects that are located north of Salt Creek along the structural corridor that controls the deposit. Better results from this drilling include 4m @ 0.98g/t and 4m @ 0.87g/t gold at Red Dale North and 4m @ 1.27g/t and 3m @ 1.77g/t gold at Salt Creek North, within zones of significant bedrock gold anomalism defined over broad areas (Figure 6). RC drill testing of these zones is in progress.

Slimline RC drilling to test soil geochemical anomalies immediately east of Salt Creek and adjacent to the tenement boundary at **Salt Creek East** has also recently been completed. Assays are awaited for all RC drilling.

At **Tiger Lily**, drilling along a major structure has defined a mineralised corridor over at least 400 metres under cover of a paleochannel, with better results of 1m @ 19.8g/t, 4m @ 1.11g/t, 4m @ 1.07g/t and 8m @ 0.50g/t gold (Figure 6). RC drilling is in progress.

FIGURE 5 – YINDARLGOODA PROJECT LOCATION, TENEMENTS AND PROSPECT

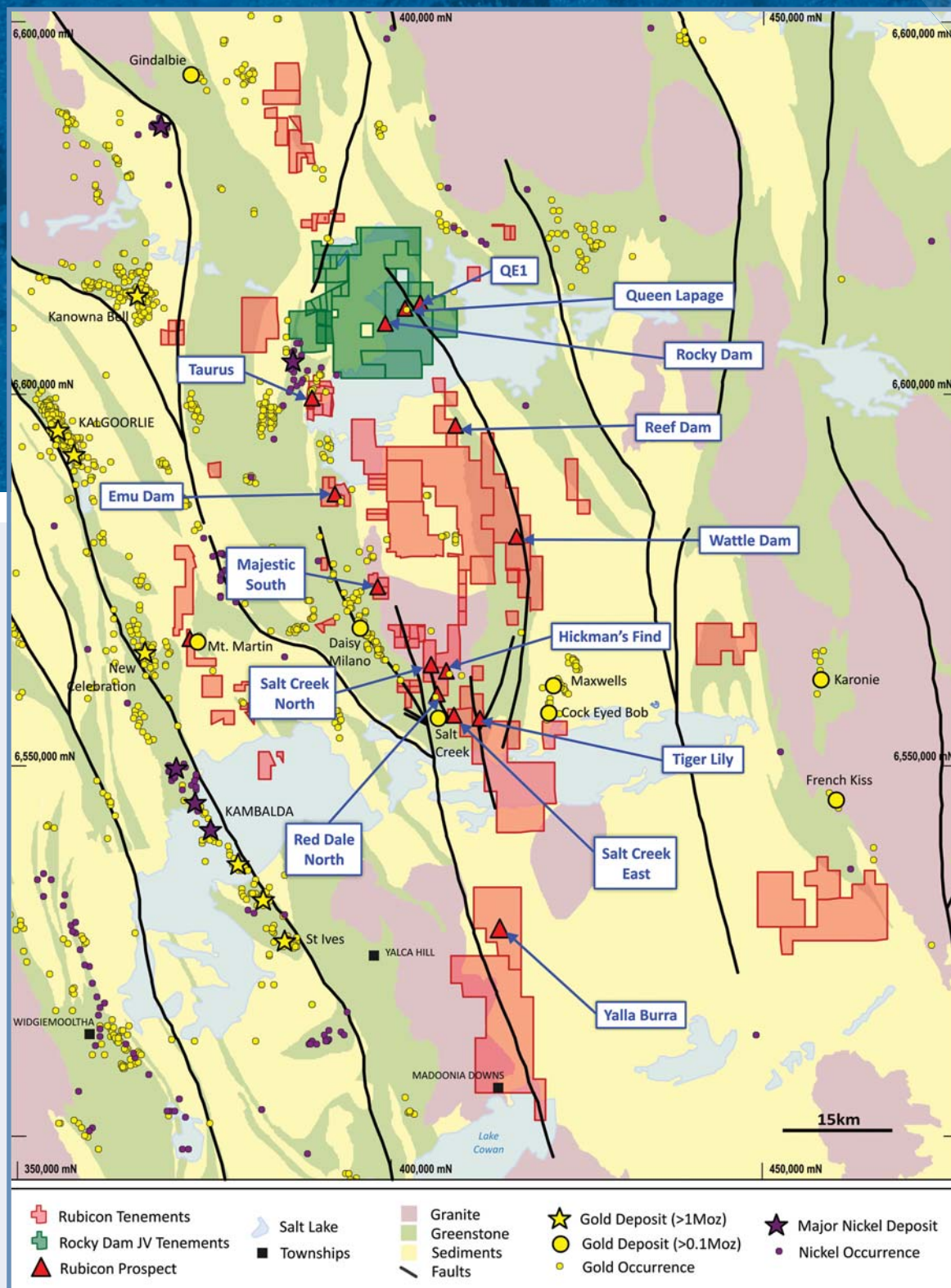
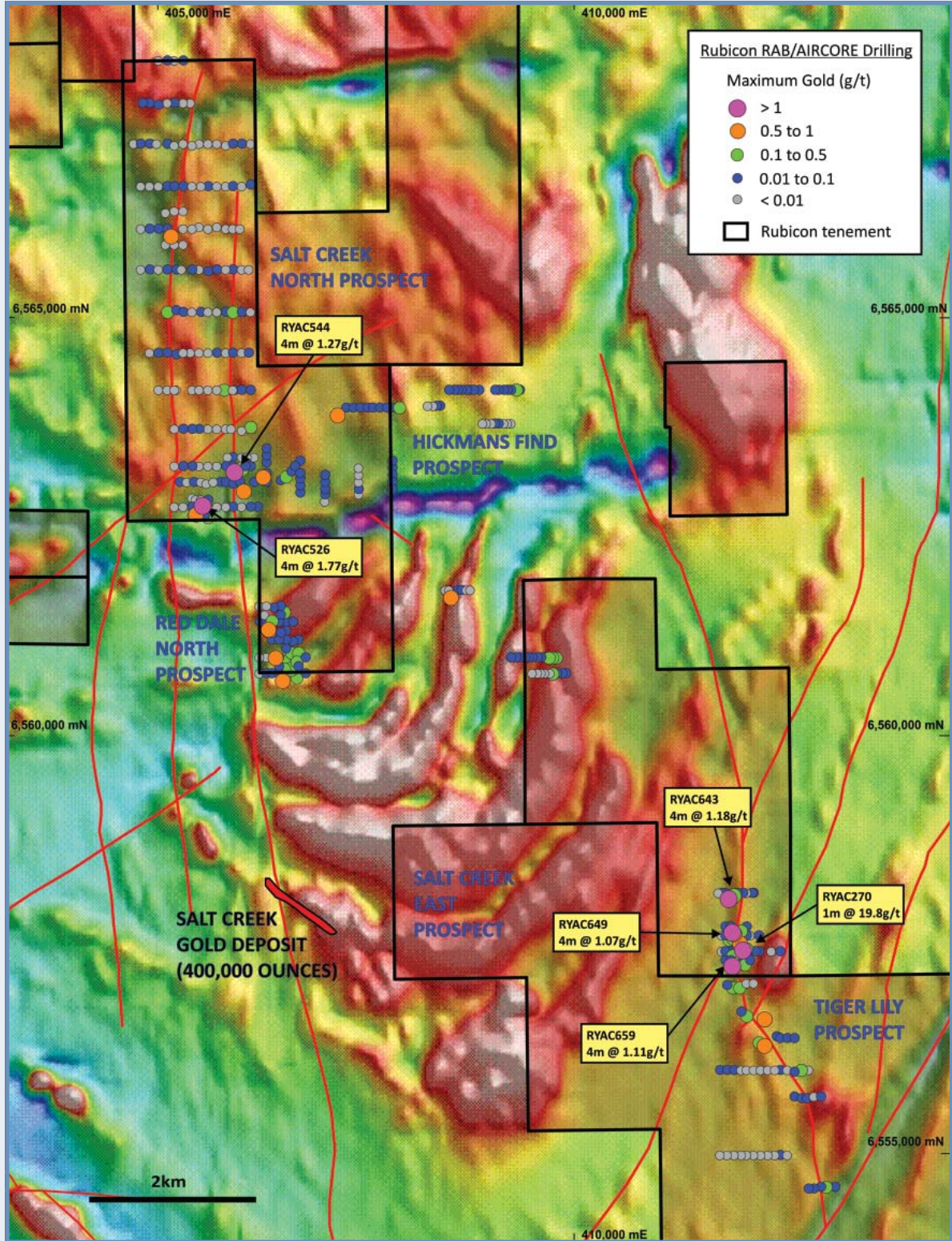


FIGURE 6 – MT MONGER AREA DRILLING ON MAGNETICS (YINDARLGOODA PROJECT)



At the **QE1 Prospect** (Figure 5), significant gold mineralisation has been defined in an ore shoot coincident with a magnetic corridor and associated with the regionally important Randalls Fault. Better previous shallow drill intercepts of 6m @ 6.33g/t, 6m @ 3.24g/t, 4m @ 3.79g/t, 8m @ 2.48g/t and 8m @ 2.81g/t gold were supplemented by Rubicon intersections of 4m @ 4.44g/t, 8m @ 2.39g/t and 4m @ 5.15g/t gold. The mineralisation remains partly open to the northeast.

Other drilling programs were undertaken at various prospects including **Yalla Burra**, **Taurus** and **Emu Dam**. A best result of 4m @ 2.25g/t gold in banded iron formation at Yalla Burra will be followed up.

Rubicon's gold exploration at Yindarlgooda is still at a relatively early stage and the Salt Creek discovery under very shallow cover has shown that the area is highly prospective for additional gold discoveries. Rubicon is currently undertaking initial RC drilling of RAB and aircore anomalies at a number of prospects and is flying a low level, detailed aeromagnetic survey in September over the tenements adjacent to Salt Creek. Further drilling of these areas will continue.

Base Metal Exploration

A number of companies explored for VMS base metals at Yindarlgooda between 1970 and the early 1990s (Figure 5), focused on the outcropping gossanous sedimentary/volcanic rock package in the northern part of the project at Rocky Dam. Drilling intersected massive and disseminated pyrite with low grade base metal mineralisation (best result of 18m @ 0.74% zinc and 0.20% copper) at Rocky Dam.

Rubicon's tenements cover a significant strike extent of this prospective volcanosedimentary sequence; much of which is under cover of Lake Yindarlgooda to the south (Figure 5). Rubicon has completed EM surveys over the southern continuation of this sequence from the **Rocky Dam** to the **Reef Dam** prospects under the lake utilising the high resolution Landtem Squid system, defining a number of discrete conductive anomalies. Only two RC holes were drilled to test targets at Reef Dam due to access restrictions in Lake Yindarlgooda. Elevated zinc to 0.12% was intersected.

