



RUBICON
Resources Limited

ABN 38 115 857 988



2011 ANNUAL REPORT

CORPORATE DIRECTORY

Directors

Ian Macpherson - *Non-Executive Chairman*
Peter Eaton - *Managing Director*
Ian Buchhorn - *Non-Executive Director*

Company Secretary

Sam Middlemas

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Auditor

Butler Settineri (Audit) Pty Ltd
Unit 16, 1st Floor,
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Share Registry

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Stock Exchange

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

ASX Code

RBR - ordinary shares

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CHAIRMAN'S LETTER

DEAR SHAREHOLDERS,

On behalf of the Board of Directors of Rubicon Resources Ltd ("Rubicon" or "the Company") I present the Company's Annual Report for 2011, my first year as Chair.

At the AGM in November 2010 your Board were confident that Rubicon was on the path to success and a positive market re-rating in calendar 2011 on the basis of:

- our extensive and prospective project portfolio;
- our strong joint venture alliances; and
- our capital structure and improved cash position.

Unfortunately the March quarter of 2011 has proved to be the only positive period since then.

The 2011 year has continued to be a difficult year for junior exploration companies with Rubicon, and the sector in general, affected by limits on access to new capital, weakening commodity prices and resultant downward pressure on market capitalisation.

As outlined in my recent (25 August 2011) letter to shareholders, whilst we maintain that our West Australian exploration tenements and interests are both high quality and well located within well endowed mineralised belts, the projects now require the large drill budgets that are more suited to larger mining companies. Given the continued weakness in capital markets and declining interest amongst larger Industry participants in early stage broad-base exploration this is not, at present, a viable alternative available to Rubicon.

Notwithstanding, Rubicon retains five active joint ventures with large and mid-cap companies under which the Company is carried for total expenditures of approximately \$7m.

The Company continues to actively seek alternate forms of funding for its remaining 100% owned Australian projects either through further joint venture or outright divestment. The Caesar Hill (Traka Resources Ltd) Joint Venture is the most recent example of this partnership strategy.

Whilst actively reducing direct early stage exploration efforts, Rubicon continues to search for more advanced, higher production potential projects, which we believe will deliver greater value to the Company in the near term.

Again, as I outlined in my August letter, major areas of focus for both desk top reviews and project visits to date have been West Africa and Indonesia. More recently we have extended the country review efforts to include Turkey.

We look forward to updating shareholders on our company strategy in this regard at the forthcoming annual general meeting.

Whilst it has been a difficult and sometimes frustrating year we are confident our project review and assessment efforts will be successful as we head towards the new calendar year.

Thank you for your continued support.




Ian Macpherson

Chairman

**BELOW (from left to right):
Peter Eaton, Ian Macpherson
Andrew Ford, Ian Buchhorn
and Sam Middlemas**

“we are confident our project review and assessment efforts will be successful as we head towards the new calendar year.”





“create shareholder returns through the successful acquisition of projects that we believe have the capacity to become profitable mining operations.”

OPERATIONAL OVERVIEW

Rubicon's goal is to create shareholder returns through the successful acquisition of projects that we believe have the capacity to become profitable mining operations. Rubicon also believes that its existing tenement portfolio in Western Australia has significant exploration merit for gold in particular, but requires larger drilling budgets than our current capital base allows. For this reason, Rubicon continues to attempt to add value for shareholders through joint ventures with quality partners or other exploration partnerships.

Rubicon controls some 3,500km² of prospective tenements in Western Australia (Figure 1). In the first half of the year, Rubicon continued active exploration of these projects, with key results as follows:

- Ongoing aircore drilling of the Celia project defined numerous gold-anomalous structures over many kilometres of strike.
 - Reverse circulation (RC) drilling at Jeedamya confirmed the presence of a volcanogenic massive sulphide (VMS) system with anomalous copper and zinc.
 - Drilling by joint venture partners at Yindarlgooda defined a significant area of gold mineralisation at the Red Dale North prospect.
- A major airborne electromagnetic (VTEM) survey was completed over the Caesar Hill and Jackie Junction tenements at Warburton, defining numerous anomalies at Caesar Hill.
 - The Wyloo iron ore tenement was granted late in the year and Rubicon has commenced exploration for buried Channel Iron Deposits.

Following a decision to change the strategy of the Company in late 2010, Rubicon has focussed its activities on pursuing more advanced projects, both in Australia and internationally. Rubicon has reviewed a large number of project opportunities, principally for gold and copper, but also for other commodities. Coupled with this search there has been the pursuit of new joint ventures or other divestment/funding options for Rubicon's Western Australian tenements. During the year, Vale S.A., St Barbara Ltd and Dominion Mining Ltd withdrew from the Warburton, Rocky Dam and Yalla Burra joint ventures respectively. However, new joint ventures were agreed with Integra Mining Ltd at Yindarlgooda and Kingsgate Consolidated Ltd and Traka Resources Ltd at Warburton.

Rubicon's exploration expenditure for the year comprised \$2.1 million, including \$0.67 million in joint venture contributions from Vale. The majority of this expenditure was incurred in the first half.

CORPORATE OVERVIEW

Rubicon listed on 2 February 2007 and now has 142.3 million shares on issue and 12.1 million unlisted options as at the date of this report. As at 30 June 2011, the Company retained \$2.8 million cash.

In November 2010, a successful Share Purchase Plan was completed to raise \$1,000,000 at a price of 4 cents per share. The offering was over-subscribed and 25,000,000 Rubicon shares were issued accordingly.

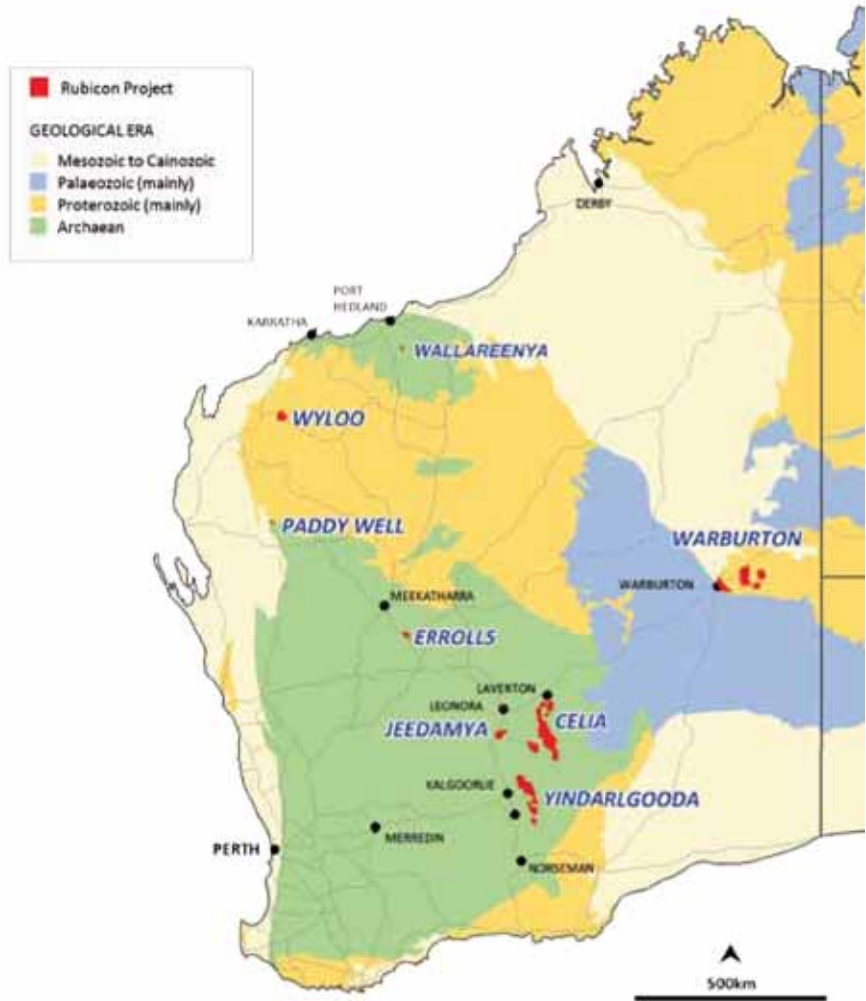
Also in November 2010, Mr Ian Macpherson joined the Board of Rubicon as Non-Executive Chairman. Mr Macpherson is a Chartered Accountant with

over thirty years experience in finance, principally in the provision of corporate and financial advice to the mining and mineral exploration industry.

Mr Macpherson took up a placement of 12,500,000 ordinary shares in Rubicon at 4 cents per share, raising \$500,000. The placement was approved by shareholders at the November 2010 Annual General Meeting. Mr Macpherson is now Rubicon's largest shareholder with a 9.0% holding in the company.

An additional 10,000,000 shares were also issued to sophisticated investors in November 2010, raising an additional \$400,000.