St Barbara Joint Venture

Following an approach by St Barbara Limited, Rubicon has recently entered into the Rocky Dam joint venture over an approximate 300km² area in the northern part of the project area (Figure 5), including the QE1 gold prospect and the Rocky Dam base metal prospect. Under the terms of the agreement, St Barbara can earn 51% by the expenditure of \$2.5 million over three years. At Rubicon's election, St Barbara may then earn an additional 19% by the expenditure of a further \$1.5 million over two years. Active exploration by our joint venture partner has not yet commenced.

DESDEMONA PROJECT

Exploration at the Desdemona project (Figure 1) has been relatively restricted due to the focus on other areas. The main activities have been continued compilation of previous exploration data, aircore drilling (34 holes for 3,270 metres) on gold targets at the **Apollo North Prospect** along the regional Keith-Kilkenny Fault, RC drilling (four holes for 648 metres) at the **Jeedamya Basemetal Prospect** and soil sampling programs.

At Jeedamya, a base metal anomaly in soils, coincident with outcropping gossans with up to 0.25% copper and 0.48% zinc was targeted with ground EM and magnetic traverses. The EM survey defined a number of structurally complex, strong bedrock conductors that were tested by four RC holes. Only one of the holes explained the conductive target, intersecting 30 metres of strong silica-pyrite-pyrrhotite alteration with elevated zinc to 0.24%. Downhole EM surveys have been undertaken on three of these holes to enable targeting for further drill testing of the conductive zones.

The completion of the compilation of previous exploration data has been delayed by the volume of data available and other priorities, but is progressing. Further targets at Desdemona will be defined from this compilation and its integration into an overall geological and mineralisation model for the project.

Rubicon has entered into an option agreement with St Barbara Limited over approximately 50km² of tenements located to the southeast of Leonora at Malcolm. The tenements are within trucking distance of St Barbara's Leonora operations. Under the agreement, St Barbara has paid a \$50,000 option fee and can purchase the tenements by payment of \$1.0 million. St Barbara must spend a minimum of \$250,000 on exploration over the next 18 months.

ERLISTOUN PROJECT

The Laverton tenements are located to the north of Laverton along the gold-prospective Laverton-Hootanui Shear Zone of the Laverton Tectonic Zone, which hosts historical gold mining centres at Cork Tree Well and King of Creation adjacent to the project and the Granny Smith and Sunrise Dam deposits to the south of Laverton (Figure 1). Rubicon has completed a data compilation exercise over the tenements, which will be followed up by active exploration programs in the coming year.

2. REVIEW OF OPERATIONS (CONTINUED)

BENCUBBIN PROJECT

The Bencubbin project comprises dominantly gneissic and granitic rocks, with scattered enclaves of mafic gneiss and metamorphosed banded iron formations. The western tenements cover the entire Bencubbin greenstone belt.

Rubicon has acquired the four tenements previously under option from local prospectors at a total cost of \$25,000. All other tenement applications were granted at Bencubbin during the year.

Previous exploration in the early 1990s highlighted the North Merredin 2 prospect where auger sampling defined a gold-copper-arsenic anomaly over 3.5 kilometres in length. Grid RAB drilling followed by RC and diamond drilling tested the anomaly, intersecting broad zones of low grade gold mineralisation (best result of 12m @ 2.0g/t from surface).

An extensive auger sampling program was undertaken on the northwestern part of the project over the Bencubbin greenstone belt. Results of this program were encouraging, establishing gold anomalism over a 15-kilometre strike of the greenstone belt, with a peak value of 71ppb gold. This was followed up with geological mapping that confirmed the potential for gold mineralisation, with sheared east and west margins to the greenstone belt and a number of connecting cross-fractures. The North Merredin 2 anomaly is interpreted as one of these cross-fracture zones.

Further work on this anomaly will be undertaken later this year once wheat harvesting is completed. Planning for regional laterite and/or auger sampling on the new tenements granted is in progress and will be undertaken in late-2008.

BODDINGTON SOUTH

The Boddington South project tenements were applied for based on the presence of prominent north-northwesterly striking faults trending through the area; one of which hosts the 25 million ounce Boddington gold camp to the northwest, and anomalous gold values in CSIRO laterite sampling in the region (Figures 1 & 7). Exploration will target Boddington-style gold-copper and lode-gold mineralisation.

The two original exploration licences were granted during the year and an additional tenement connecting these tenements is under application. The new application covers further northwest-trending fault structures coincident with gold anomalies in laterite sampling generated by CSIRO.

The only known phase of exploration was undertaken over the Jingalup tenement in the late 1990s. A 400 metre long low order gold-in-soil anomaly was identified. This was tested with RAB drilling, which returned several gold values up to a maximum grade of 1.24g/t gold.

Interpretation of previous exploration data and regional datasets is complete and planning for further regional laterite sampling to be undertaken in late 2008 is near completion.

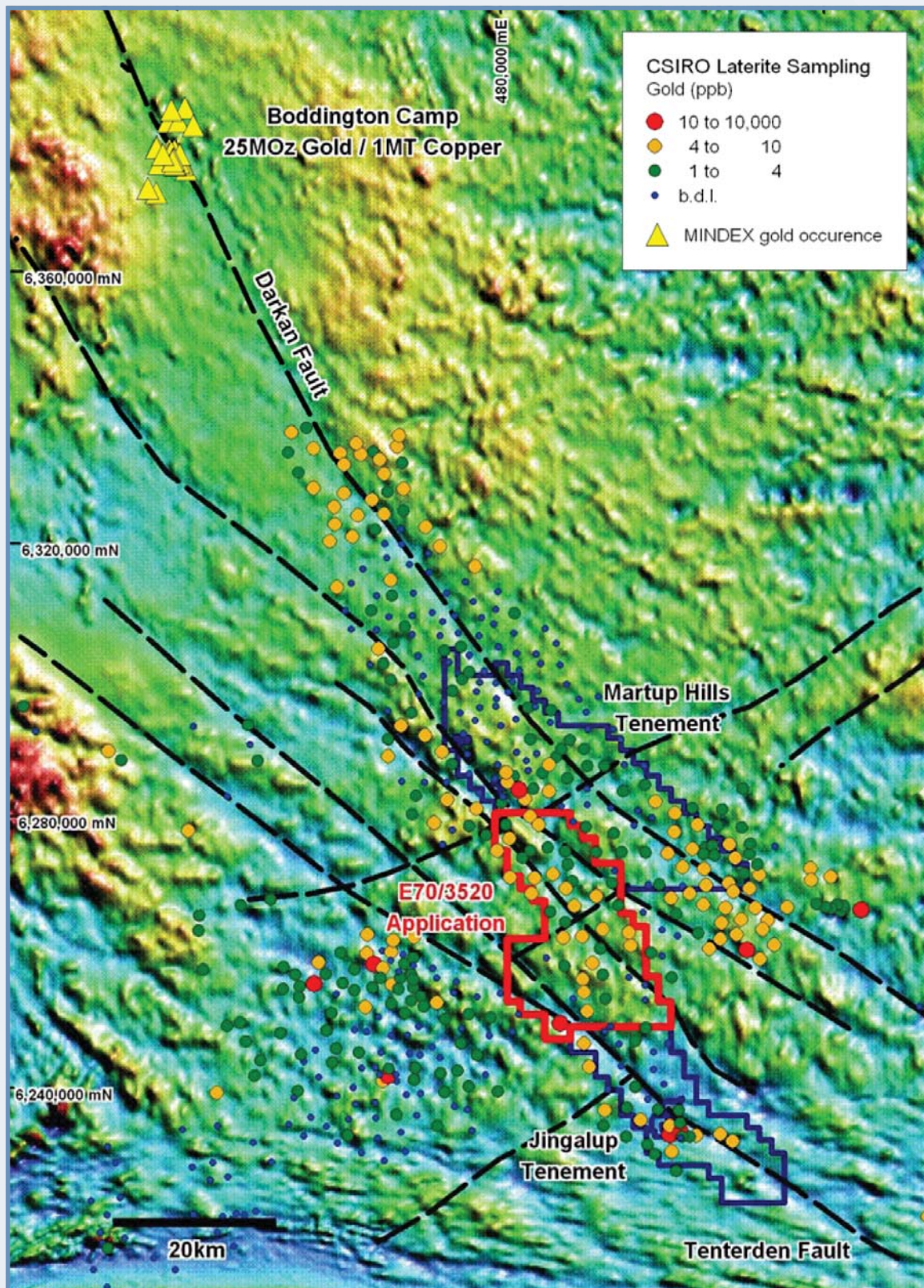
MONDOOMA PROJECT

The Mondooma Project is located approximately 90km northeast of Derby (Figure 1) on the major Duck Hole and Mondooma Fault Zones, which are coincident with a strong gravity ridge.

Previous exploration information has highlighted the **Robinson River Prospect**, which is described as a series of small pits and shafts traced over a kilometre along the Mondooma Thrust, with outcropping malachite, cuprite and azurite (surficial copper minerals). Mineralised quartz veins occur along the fault, resulting in quartz stockwork zones up to 20 metres wide. Three channel chip samples were taken across the central part of the stockwork by previous explorers (reportedly over a strike of 200 metres) returning results of 10m @ 8.4g/t, 8m @ 7.9g/t and 5m @ 1.9g/t gold.

Exploration access has been restricted by Native Title considerations. Meetings have been held with the Dambimangari People and a heritage clearance survey was completed in September 2008. Initial field work will consist of systematic sampling of the Robinson River Prospect, geochemical sampling over the central part of the tenement and a review of the optimal geophysical exploration methodology.