RIGHT: Figure 1 - Location Map Showing Rubicon Projects



CELIA PROJECT

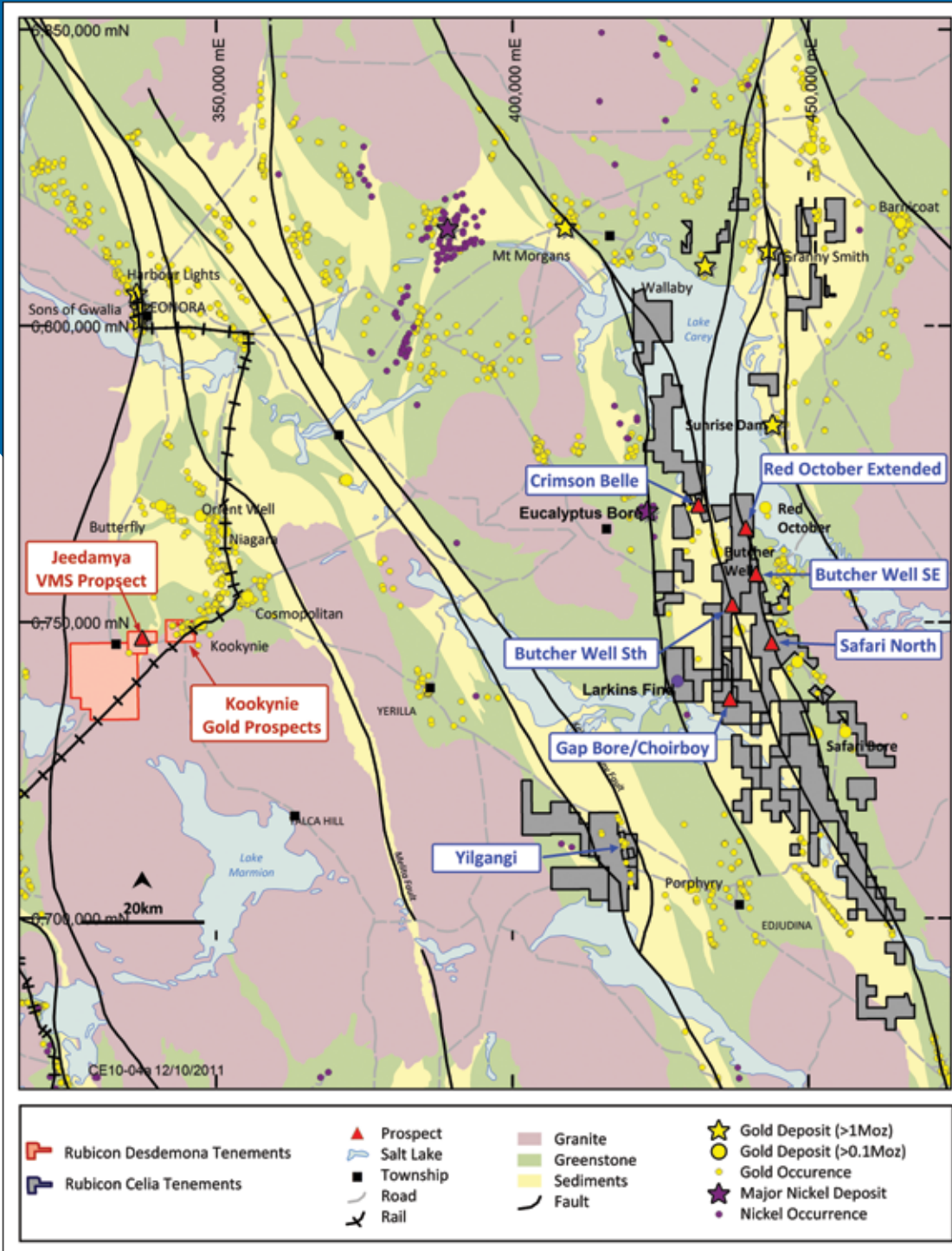
Rubicon has a ground holding of approximately 1,200km² over the southern part of the Laverton Tectonic Zone, one of Australia's most productive gold provinces, hosting gold deposits including Sunrise Dam (+10m oz of gold), Wallaby (7.1m oz), Granny Smith (2.5m oz), Safari Bore (0.5m oz) and Red October (0.3m oz) (Figures 1 & 2). The project leases also cover part of the ultramafic belt that hosts the Eucalyptus Bore nickel laterite deposit and includes Rubicon's Larkins Find lateritic nickel deposit with an inferred resource of 5.2 million tonnes at 0.8% nickel and 0.08% cobalt. In addition, the Celia project area has numerous outcropping banded iron formations (BIFs) that are considered prospective for magnetite iron mineralisation.