FIGURE 7 – BODDINGTON SOUTH PROJECT MAGNETICS, TENEMENTS AND LATERITE SAMPLING



2. REVIEW OF OPERATIONS (CONTINUED)

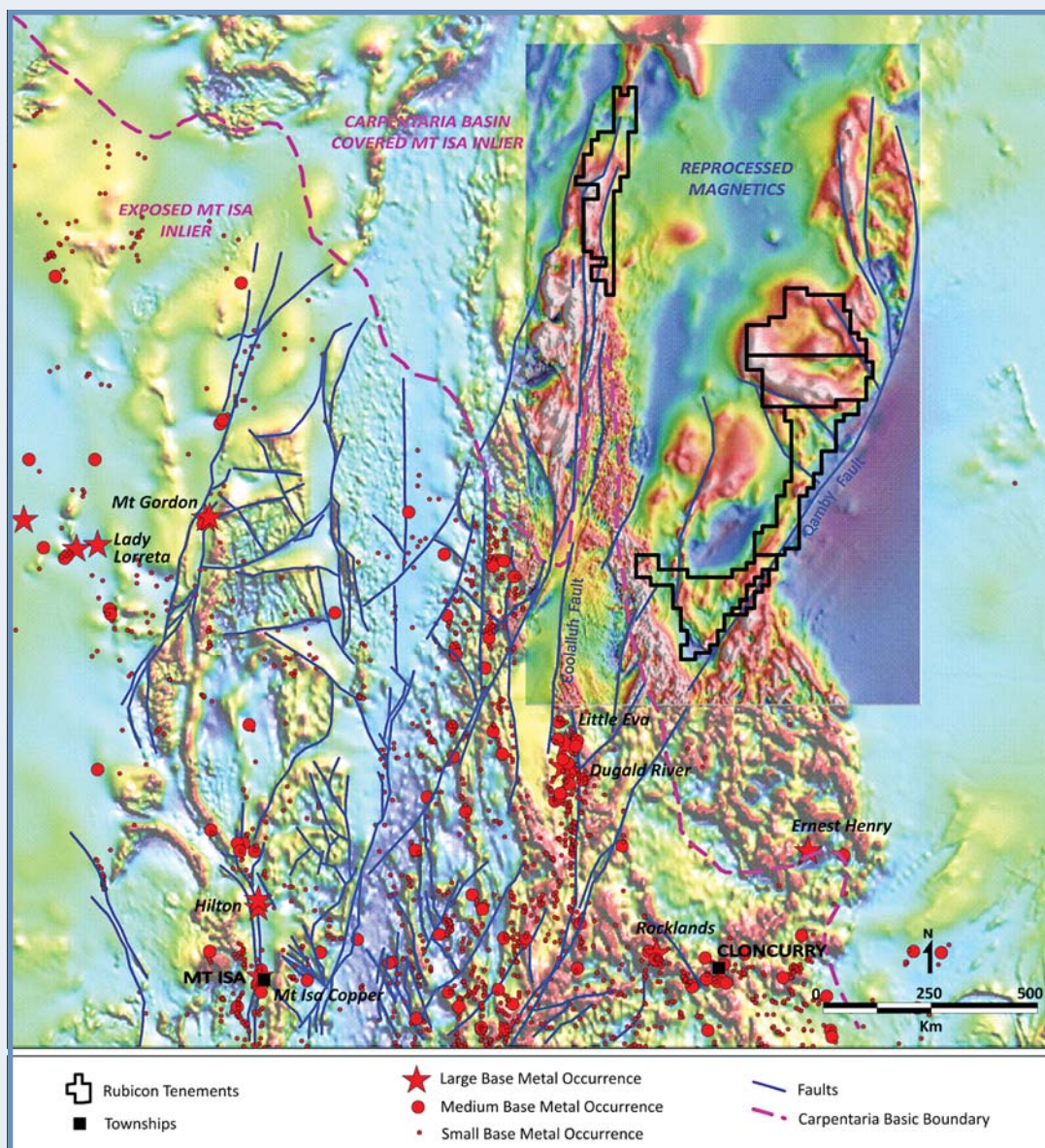
CANOBIE PROJECT

The Canobie project comprises six exploration permits in the northern covered part of the Eastern Fold Belt of the Mt Isa Inlier, between 80 and 220kms north of Cloncurry (Figures 1 & 8).

The tenements are located on the margin of the Cretaceous Carpentaria Basin, where the Proterozoic Eastern Fold Belt rocks continue north under the cover of the basin rocks. Based on drilling information, cover thickness ranges from approximately 100-500 metres thick. The tenements are considered to be very prospective for IOCGU and Mt Isa-style copper-lead-zinc mineralisation as the exposed part of the Mt Isa block is very well endowed with base metal mines. This exploration play is viewed as similar to the Stuart Shelf in South Australia where explorers regularly drill >500 metres of cover to test Proterozoic basement targets.

The western tenement covers the northern extension of the Coolalluh Fault system (Figure 8) which hosts the Dugald River deposit to the south. The eastern block of five tenements is located along the highly magnetic northeastern faulted margin of the fold belt, adjacent to the northeasterly-trending Quamby Fault, a crustal-scale throughgoing linear feature in the Mt Isa belt.

FIGURE 8 – CANOBIE PROJECT – TENEMENTS ON TMI MAGNETICS



Following grant of the five original exploration permits, available government and multiclient geophysics (including a newly released gravity survey) has been acquired and a geophysical interpretation and target generation is in progress. All existing exploration data is in the process of being compiled. It is expected that ground-based geophysical surveys will be required to enable targeting of drill sites.



Rubicon Resources Limited

ABN 38 115 857 988

CONCISE REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2008

The concise financial report is an extract from the full financial report of Rubicon Resources Limited. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report of Rubicon Resources Limited, and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial report.

Further financial information can be obtained from Rubicon Resources Limited's full financial report, a copy of which, including the independent auditor's report, is available to all shareholders on the Company's website at www.rubiconresources.com.au, and will be sent to shareholders without charge on request

Level 2, 91 Havelock Street, West Perth WA 6005

PO Box 534, West Perth WA 6872

Telephone: (08) 9214 7500

Facsimile: (08) 9214 7575

Email: info@rubiconresources.com.au

Website: rubiconresources.com.au

CORPORATE GOVERNANCE STATEMENT

This statement outlines the main corporate governance practices in place during the financial year, which comply with the ASX Corporate Governance Council recommendations unless otherwise stated.

1. BOARD OF DIRECTORS

1.1 Role of the Board and Management

The Board of Rubicon Resources Limited is responsible for its corporate governance, that is, the system by which the Company is managed. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body. The Board has the final responsibility for the successful operations of the Company.

To assist the Board to carry out its functions, it has developed a Code of Conduct to guide the Directors and key executives in the performance of their roles. The Code of Conduct is detailed in Section 3.1 of this report.

The Board represents shareholders' interests in developing and then continuing a successful mineral resources business, which seeks to optimise medium to long-term financial gains for shareholders. By not focusing on short-term gains for shareholders, the Board believes that this will ultimately result in the interests of all stakeholders being appropriately addressed when making business decisions.

The Board is responsible for ensuring that the Company is managed in such a way to best achieve this desired result. Given the size of the Company's exploration and development activities, the Board currently undertakes an active, not passive role.

The Board is responsible for evaluating and setting the strategic directions for the Company, establishing goals for management and monitoring the achievement of these goals. The Managing Director is responsible to the Board for the day-to-day management of the Company.

The Board has sole responsibility for the following:

- Appointing and removing the Managing Director and any other executive director and approving their remuneration;
- Appointing and removing the Company Secretary/Chief Financial Officer and approving their remuneration;
- Determining the strategic direction of the Company and measuring the performance of management against approved strategies;
- Reviewing the adequacy of resources for management to properly carry out approved strategies and business plans;
- Adopting operating and exploration expenditure budgets at the commencement of each financial year and monitoring the progress by both financial and non-financial key performance indicators;
- Monitoring the Company's medium term capital and cash flow requirements;
- Approving and monitoring financial and other reporting to regulatory bodies, shareholders and other organisations;
- Determining that satisfactory arrangements are in place for auditing the Company's financial affairs;
- Reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and compliance with legislative requirements; and
- Ensuring that policies and compliance systems consistent with the Company's objectives and best practice are in place and that the Company and its officers act legally, ethically and responsibly on all matters.

The Board's role and the Company's corporate governance practices are being continually reviewed and improved as the Company's business develops.

The Board convenes regular meetings with such frequency as is sufficient to appropriately discharge its responsibilities.

The Board may from time to time, delegate some of its responsibilities listed above to its senior management team.

The Managing Director is responsible for running the affairs of the Company under delegated authority from the Board and implementing the policies and strategy set by the Board. In carrying out his responsibilities the Managing Director must report to the Board in a timely manner and ensure all reports to the Board present a true and fair view of the Company's operational results and financial position.

The role of management is to support the Managing Director and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

1.2 Composition of the Board

To add value to the Company, the Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties. The names of the Directors and their qualifications and experience are disclosed in the Directors' Report. Directors are appointed based on the specific governance skills required by the Company and on the independence of their decision-making and judgement.

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. Mr Shipp, the Non-Executive Chairman is considered independent. Mr Buchhorn is a Non-Executive Director and is not considered to be independent. From the Company's perspective Directors are considered to be independent when they are independent of management and free from any business or other relationship which could materially interfere with – or could reasonably be perceived to materially interfere with – the exercise of their unfettered and independent judgement.

The Board considers that the current structure is sufficient despite not complying with the ASX Corporate Governance Council Recommendation 2.1.

At present the Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the expense of the appointment of additional independent Non-Executive Directors.

If the Company's activities increase in size, nature and scope the size of the Board will be reviewed and the optimum number of directors required for the Board to properly perform its responsibilities and functions will be re-assessed.

The Board acknowledges that a greater proportion of independent Directors is desirable over the longer term and will be seeking to demonstrate that it is monitoring the Board's composition as required.

The membership of the Board, its activities and composition is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the Board shall include the quality of the individual's background, experience and achievement, compatibility with other Board members, credibility within the Company's scope of activities, intellectual ability to contribute to Board duties and physical ability to undertake Board duties and responsibilities.

Directors are initially appointed by the full Board subject to election by shareholders at the next Annual General Meeting. Under the Company's Constitution the tenure of Directors (other than Managing Director) is subject to re-appointment by shareholders not later than the third anniversary following their last appointment. Subject to the requirements of the *Corporations Act 2001*, the Board does not subscribe to the principle of retirement age and there is no maximum period of service as a Director. A managing director may be appointed for any period and on any terms the Directors think fit and, subject to the terms of any agreement entered into, the Board may revoke any appointment.

1.3 Responsibilities of the Board

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company.

Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following:

1. Leadership of the Company - overseeing the Company and establishing codes that reflect the values of the Company and guide the conduct of the Board, management and employees.
2. Strategy Formulation - working with senior management to set and review the overall strategy and goals for the Company and ensuring that there are policies in place to govern the operation of the Company.
3. Overseeing Planning Activities - overseeing the development of the Company's strategic plans (including exploration programmes and initiatives) and approving such plans as well as the annual budget.
4. Shareholder Liaison - ensuring effective communications with shareholders through an appropriate communications policy and promoting participation at general meetings of the Company.
5. Monitoring, Compliance and Risk Management - overseeing the Company's risk management, compliance, control and accountability systems and monitoring and directing the operational and financial performance of the Company.
6. Company Finances - approving expenses in excess of those approved in the annual budget and approving and monitoring acquisitions, divestitures and financial and other reporting.
7. Human Resources - appointing, and, where appropriate, removing the Managing Director as well as reviewing the performance of the Managing Director and monitoring the performance of senior management in their implementation of the Company's strategy.

1.3 Responsibilities of the Board (Continued)

8. Ensuring the Health, Safety and Well-Being of Employees - in conjunction with the senior management team, developing, overseeing and reviewing the effectiveness of the Company's occupational health and safety systems to ensure the well-being of all employees.
9. Delegation of Authority - delegating appropriate powers to the Managing Director to ensure the effective day-to-day management of the Company and establishing and determining the powers and functions of the Committees of the Board.

1.4 Board Policies

1.4.1 Conflicts of Interest

Directors must:

- disclose to the Board actual or potential conflicts of interest that may or might reasonably be thought to exist between the interests of the Director and the interests of any other parties in carrying out the activities of the Company; and
- if requested by the Board, within seven days or such further period as may be permitted, take such necessary and reasonable steps to remove any conflict of interest.

If a Director cannot or is unwilling to remove a conflict of interest then the Director must, as per the *Corporations Act 2001*, absent himself from the room when discussion and/or voting occurs on matters about which the conflict relates.

1.4.2 Commitments

Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director of the Company.

1.4.3 Confidentiality

In accordance with legal requirements and agreed ethical standards, Directors and key executives of the Company have agreed to keep confidential, information received in the course of the exercise of their duties and will not disclose non-public information except where disclosure is authorised or legally mandated.

1.4.4 Independent Professional Advice

The Board collectively and each Director has the right to seek independent professional advice at the Company's expense, up to specified limits, to assist them to carry out their responsibilities.

1.4.5 Related Party Transactions

Related party transactions include any financial transaction between a Director and the Company. Unless there is an exemption under the *Corporations Act 2001* from the requirement to obtain shareholder approval for the related party transaction, the Board cannot approve the transaction.

1.4.6 Trading in the Company Shares

The Company's share trading policy imposes basic trading restrictions on all employees of the Company with 'inside information', and additional trading restrictions on the Directors of the Company.

'Inside information' is information that:

- is not generally available; and
- if it were generally available, it would, or would be likely to influence investors in deciding whether to buy or sell the Company's securities.

If an employee possesses inside information, the person must not:

- trade in the Company's securities;
- advise others or procure others to trade in the Company's securities; or
- pass on the inside information to others – including colleagues, family or friends – knowing (or where the employee or Director should have reasonably known) that the other persons will use that information to trade in, or procure someone else to trade in, the Company's securities.

This prohibition applies regardless of how the employee or Director learns the information (eg. even if the employee or Director overhears it or is told in a social setting).



In addition to the above, Directors must notify the Company Secretary as soon as practicable, but not later than 2 business days, after they have bought or sold the Company's securities or exercised options. In accordance with the provisions of the *Corporations Act 2001* and the *ASX Listing Rules*, the Company on behalf of the Directors must advise the ASX of any transactions conducted by them in the securities of the Company.

Breaches of this policy will be subject to disciplinary action, which may include termination of employment.

1.4.7 Attestations by Managing Director and Company Secretary

In accordance with the Board's policy, the Managing Director and the Company Secretary/Chief Financial Officer made the attestations recommended by the ASX Corporate Governance Council as to the Company's financial condition prior to the Board signing this Annual Report.

2. BOARD COMMITTEES

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

The Board has however established a framework for the management of the Company including a system of internal controls, a business risk management process and the establishment of appropriate ethical standards.

The full Board currently holds meetings at such times as may be necessary to address any general or specific matters as required.

If the Company's activities increase in size, scope and nature, the appointment of separate or special committee's will be reviewed by the Board and implemented if appropriate.

2.1 Audit Committee

The Company does not have an audit committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues and an audit committee cannot be justified based on a cost-benefit analysis.

In the absence of an audit committee, the Board when required sets aside time at Board meetings to deal with the issues and responsibilities usually delegated to the audit committee so as to ensure the integrity of the financial statements of the Company and the independence of the external auditor.

The Board in its entirety reviews the audited annual financial statements and the audit reviewed half-yearly financial statements and any reports which accompany published financial statements.

The Board in its entirety considers the appointment of the external auditor and reviews the appointment of the external auditor, their independence, the audit fee and any questions of resignation or dismissal.

The Board is also responsible for establishing policies on risk oversight and management.

2.2 Remuneration Committee

The Company does not have a remuneration committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

The responsibilities of the Board in its entirety include setting policies for senior officers' remuneration, setting the terms and conditions of employment for the Managing Director, reviewing the Rubicon Resources Limited Employee Share Option Plan, reviewing superannuation arrangements, reviewing the remuneration of Non-Executive Directors and undertaking an annual review of the Managing Director's performance, including, setting with the Managing Director goals for the coming year and reviewing progress in achieving those goals.

The Company is committed to remunerating its executives in a manner that is market competitive and consistent with best practice as well as supporting the interests of shareholders.

There is no scheme to provide retirement benefits, other than statutory superannuation, to Non-Executive Directors.

For a full discussion of the Company's remuneration philosophy and framework and the remuneration received by Directors in the current period please refer to the Remuneration Report, which is contained within the Directors' Report.

2.3 Nomination Committee

The Company does not have a nomination committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

The responsibilities of the Board in its entirety include devising criteria for Board membership, regularly reviewing the need for various skills and experience on the Board and identifying specific individuals for nomination as Directors for review by the Board. The Board also oversees management succession plans including the Managing Director and his direct reports, and evaluates the Board's performance and makes recommendations for the appointment and removal of Directors.

Directors are appointed based on the specific governance skills required by the Company. Given the size of the Company and the business that it operates, the Company aims at all times to have at least one Director with experience in the mining and exploration industry, appropriate to the Company's market. In addition, Directors should have the relevant blend of personal experience in:

- accounting and financial management;
- legal skills; and
- Managing Director – appropriate business experience.

3. ETHICAL STANDARDS

The Board acknowledges the need for continued maintenance of the highest standard of corporate governance practice and ethical conduct by all Directors and employees of the Company.

3.1 Code of Conduct for Directors and Key Executives

The Board has adopted a Code of Conduct for Directors and key executives to promote ethical and responsible decision-making. The code is based on a code of conduct for Directors prepared by the Australian Institute of Company Directors. In accordance with legal requirements and agreed ethical standards, Directors and key executives of the Company:

- will act honestly, in good faith and in the best interests of the whole Company;
- owe a fiduciary duty to the Company as a whole;
- have a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office;
- will undertake diligent analysis of all proposals placed before the Board;
- will act with a level of skill expected from directors and key executives of a publicly listed company;
- will use the powers of office for a proper purpose, in the best interests of the Company as a whole;
- will demonstrate commercial reasonableness in decision making;
- will not make improper use of information acquired as Directors and key executives;
- will not disclose non-public information except where disclosure is authorised or legally mandated;
- will keep confidential, information received in the course of the exercise of their duties and such information remains the property of the Company from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the person from whom the information is provided, or is required by law;
- will not take improper advantage of the position of Director or use the position for personal gain or to compete with the Company;
- will not take advantage of Company property or use such property for personal gain or to compete with the Company;
- will protect and ensure the efficient use of the Company's assets for legitimate business purposes;
- will not allow personal interests, or the interests of any associated person, to conflict with the interests of the Company;
- have an obligation to be independent in judgment and actions, and Directors will take all reasonable steps to be satisfied as to the soundness of all decisions of the Board;
- will make reasonable enquiries to ensure that the Company is operating efficiently, effectively and legally towards achieving its goals;
- will not engage in conduct likely to bring discredit upon the Company;
- will encourage fair dealing by all employees with the Company's suppliers, competitors and other employees;
- will encourage the reporting of unlawful/unethical behaviour and actively promote ethical behaviour and protection for those who report violations in good faith;
- will give their specific expertise generously to the Company;
- have an obligation, at all times, to comply with the spirit, as well as the letter of the law and with the principles of this Code.



3.2 Code of Ethics and Conduct

The Company has implemented a Code of Ethics and Conduct, which provides guidelines aimed at maintaining high ethical standards, corporate behaviour and accountability within the Company.

All Directors and employees are expected to:

- respect the law and act in accordance with it;
- respect confidentiality and not misuse Company information, assets or facilities;
- value and maintain professionalism;
- avoid real or perceived conflicts of interest;
- act in the best interests of shareholders;
- by their actions contribute to the Company's reputation as a good corporate citizen which seeks the respect of the community and environment in which it operates;
- perform their duties in ways that minimise environmental impacts and maximise workplace safety;
- exercise fairness, courtesy, respect, consideration and sensitivity in all dealings within their workplace and with customers, suppliers and the public generally; and
- act with honesty, integrity, decency and responsibility at all times.

An employee that breaches the Code of Ethics and Conduct may face disciplinary action. If an employee suspects that a breach of the Code of Ethics and Conduct has occurred or will occur, he or she must advise that breach to management. No employee will be disadvantaged or prejudiced if he or she reports in good faith a suspected breach. All reports will be acted upon and kept confidential.

As part of its commitment to recognising the legitimate interests of stakeholders, the Company has established the Code of Ethics and Conduct to guide compliance with legal and other obligations to legitimate stakeholders. These stakeholders include employees, government authorities, creditors and the community as whole. This Code includes the following:

Responsibilities to Shareholders and the Financial Community Generally

The Company complies with the spirit as well as the letter of all laws and regulations that govern shareholders' rights. The Company has processes in place designed to ensure the truthful and factual presentation of the Company's financial position and prepares and maintains its accounts fairly and accurately in accordance with the generally accepted accounting and financial reporting standards.

Employment Practices

The Company endeavours to provide a safe workplace in which there is equal opportunity for all employees at all levels of the Company. The Company does not tolerate the offering or acceptance of bribes or the misuse of the Company's assets or resources.

Responsibilities to the Community

As part of the community the Company:

- is committed to conducting its business in accordance with applicable environmental laws and regulations and encourages all employees to have regard for the environment when carrying out their jobs;
- encourages all employees to engage in activities beneficial to their local community; and
- supports community charities.

The Company supports the Indigenous Community:

- is committed to conducting its business in accordance with applicable heritage laws and regulations and encourages all employees to have regard for the specific rights of indigenous communities when carrying out their jobs; and
- encourages all employees to engage in activities beneficial to the indigenous community.

Responsibility to the Individual

The Company is committed to keeping private information, which has been provided by employees and investors confidential and protecting it from uses other than those for which it was provided.

Conflicts of Interest

Employees and Directors must avoid conflicts as well as the appearance of conflicts between their personal interests and the interests of the Company.

How the Company Monitors and Ensures Compliance with its Code

The Board, management and all employees of the Company are committed to implementing this Code of Ethics and Conduct and each individual is accountable for such compliance.

Disciplinary measures may be imposed for violating the Code.

4. DISCLOSURE OF INFORMATION

4.1 Continuous Disclosure to ASX

The continuous disclosure policy requires all executives and Directors to inform the Managing Director or in their absence the Company Secretary of any potentially material information as soon as practicable after they become aware of that information. Information is material if it is likely that the information would influence investors who commonly acquire securities on ASX in deciding whether to buy, sell or hold the Company's securities.

Information is not material and need not be disclosed if:

- (a) A reasonable person would not expect the information to be disclosed or it is material but due to a specific valid commercial reason is not to be disclosed; and
- (b) The information is confidential; or
- (c) One of the following applies:
 - i. It would breach a law or regulation to disclose the information;
 - ii. The information concerns an incomplete proposal or negotiation;
 - iii. The information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - iv. The information is generated for internal management purposes;
 - v. The information is a trade secret;
 - vi. It would breach a material term of an agreement, to which the Company is a party, to disclose the information;
 - vii. It would harm the Company's potential application or possible patent application; or
 - viii. The information is scientific data that release of which may benefit the Company's potential competitors.

The Managing Director is responsible for interpreting and monitoring the Company's disclosure policy and where necessary informing the Board. The Company Secretary is responsible for all communications with ASX.

4.2 Communication with Shareholders

The Company places considerable importance on effective communications with shareholders.

The Company's communication strategy requires communication with shareholders and other stakeholders in an open, regular and timely manner so that the market has sufficient information to make informed investment decisions on the operations and results of the Company. The strategy provides for the use of systems that ensure a regular and timely release of information about the Company to be provided to shareholders. Mechanisms employed include:

- Announcements lodged with ASX;
- ASX Quarterly Reports;
- Half Yearly Report and Annual Report; and
- Presentations at the Annual General Meeting/General Meetings.

The Board encourages the full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and understanding of the Company's strategy and goals.

The Company also posts all reports, ASX and media releases and copies of significant business presentations on the Company's website.



5. RISK MANAGEMENT

5.1 Identification of Risk

The Board is responsible for the oversight of the Company's risk management and control framework. Responsibility for control and risk management is delegated to the appropriate level of management within the Company with the Managing Director and Company Secretary having ultimate responsibility to the Board for the risk management and control framework.

Areas of significant business risk to the Company are highlighted in the Business Plan presented to the Board by the Managing Director each year.

Arrangements put in place by the Board to monitor risk management include monthly reporting to the Board in respect of operations and the financial position of the Company.

5.2 Integrity of Financial Reporting

The Company's Managing Director and Company Secretary report in writing to the Board that:

- the financial statements of the Company for each half and full year present a true and fair view, in all material aspects, of the Company's financial condition and operational results and are in accordance with accounting standards;
- the above statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- the Company's risk management and internal compliance and control framework is operating efficiently and effectively in all material respects.

5.3 Role of Auditor

The Company's auditor is required to attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

6. PERFORMANCE REVIEW

The Board has adopted a self-evaluation process to measure its own performance during each financial year. This process includes a review in relation to the composition and skills mix of the Directors of the Company.

Arrangements put in place by the Board to monitor the performance of the Company's executives include:

- a review by the Board of the Company's financial performance; and
- annual performance appraisal meetings incorporating analysis of key performance indicators with each individual to ensure that the level of reward is aligned with respective responsibilities and individual contributions made to the success of the Company.

DIRECTORS' REPORT

The Directors present their report on Rubicon Resources Limited at the end of, or during the year ended 30 June 2008.

DIRECTORS

The names and details of the Directors of Rubicon Resources Limited during the financial year and until the date of this report are:

John Shipp – *Assoc. Camborne School of Mines, FAusIMM*
Non-Executive Chairman
Appointed 17 July 2006

John Shipp is a mining engineer with nearly 40 years of international experience in Australia, Africa, Fiji and Europe involving open cut and underground mining for gold and base metals in a range of environments. Prior to joining the Rubicon Board he was President of Barrick Gold Corporation's Australia Africa Business Unit where he was involved in the corporate acquisition of Placer Dome to form what is now the largest gold mining company in the world. Before this he had been General Manager of both the KCGM Superpit in Kalgoorlie and the Boddington joint venture, respectively Australia's largest and second largest gold mines. Mr Shipp has also been involved in plant design, construction and commissioning. In recent years his direction has been towards business development and the determination of strategic direction at corporate level.

During the three year period to the end of the financial year, Mr Shipp held a directorship in Navigator Resources Limited (7 August 2006 to present).

Peter Eaton – *B.Sc (Hons), MAusIMM*
Managing Director
Appointed 3 July 2006

Mr Eaton is a geologist with more than 28 years of experience in exploration, mining and acquisitions roles in Australia and internationally (principally in the Asia-Pacific region). Prior to joining Rubicon, he was General Manager – Geology and Business Development with Aditya Birla Minerals Limited. During his tenure there, Mr Eaton was a part of the team that completed a feasibility study on, and commissioned, the Nifty underground copper mine and completed a \$300m capital raising and ASX listing of the company. Mr Eaton previously held senior technical management positions with WMC Limited, including site-based chief geologist roles and senior regional exploration roles and has also had significant corporate experience in a number of listed exploration companies, including the previous role of Managing Director.

Ian Buchhorn – *B.Sc (Hons), Dipl. Geosci (Min. Econ), MAusIMM*
Non Executive Director
Appointed 19 August 2005

Mr Buchhorn is a Mineral Economist and Geologist with 33 years experience. He was the founding Managing Director of Heron Resources Limited for a period of 11 years until early 2007 and now continues as Executive Director Strategy. Mr Buchhorn previously worked with a number of international mining companies and has worked on nickel, bauxite and industrial mineral mining and exploration, gold and base metal project generation and corporate evaluations. For the last 20 years Mr Buchhorn has acquired and developed mining projects throughout the Eastern Goldfields of Western Australian and has operated as a Registered Mine Manager.

During the three year period to the end of the financial year, Mr Buchhorn continues to hold directorships in Heron Resources Limited (17 February 1995 to present), Polaris Minerals NL (18 September 2006 to present), and Southern Cross Goldfields Ltd (24 July 2007 to present). He previously held directorships in Avoca Resources Limited (8 June 2001 to 15 February 2005) and Pioneer Nickel Limited (17 January 2003 to 30 June 2006).



COMPANY SECRETARY

Robert Samuel Middlemas – *B.Com, ACA, Grad. Dip. Acc.*

Mr Middlemas was appointed Company Secretary and Chief Financial Officer on 17 July 2006. Mr Middlemas is a chartered accountant with more than 15 years experience in various financial and company secretarial roles with a number of listed public companies operating in the resources sector. He is the principal of a corporate advisory company which provides financial and secretarial services specialising in capital raisings and initial public offerings. Previously Mr Middlemas worked for an international accountancy firm. His fields of expertise include corporate secretarial practice, financial and management reporting in the mining industry, treasury and cash flow management and corporate governance.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year consisted of mineral exploration and development principally in Western Australia.

There have been no significant changes in these activities during the financial year.

RESULTS OF OPERATIONS

The net loss after income tax for the financial year was \$1,122,989 (2007: \$560,681).

DIVIDENDS

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current year.

REVIEW OF OPERATIONS AND ACTIVITIES

A detailed review of the Company's activities during the financial year is set out in the section titled "Review of Operations" in this Annual Report.

During the period since listing on the ASX to the end of the financial year, the Company has used its cash reserves in a way consistent with its business objectives detailed in its Initial Public Offer Prospectus dated 13 December 2006.

Corporate and Financial Position

As at 30 June 2008 the Company had cash reserves of \$5.6 million.

Business Strategies and Prospects

The Company currently has the following business strategies and prospects over the medium to long term:

- (i) Seek to increase the value of the Company's mineral assets located in Western Australia and Queensland through exploration success;
- (ii) Undertake exploration activities on its existing Projects; and
- (iii) Continue to examine new mineral opportunities, with particular focus on advanced projects with the potential to deliver early cash flow opportunities.

Risk Management

The Board is responsible for the oversight of the Company's risk management and control framework. Responsibility for control and risk management is delegated to the appropriate level of management with the Managing Director having ultimate responsibility to the Board for the risk management and control framework.

Areas of significant business risk to the Company are highlighted in the Business Plan presented to the Board by the Managing Director each year.

Arrangements put in place by the Board to monitor risk management include monthly reporting to the Board in respect of operations and the financial position of the Company.

EMPLOYEES

The Company has 9 employees as at 30 June 2008 (2007: 7 employees).

EARNINGS/LOSS PER SHARE

	2008 Cents	2007 Cents
Basic loss per share	(1.45)	(1.37)
Diluted loss per share	(1.45)	(1.37)

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review except for:

- On 7 February 2008, the Company issued 4,000,000 new shares to CVRD Australia EA Pty Ltd, a wholly owned subsidiary of Vale at an issue price of 25 cents per share.

OPTIONS OVER UNISSUED CAPITAL

Unlisted Options

During the financial year there were no options issued to Directors.

During the financial year the Company granted the following unlisted options over unissued ordinary shares to the following Key Management Personal and other employees. All employee options were issued for Nil consideration and have a 12 month period of vesting:

Issued To	Number of Options Granted	Exercise Price	Value per Option at Grant Date	Value of Options Granted	Expiry Date
K Cassidy	500,000	25 cents each	3.06 cents	\$15,300	7 November 2010
Other Employees (a)	1,000,000	25 cents each	3.06 cents	\$30,600	7 November 2010

(a) A total of 900,000 of the options issued to other employees have lapsed when employees have left the Company employment prior to achieving the required vesting period of 12 months.

Since 30 June 2008 and up until the date of this report the Company granted a further 600,000 unlisted options to employees under the Rubicon Employee Share Option Plan. All options convert into fully paid Rubicon shares at an exercise price of 25 cents each at any time prior to 17 September 2011. All options have a 12 month vesting period from the date of issue on 18 September 2008.

As at the date of this report unissued ordinary shares of the Company under option are:

Number of Options on Issue	Exercise Price	Expiry Date
4,250,000	25 cents each	7 November 2010
1,000,000	25 cents each	31 December 2011
600,000	25 cents each	17 September 2011
1,300,000	30 cents each	7 November 2010
1,300,000	40 cents each	7 November 2010

The above options represent unissued ordinary shares of the Company under option as at the date of this report. These unlisted options do not entitle the holder to participate in any share issue of the Company.

The holders of unlisted options are not entitled to any voting rights until the options are exercised into ordinary shares.

The names of all persons who currently hold options granted are entered in a register kept by the Company pursuant to Section 168(1) of the Corporations Act 2001, and the register may be inspected free of charge.

No person entitled to exercise any option has or had, by virtue of the option, a right to participate in any share issue of any other body corporate.



CORPORATE STRUCTURE

Rubicon Resources Limited (ACN 115 857 988) is a company limited by shares that was incorporated on 19 August 2005 and is domiciled in Australia.

EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Company are included elsewhere in this Annual Report. Disclosure of any further information has not been included in this report because, in the reasonable opinion of the Directors, to do so would be likely to prejudice the business activities of the Company.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company holds various exploration licences to regulate its exploration activities in Australia. These licences include conditions and regulations with respect to the rehabilitation of areas disturbed during the course of its exploration activities. So far as the Directors are aware there has been no known breach of the Company's licence conditions and all exploration activities comply with relevant environmental regulations.

INFORMATION ON DIRECTORS

As at the date of this report the Directors' interests in shares and unlisted options of the Company are as follows:

Director	Title	Directors' Interests in Ordinary Shares	Directors' Interests in Unlisted Options
John Shipp	Non-Executive Chairman Appointed on 17 July 2006	350,000	1,250,000
Peter Eaton	Managing Director Appointed on 3 July 2006	600,000	4,000,000
Ian Buchhorn	Non-Executive Director Appointed on 19 August 2005	6,075,535	250,000

DIRECTORS' MEETINGS

The number of meetings of the Company's Directors held in the period each Director held office during the financial year and the numbers of meetings attended by each Director were:

Director	Board of Directors' Meetings	
	Meetings Attended	Meetings held while a director
J Shipp	10	10
P Eaton	10	10
I Buchhorn	10	10

REMUNERATION REPORT

Recommendation 9.2 of the *ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations* states that the Board should establish a Remuneration Committee. The Board has formed the view that given the number of Directors on the Board, this function could be performed just as effectively with full Board participation. Accordingly it was resolved that there would be no separate Board sub-committee for remuneration purposes.

This report details the amount and nature of remuneration of each Director of the Company and executive officers of the Company during the year.

OVERVIEW OF REMUNERATION POLICY

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and the executive team. The broad remuneration policy is to ensure that remuneration properly reflects the relevant person's duties and responsibilities, and that the remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Board believes that the best way to achieve this objective is to provide the Managing Director and the executive team with a remuneration package consisting of a fixed and variable component that together reflects the person's responsibilities, duties and personal performance. An equity based remuneration arrangement for the Board and the executive team is in place. The remuneration policy is to provide a fixed remuneration component and a specific equity related component, with no performance conditions. The Board believes that this remuneration policy is appropriate given the stage of development of the Company and the activities which it undertakes and is appropriate in aligning Director and executive objectives with shareholder and business objectives.

The remuneration policy in regard to setting the terms and conditions for the Managing Director has been developed by the Board taking into account market conditions and comparable salary levels for companies of a similar size and operating in similar sectors.

Directors receive a superannuation guarantee contribution required by the government, which is currently 9% per annum and do not receive any other retirement benefit. Some individuals, however, have chosen to sacrifice part or all of their salary to increase payments towards superannuation.

All remuneration paid to Directors is valued at cost to the Company and expensed. Options are valued using the Black-Scholes methodology. In accordance with current accounting policy the value of these options is expensed over the relevant vesting period.

Non-Executive Directors

The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at a General Meeting. The annual aggregate amount of remuneration paid to Non-Executive Directors was approved by shareholders on 7 November 2006 and is not to exceed \$200,000 per annum. Actual remuneration paid to the Company's Non-Executive Directors is disclosed below. Remuneration fees for Non-Executive Directors are not linked to the performance of the Company. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and have all received options.

Managing Director and Senior Management

The remuneration of the Managing Director is dictated by his executive service agreement.

The Company aims to reward executives with a level of remuneration commensurate with their position and responsibilities within the Company so as to:

- Reward executives for Company and individual performance against targets set by reference to appropriate benchmarks;
- Reward executives in line with the strategic goals and performance of the Company; and
- Ensure that total remuneration is competitive by market standards.

Structure

Remuneration consists of the following key elements:

- Fixed remuneration; and
- Issuance of unlisted options



Fixed Remuneration

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis including any employee benefits eg. motor vehicles) as well as employer contributions to superannuation funds.

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

Remuneration packages for the staff who report directly to the Managing Director are based on the recommendation of the Managing Director, subject to the approval of the Board in the annual budget setting process.

Service Agreement

The Managing Director, Mr Peter Eaton is employed under contract. The current Service Agreement commenced on 26 June 2006.

Under the terms of the present contract:

- The Service Agreement has no fixed term.
- Mr Eaton may resign from his position and thus terminate the contract by giving three months written notice. On resignation any options that have not yet vested will lapse.
- The Company may terminate the contract by providing three months written notice or provide payment in lieu of notice by the Company. Any options that have vested, or will vest during the notice period will be available for exercise, whilst the options that have not yet vested will be forfeited.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the Managing Director is only entitled to that portion of remuneration which is fixed, and only up to the date of termination. On termination with cause, any unvested options will immediately lapse.
- If the Managing Director and the Company agree to terminate the contract by mutual consent, or if the Managing Director is removed, or if the Company enters into a deed of arrangement with creditors, placed under the control of receivers or is in breach of regulations, the Company will pay a sum to the Managing Director calculated in accordance with section 200G9(3) of the *Corporations Act 2001*.

Details of the nature and amount of each element of the emoluments of each Director of Rubicon Resources Limited paid/accrued during the year are as follows:

2007/2008	Primary		Post Employment	Equity Compensation	Total
	Base Salary/Fees \$	Motor Vehicle \$	Superannuation Contributions \$	Options \$	
Directors					
J Shipp – Chairman	-	-	65,000	17,622 (ii)	82,622
P Eaton - Managing Director	198,271	5,140	55,154	55,531 (ii)	314,096
I Buchhorn - Non-Executive	-	-	35,000	4,813 (ii)	39,813
Executives					
R Middlemas (i) Company Secretary	71,593	-	-	4,813 (ii)	76,406
K Cassidy - Exploration Manager	163,327	-	14,699	24,926 (ii)	202,952
2006/2007					
Directors					
J Shipp – Chairman	36,536	-	24,955	32,628 (ii)	94,119
P Eaton - Managing Director	203,800	4,024	36,000	102,819 (ii)	346,643
I Buchhorn - Non-Executive	-	-	14,583	8,912 (ii)	23,495
Executives					
R Middlemas (i) Company Secretary	82,200	-	-	8,912 (ii)	91,112
K Cassidy - Exploration Manager	89,745	-	8,077	17,824 (ii)	115,646

(i) Mr Middlemas's fees were paid to Sparkling Investments Pty Ltd.

(ii) Options issued have a 12 month vesting period, and consequently are expensed over the vesting period on a pro-rata basis. There are no performance conditions attached to these options.

Other than the Directors and executive officers disclosed above there were no other executive officers who received emoluments during the financial year ended 30 June 2008.

REMUNERATION REPORT (Continued)

Share-based compensation

The terms and conditions of each grant of options affecting remuneration in this or future reporting periods are as follows:

	Granted		Terms & Conditions for each Grant			
	Number	Date of Grant	Date of Vesting	Option Value (\$)	Exercise Price (\$)	Expiry Date
Peter Eaton	1,500,000	7 Nov 2006	7 Nov 2007	0.055	0.25	7 Nov 2010
	500,000	7 Nov 2006	7 Nov 2007	0.049	0.25	7 Nov 2010
	1,000,000	7 Nov 2006	7 Nov 2007	0.038	0.30	7 Nov 2010
	1,000,000	7 Nov 2006	7 Nov 2007	0.013	0.40	7 Nov 2010
John Shipp	500,000	7 Nov 2006	7 Nov 2007	0.055	0.25	7 Nov 2010
	150,000	7 Nov 2006	7 Nov 2007	0.049	0.25	7 Nov 2010
	300,000	7 Nov 2006	7 Nov 2007	0.038	0.30	7 Nov 2010
	300,000	7 Nov 2006	7 Nov 2007	0.013	0.40	7 Nov 2010
Ian Buchhorn	250,000	7 Nov 2006	7 Nov 2007	0.055	0.25	7 Nov 2010
Sam Middlemas	250,000	7 Nov 2006	7 Nov 2007	0.055	0.25	7 Nov 2010
Kevin Cassidy	500,000	7 Nov 2006	7 Nov 2007	0.055	0.25	7 Nov 2010
	500,000	23 Jul 2007	23 Jul 2008	0.031	0.25	7 Nov 2010

There were no options over ordinary shares in the Company provided as remuneration to any director during the current financial year. Mr Cassidy was granted 500,000 options on 23 July 2007 at no cost, and the only vesting condition is that employment must be maintained. All other options vested during the current financial year, and no options were forfeited or otherwise lapsed. No other options vest in the future other than those that were granted during the current year. When exercisable, each option is convertible into one ordinary share of Rubicon Resources Limited.

INDEMNIFYING OFFICERS AND AUDITOR

During the year the Company paid an insurance premium to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has not provided any insurance for an auditor of the Company.

AUDITORS' INDEPENDENCE DECLARATION

Section 370C of the Corporations Act 2001 requires the Company's auditors Butler Settinieri (Audit) Pty Ltd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is attached and forms part of this Directors' Report.

NON-AUDIT SERVICES

The external auditors (Butler Settinieri (Audit) Pty Ltd) have not undertaken any non-audit work during the financial year. In 2006 they prepared an Independent Accountants Report for inclusion in the Prospectus dated 13 December 2006 and received a fee of \$8,039 for this work. The directors do not believe this work undertaken will adversely impact the auditor's independence.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not party to any such proceedings during the year.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of the Company support and have adhered to the principles of corporate governance. The Company's corporate governance statement is contained in the Annual Report.

DATED at Perth this 25th day of September 2008.

Signed in accordance with a resolution of the Directors.



P EATON
Managing Director



AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of Rubicon Resources Limited for the year ended 30 June 2008, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.

BUTLER SETTINERI (AUDIT) PTY LTD



PAUL J CHABREL
Director

Perth

Date: 25 September 2008

Chartered
Accountants



**BUTLER
SETTINERI**

Unit 16, First Floor
Spectrum Offices
100 Railway Road
(Cnr Hay Street)
Subiaco WA 6008

**Locked Bag 18
Subiaco WA 6904
Australia**

Phone: **(08) 6389 5222**
Fax: **(08) 6389 5255**
Email: mail@butlersettineri.com.au

Directors:
Colin Butler
FCA
Paul Chabrel
FCA
Lucy Gardner
CA

Butler Settineri (Audit) Pty Ltd

A.C.N. 112 942 373

Registered Company Auditor Number 289109

Liability limited by a scheme approved under Professional Standards Legislation

www.butlersettineri.com.au

INCOME STATEMENT

For the year ended 30 June 2008

	THE COMPANY	
	2008	2007
	\$	\$
Other income	462,708	220,994
Employee expenses	834,515	418,140
Non-Executive Directors' fees	100,000	76,074
Insurance expenses	30,165	11,303
Company Secretarial fees	71,593	82,200
Corporate expenses	90,592	79,004
Depreciation	58,283	6,969
Rent	80,218	43,233
Recruitment	74,879	26,145
Employee costs recharged to capitalised exploration	(808,776)	(281,146)
Expense of share-based payments	138,575	222,585
Exploration Written off	821,652	-
Other expenses	94,001	97,168
Loss before income tax	1,122,989	560,681
Income tax	-	-
Net loss attributable to members of the Company	1,122,989	560,681
Basic earnings/(loss) per share (cents per share)	(1.45) cents	(1.37) cents
Diluted earnings/(loss) per share (cents per share)	(1.45) cents	(1.37) cents

Discussion and Analysis of the income statement

The Company's activities increased significantly during the first full year of operations since the completion of the Initial Public Offering (IPO) and successful listing on the ASX in February 2007. Staff numbers increased to a full complement of 9, with activities focussed on exploration during the year, as seen by the large increase in employee expenses and the recharges to capitalised exploration.

A full technical review of the Company's tenements was undertaken during the year, leading to a number of tenements being withdrawn, or surrendered where exploration success was deemed to be limited. This, along with a general review of the carrying value of all tenements, has led to an exploration write-off for the year of \$821,652 (2007 - \$Nil).

Interest income increased to \$461,006 (2007 - \$220,994) for the year, with the increase due to the full year of operations and higher than budgeted interest rates achieved. Other cost increases also reflect the full year of operations.

The above income statement should be read in conjunction with the accompanying notes.

BALANCE SHEET

As at 30 June 2008



	2008 \$	2007 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	5,596,738	7,728,850
Other receivables	28,967	34,724
Other assets	35,917	29,367
TOTAL CURRENT ASSETS	5,661,622	7,792,941
NON-CURRENT ASSETS		
Plant and equipment and motor vehicles	164,643	112,255
Capitalised mineral exploration expenditure	5,175,572	2,863,770
TOTAL NON-CURRENT ASSETS	5,340,215	2,976,025
TOTAL ASSETS	11,001,837	10,768,966
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	379,797	177,945
Provisions	77,501	62,068
TOTAL CURRENT LIABILITIES	457,298	240,013
TOTAL LIABILITIES	457,298	240,013
NET ASSETS	10,544,539	10,528,953
EQUITY		
Contributed equity	11,868,496	10,868,496
Share Option Reserve	361,160	222,585
Accumulated losses	(1,685,117)	(562,128)
TOTAL EQUITY	10,544,539	10,528,953

Discussion and Analysis of the Balance Sheet

The main movements in the balance sheet during the year reflect the level of exploration activities undertaken, with all employees focussed on detailed exploration of the Company's tenements. Approximately \$3 million was spent on exploration during the financial year, technical reviews were undertaken on all properties resulting in the completion of exploration programs and the rationalisation of a number of exploration tenements during the period. Refer to the Review of Operations for additional information.

The reduction in the cash for the period is directly related to the exploration activities undertaken. Refer to further detailed comments in the Discussion and Analysis of the Cashflows.

During the year the Company raised an additional \$1m from a placement of 4 million shares to CVRD Australia EA Pty Ltd (a wholly owned subsidiary of Vale) at an issue price of 25 cents each.

Other balance sheet items are a reflection of the exploration activity being undertaken at year end.

The above balance sheets should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2008

	2008 \$	2007 \$
Total equity at the beginning of the year	10,528,953	(1,347)
Loss for the year	(1,122,989)	(560,681)
Total recognised income and expense for the year	(1,122,989)	(562,028)
Share Option Reserve	138,575	222,585
Transactions with equity holders in their capacity as equity holders:		
Contributions of equity, net of transaction costs	1,000,000	10,868,396
Total equity at the end of the year	10,544,539	10,528,953

Discussion and Analysis of Statement of Changes in Equity

The increased loss for the year was the result of a full review and rationalisation of the Company's tenement holdings purchased in 2007 prior to the completion of the Initial Public Offering (IPO) and successful listing on the ASX in February 2007. It also reflects increased corporate and administration costs relating to the operation of a publicly listed company and the associated costs of supporting the Company's expanded exploration activities (refer Income Statement).

The increase in Contributed equity represents a placement of 4 million shares made to CVRD Australia EA Pty Ltd (a wholly owned subsidiary of Vale) at an issue price of 25 cents each.

The movement in the Share Option Reserve, represents the options issued in 2007 and during the year, with the values based on the Black Scholes Option pricing model.

The above statements of changes in equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT

For the year ended 30 June 2008



	2008 \$	2007 \$
Cash flows from operating activities		
Interest received	461,006	220,994
Payments to suppliers and employees (inclusive of goods and services tax)	(497,526)	(423,199)
Net cash used in operating activities	(36,520)	(202,205)
Cash flows from investing activities		
Payments for exploration and evaluation	(2,989,920)	(764,035)
Funds received from sale of exploration tenement	25,000	-
Payments for plant and equipment and motor vehicles	(130,672)	(119,224)
Net cash used in investing activities	(3,095,592)	(883,259)
Cash flows from financing activities		
Proceeds from the issue of shares	1,000,000	10,075,000
Payments for transaction costs relating to the issue of shares	-	(794,535)
Loans (repaid)/advanced during period	-	(473,380)
Net cash provided by financing activities	1,000,000	8,807,085
Net (decrease)/increase in cash held	(2,132,112)	7,721,621
Cash at the beginning of the financial year	7,728,850	7,229
Cash at the end of the financial year	5,596,738	7,728,850

Discussion and Analysis of the Cash Flows

A total of approximately \$3m has been expended during the year on exploration activities as a full review was undertaken on the exploration package of over 200 tenements purchased from Heron Resources Limited in 2007.

The proceeds from the issue of shares represents a placement of 4 million shares made to CVRD Australia EA Pty Ltd (a wholly owned subsidiary of Vale) at an issue price of 25 cents each.

The main income for the period was from interest on the funds on deposit for the full financial year (in 2007 interest was just from February following completion of the IPO). The main non-exploration costs were made up of corporate and other administration costs of operating a publically listed Company.

The above cash flow statements should be read in conjunction with the accompanying notes.

NOTES TO THE CONCISE FINANCIAL STATEMENTS

For the year ended 30 June 2008

1. BASIS OF PREPARATION

The concise financial report has been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 1039 'Concise Financial Reports'. The concise financial report including the financial statements and specific disclosures included in the concise financial report, has been derived from the full financial report of Rubicon Resources Limited ("Rubicon" or "Company").

Rubicon Resources Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the official list of the Australian Stock Exchange. The financial statements are presented in Australian dollars which is the Company's functional currency.

2. SALES REVENUE

The Company had no sales revenue.

3. DIVIDENDS

There were no dividends paid or payable during the financial year.

4. SEGMENT INFORMATION

The Company operates predominantly in one segment involved in the mineral exploration and development industry. Geographically the Company is domiciled and operates in one segment being Australia.

5. EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen since the end of the financial year any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years except as follows:

The Company has entered into two exploration funding agreements with St Barbara Mines Limited, which has the effect of reducing the minimum expenditure commitments on those tenements affected.



In the opinion of the Directors of Rubicon Resources Limited, the accompanying concise financial report and the remuneration disclosures that are contained in the Directors' Report, of the Company for the financial year ended 30 June 2008:

- (a) has been derived from or is consistent with the full financial report for the financial year; and
- (b) complies with Australian Accounting Standard AASB 1039 Concise Financial Reports.

Dated this 25th day of September 2008.

Signed in accordance with a resolution of directors

A handwritten signature in blue ink, appearing to read 'P. Eaton'.

P EATON
Managing Director

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF RUBICON RESOURCES LIMITED

The accompanying concise financial report of Rubicon Resources Limited comprises the balance sheet as at 30 June 2008, the income statement, statement of changes in equity and cash flow statement for the year then ended and related notes, derived from the audited financial report of Rubicon Resources Limited for the year ended 30 June 2008 and the discussion and analysis. The concise financial report does not contain all the disclosures required by Australian Accounting Standards.

Directors' Responsibility for the Concise Financial Report

The directors are responsible for the preparation and presentation of the concise financial report in accordance with Australian Accounting Standard AASB 1039: Concise Financial Reports, and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation of the concise financial report; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Rubicon Resources Limited for the year ended 30 June 2008. Our audit report on the financial report for the year was signed on 25th September 2008 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

Our procedures in respect of the concise financial report included testing that the information included in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standards AASB 1039: Concise Financial Reports.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Butler Settinieri (Audit) Pty Ltd

A.C.N. 112 942 373

Registered Company Auditor Number 289109

Liability limited by a scheme approved under Professional Standards Legislation

Chartered
Accountants



BUTLER
SETTINIERI

Unit 16, First Floor
Spectrum Offices
100 Railway Road
(Cnr Hay Street)
Subiaco WA 6008

**Locked Bag 18
Subiaco WA 6904
Australia**

Phone: **(08) 6389 5222**
Fax: **(08) 6389 5255**
Email: mail@butlersettineri.com.au

Directors:

Colin Butler
FCA

Paul Chabrel
FCA

Lucy Gardner
CA

www.butlersettineri.com.au

Auditor's Opinion on the Concise Financial Report

In our opinion, the concise financial report, including the discussion and analysis of Rubicon Resources Limited for the year ended 30 June 2008 complies with Australian Accounting Standard AASB 1039: Concise Financial Reports.

Auditor's Opinion on the AASB 124 Remuneration Disclosures contained in the Directors' Report

In our opinion the remuneration disclosures that are contained in pages 30 to 32 of the directors' report comply with section 300A of the Corporations Act 2001.

BUTLER SETTINERI (AUDIT) PTY LTD



PAUL J CHABREL
Director

Perth

Date: 25 September 2008

ASX ADDITIONAL INFORMATION

Summary of mining tenements

Sub Project	Tenement ID	Nature of Interest	Date granted
YINDARLGOODA PROJECT			
Cowarna	E28/01310	3	20-Dec-04
Cowarna	E28/01341	3	13-Sep-04
Cowarna	E28/01427	3	19-Nov-04
Cutters Luck	E25/00321	3	23-Mar-06
Cutters Luck	E26/00110	2	12-Jan-06
Cutters Luck	E26/00115	2	29-Sep-06
Cutters Luck	E26/00121	1	13-Apr-07
Cutters Luck	P26/2909	2	Pending
Cutters Luck	P26/3497 -3498	2	12-Aug-08
Kanowna Racetrack	P27/1650-1654	1	31-Oct-05
Kurnalpi West	P28/1050-1052	2	09-Aug-06
Mt Mcleay	E27/243	2	18-Jan-06
Mt Mcleay	E27/305	2	23-Nov-06
Mt Mcleay	E27/322	2	Pending
Mt Mcleay	P27/1675	2	12-Apr-06
Mt Mcleay	P27/1712	2	28-May-08
Mt Mcleay	P27/1746-1747	2	28-May-08
Mt Monger	E15/869	2	21-Dec-05
Mt Monger	E25/293	2	19-Nov-04
Mt Monger	E25/307	2	21-Jun-05
Mt Monger	E25/313	1	23-Mar-06
Mt Monger	E25/375	1	Pending
Mt Monger	E25/376	1	Pending
Mt Monger	P25/1735	3	03-Oct-05
Mt Monger	P25/1842-1845	1	07-Sep-06
Mt Monger	P26/3298-3299	3	12-Aug-05
Mt Monger	P26/3332-3336	1	07-Sep-06
Mt Monger	P26/3338-3343	1	07-Sep-06
Taurus	M25/19	2	17-Mar-86
Taurus	M25/32	2	01-May-87
Taurus	M25/36	2	31-Dec-87
Taurus	M25/58	2	15-Feb-89
Taurus	M25/64	2	29-Mar-89
Taurus	M25/81	2	06-Mar-90
Taurus	M25/82	2	06-Mar-90
Taurus	M25/149	2	14-Feb-95
Taurus	P25/1999-2001	2	Pending
Emu Dam	M25/123	2	07-Apr-94
Emu Dam	P25/1841	2	12-Apr-06
Wattle Dam	E25/222	1	19-Nov-04
Wattle Dam	E25/241	2	17-Feb-04
Wattle Dam	E25/271	2	04-Feb-04

Sub Project	Tenement ID	Nature of Interest	Date granted
YINDARLGOODA PROJECT (Continued)			
Wattle Dam	E25/298	2	10-Aug-05
Wattle Dam	E25/303	2	20-Apr-05
Wattle Dam	E25/305	1	21-Jun-05
Wattle Dam	E25/319	2	21-Feb-06
Wattle Dam	E25/354	1	Pending
Wattle Dam	E25/365	1	Pending
Wattle Dam	E25/379	1	Pending
Wattle Dam	E28/1079	3	07-Nov-03
Wattle Dam	P25/1814	1	14-Mar-05
Wattle Dam	P25/1815	1	09-Feb-06
Wattle Dam	P25/1817-1818	1	14-Mar-05
Wattle Dam	P25/1827-1831	1	27-Jul-05
Wattle Dam	P25/2053-2056	1	Pending
Yalla Burra	E15/918	1	02-Mar-07
Yalla Burra	E15/1028	1	12-Aug-08
Yindarlgooda	E25/273	2	23-Mar-06
Yindarlgooda	E25/316	1	08-Aug-06
Yindarlgooda	E25/326	1	01-Nov-06
Yindarlgooda	E25/335	2	26-Feb-07
Yindarlgooda	E25/355	2	Pending
Yindarlgooda	E27/291	2	28-Apr-06
Yindarlgooda	E27/330	3	Pending
Yindarlgooda	E27/337	2	26-Feb-07
Yindarlgooda	E28/1522	2	07-Nov-05
Yindarlgooda	M25/196	2	Pending
Yindarlgooda	M25/197	2	Pending
Yindarlgooda	M25/344	1	Pending
Yindarlgooda	M27/344	2	Pending
Yindarlgooda	M27/345	2	Pending
Yindarlgooda	M27/466	2	Pending
Yindarlgooda	M28/341	3	Pending
Yindarlgooda	P25/1777	1	05-Feb-04
Yindarlgooda	P25/1992	1	Pending
Yindarlgooda	P27/1575-1576	2	05-Feb-04
Yindarlgooda	P27/1655	1	09-Feb-05
Yindarlgooda	P27/1661	2	12-Apr-05
Yindarlgooda	P27/1711	2	28-May-08
Yindarlgooda	P27/1748-1749	2	28-May-08
Yindarlgooda	P27/1924-1927	1	23-Apr-08
Yindarlgooda	P27/1947-1949	1	Pending
Yindarlgooda	P27/1954	1	Pending

Nature of Interest Notes

1. Tenements 100% owned by Rubicon Resources Limited
2. Tenements 100% owned by Rubicon Resources Limited, nickel exploration and mining rights owned by Heron Resources Limited
3. Tenements 100% owned by Heron Resources Limited or its subsidiaries; Rubicon Resources Limited has all non-nickel exploration and mining rights



Sub Project	Tenement ID	Nature of Interest	Date granted
DESDEMONA PROJECT			
Apollo Hill	E31/720	2	16-Nov-06
Apollo Hill	E31/725	1	16-Nov-06
Apollo Hill	E39/1101	1	09-Feb-06
Apollo Hill	E39/1146-1147	1	19-Jun-06
Kookynie	E40/195	1	20-Apr-06
Kookynie	E40/199	1	16-Oct-07
Kookynie	E40/200	1	03-May-06
Kookynie	E40/246	1	Pending
Kookynie East	E31/706	1	15-Dec-06
Malcolm	M37/953	1	Pending
Malcolm	P37/6774-6778	2	07-Oct-05
Malcolm	P37/6876-6887	1	05-May-06
Malcolm	P37/7540-7557	2	Pending
Melita	E37/790	1	04-Jan-06
Melita	E37/937	1	Pending
Melita	E37/979	1	Pending
Melita	E40/202	1	02-Nov-06
Melita	E40/204	1	04-Sep-06
Melita	E40/206	1	15-Jan-06
Melita	E40/209	1	03-Apr-06
Melita	E40/211	1	06-Sep-06
Melita	E40/243	1	Pending
Melita	E40/245	1	Pending
Melita	E40/247	1	Pending
Mt Howe	E39/1132	1	27-Oct-06
Mt Howe	E39/1182	1	Pending
Mt Howe	E39/1317	1	Pending
Mt Howe	E39/1386	1	Pending
Yerilla	E31/529	2	13-Dec-05
Yerilla	E31/628	2	30-Jul-08
Yerilla	E31/684	3	Pending
Yerilla	E31/708	3	Pending
Yerilla	E31/715	2	Pending
Yerilla	E31/734	2	Pending
Yerilla	E39/831	3	07-Sep-06
Yerilla	E39/883	3	04-May-07
Yerilla	E39/1120	3	03-Oct-06
Yerilla	E39/1139	3	12-Oct-06
Yerilla	E39/1179	1	12-Feb-07
Yerilla	E39/1228	3	Pending
Yerilla	E39/1269	2	06-May-08
Yerilla	M31/249	1	Pending
Yerilla	P31/1752-1759	3	11-Jan-07

Sub Project	Tenement ID	Nature of Interest	Date granted
DESDEMONA PROJECT (Continued)			
Yilgangi	E31/721	1	23-Nov-06
Yilgangi	E31/814	1	Pending
Yilgangi	P31/1815	1	Pending
Yilgangi	P31/1832-1834	1	Pending
Mt Celia	E39/01370	1	Pending
Mt Celia	P39/4899-4901	1	Pending
ERLISTOUN PROJECT			
Erlistoun	E38/1695	3	22-Jan-07
Erlistoun	E38/1724	3	11-Jan-06
Erlistoun	E38/1742	3	27-Oct-05
Erlistoun	E38/1911	3	Pending
BENCUBBIN PROJECT			
Bencubbin	E70/2767	1	06-Sep-05
Bencubbin	E70/2851	1	01-Nov-07
Bencubbin	E70/2942	1	27-Aug-07
Bencubbin	E70/3004	1	15-May-08
Bencubbin	M70/1080-1081	1	12-Jun-01
Bencubbin	P70/1480	1	30-Nov-04
Bencubbin East	E70/3010	1	22-May-08
BODDINGTON SOUTH PROJECT			
Martup Hills	E70/3008	1	22-May-08
Martup Hills	E70/3009	1	22-May-08
Martup Hills	E70/3520	1	Pending
WARBURTON PROJECT			
Caesar Hill	E69/2253	1	19-Jul-07
Gunbarrel	E69/1932	1	31-May-07
Gunbarrel	E69/2192-2194	1	14-Apr-08
Gunbarrel	E69/2252	1	12-Jun-07
Warburton Copper	E69/2129-2132	1	Pending
Warburton Copper	E69/2203	1	Pending
Warburton Copper	E69/2443	1	Pending
Mitika	E69/2547	1	Pending
IOCG PROJECT			
Nuninga Spring	E52/1660	1	27-Jun-05
Mondooma	E04/1387	1	19-Sep-06
CANOBIE PROJECT			
Wombool	EPM15714	1	28-Feb-08
Canobie	EPM15719	1	12-Feb-08
Canobie	EPM15720	1	29-Jan-08
Canobie	EPM15721	1	28-Feb-08
Canobie	EPM15722	1	28-Feb-08
Canobie	EPM17692	1	Pending

Nature of Interest Notes

1. Tenements 100% owned by Rubicon Resources Limited
2. Tenements 100% owned by Rubicon Resources Limited, nickel exploration and mining rights owned by Heron Resources Limited
3. Tenements 100% owned by Heron Resources Limited or its subsidiaries; Rubicon Resources Limited has all non-nickel exploration and mining rights

ASX ADDITIONAL INFORMATION

(CONTINUED)

Pursuant to the Listing Requirements of the Australian Stock Exchange Limited, the shareholder information set out below was applicable as at 1st September 2008.

A. Distribution of Equity Securities

Analysis of numbers of shareholders by size of holding:

Distribution	Number of Shareholders
1 – 1,000	176
1,001 – 5,000	442
5,001 – 10,000	249
10,001 – 100,000	829
More than 100,000	132
Totals	1,828

There were 694 holders of less than a marketable parcel of ordinary shares.

B. Substantial Shareholders

An extract of the Company's Register of Substantial Shareholders (who holds 5% or more of the issued capital) is set out below.

Shareholder Name	Issued Ordinary Shares	
	Number of Shares	Percentage of Shares
CVRD Australia EA Pty Ltd and associates	6,423,995	8.19%
IJ Buchhorn and related entities	6,075,535	7.99%

C. Twenty Largest Shareholders

The names of the twenty largest holders of quoted shares are listed below:

Shareholder Name	Listed Ordinary Shares	
	Number	Percentage Quoted
Kurana Pty Ltd (Buchhorn Unit Fund)	4,460,265	5.58%
CVRD Australia EA Pty Ltd	4,000,000	5.00%
Inco Australia Holdings Pty Ltd	2,423,995	3.03%
Masen Properties Pty Ltd	2,010,000	2.51%
MBM Corporation Pty Ltd	1,736,983	2.17%
National Nominees Limited	1,678,108	2.10%
Invia Custodian Pty Ltd (White Account)	1,250,000	1.56%
Peter Crisp Pty Ltd (Crisp S/F A/C)	1,000,000	1.25%
Hollywell Investments Pty Ltd	905,000	1.13%
Eaton Peter Charles and Teresa (Eaton S/F)	600,000	0.75%
Sambaitow Pty Ltd	600,000	0.75%
Mizon, Annette (Bobbin Superannuation Fund Account)	600,000	0.75%
Bill Brooks Pty Ltd (Bill Brooks S/F)	525,966	0.66%
Wenlea Pty Ltd (Leach S/F)	511,123	0.64%
Koltai Holdings Pty Ltd	507,157	0.63%
Elphinstone Holdings Pty Ltd	500,000	0.63%
Bruce Birnie Pty Ltd	500,000	0.63%
Baker, Bruce	500,000	0.63%
Archem Trading NZ Ltd	500,000	0.63%
Kavalex Pty Ltd	500,000	0.63%
	25,308,597	31.66%



D. Unquoted Options

Options	Number of Options
Unlisted options exercisable at 25 cents each by 7 November 2010	4,250,000
Unlisted options exercisable at 25 cents each by 31 December 2011	1,000,000
Unlisted options exercisable at 25 cents each by 17 September 2011	600,000
Unlisted options exercisable at 30 cents each by 7 November 2010	1,300,000
Unlisted options exercisable at 40 cents each by 7 November 2010	1,300,000
	<hr/> <hr/>
	8,450,000

In addition to the Unquoted Options, there were an amount of 6,187,487 fully paid ordinary shares that are have not been listed on ASX, as they are subject to an ASX imposed escrow period of two years from the date of listing to 15 February 2009.

E. Voting Rights

In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll each share shall have one vote.



Rubicon Resources Limited

Level 2, 91 Havelock Street, West Perth WA 6005
PO Box 534, West Perth WA 6872

Telephone: (08) 9214 7500
Facsimile: (08) 9214 7575
Email: info@rubiconresources.com.au



rubiconresources.com.au