Exploration work completed on the Celia project during the year comprised ongoing aircore drilling to test new targets and follow up previously defined anomalies. An additional 128 aircore holes for 6,327 metres were drilled to test gold targets at the Safari North, Red October Extended, Butcher Well South, Butcher Well Southeast and Crimson Belle prospects (Figure 2). Drill programs were completed on newly granted tenements at the Crimson Belle and Butcher Well South East prospects, as was follow up drilling on gold anomalies defined from previous drilling. This drilling confirmed the prospectivity of a number of structures for gold mineralisation, with gold anomalism recorded over considerable strike lengths. Significant results are tabulated in Table 1 and include:

- At Safari North, drilling defined gold anomalism in a northerly trending structure over a 500m strike length around RCAC063 (10m @ 1.85g/t gold). Two scissor holes drilled beneath RCAC063 returned broad low grade zones (43m @ 0.23g/t gold), indicating an approximately 20 metre thick zone of low grade steeply dipping gold mineralisation.
- At Butcher Well South East, traverse drilling defined a low order anomaly over 4.4 kilometres along the same structure that hosts the Safari North prospect and the Safari Bore gold deposit to the south. Best results of 11m @ 0.34g/t and 4m @ 1.03g/t gold were reported.
- At Red October Extended, significant gold anomalism is associated with the intersection of a granite-greenstone contact and a northeasterly-trending structural dislocation that controls the Red October deposit to the northeast. A best intersection of 7m @ 0.85g/t gold was reported.
- Drilling along the Mt Hornet Shear System, which is host to the Butcher Well gold deposit (0.3m ounces gold), returned 4m @ 0.22g/t gold at Butcher Well South. Twenty kilometres to the north along the same structural system at Crimson Belle, a best result of 4m @ 1.57g/t gold was intersected.
- Other significant results include 1m @ 6.71g/t gold on BIF-hosted gold mineralisation at Gap Bore and 3m @ 2.85g/t gold at Choir Boy.



FIGURE 2



ABOVE: Figure 2 - Celia and Jeedamya Project Tenements, Geology & Deposits

REVIEW OF OPERATIONS

CONTINUED

TABLE 1

**RIGHT: Table 1
Celia Project -
Significant Gold
Intersections
(> 1 gram-metre)**

| PROSPECT | HOLE ID | HOLE TYPE | NORTHING (M) | EASTING (M) | FROM (M) | TO (M) | INTERVAL (M) | GOLD (G/T) |
|-------------------------|----------|-----------|--------------|-------------|----------|--------|--------------|------------|
| Gap Bore 2 | RCRB022 | RAB | 6738643 | 435760 | 11 | 12 | 1 | 6.71 |
| Gap Bore 3 | RCRB059 | RAB | 6736599 | 437115 | 20 | 24 | 4 | 0.74 |
| Choir Boy | RCRB072 | RAB | 6736170 | 434569 | 44 | 48 | 4 | 2.17 |
| Safari North | RCAC0063 | Aircore | 6746090 | 443614 | 21 | 31 | 10 | 1.85 |
| | RCAC0083 | Aircore | 6750100 | 442503 | 50 | 58 | 8 | 0.21 |
| | RCAC0133 | Aircore | 6750403 | 442511 | 62 | 66 | 4 | 0.44 |
| | RCAC0159 | Aircore | 6745695 | 443657 | 46 | 50 | 4 | 0.26 |
| | RCAC0291 | Aircore | 6746088 | 443642 | 41 | 84 | 43 | 0.23 |
| | RCAC0292 | Aircore | 6746082 | 443575 | 36 | 38 | 2 | 0.90 |
| | | | | | 52 | 55 | 3 | 0.36 |
| Red October Extended | RCAC0106 | Aircore | 6765708 | 439401 | 38 | 48 | 10 | 0.72 |
| Crimson Belle | RCAC0183 | Aircore | 6769900 | 431005 | 28 | 32 | 4 | 1.57 |
| Butcher Well South | RCRB0182 | RAB | 6757598 | 436100 | 32 | 36 | 4 | 0.30 |
| | RCRB0202 | RAB | 6753604 | 436604 | 42 | 46 | 4 | 0.30 |
| Butcher Well South East | RCAC0129 | RAB | 6760277 | 439791 | 46 | 58 | 12 | 0.34 |
| | RCAC0216 | Aircore | 6759910 | 439896 | 54 | 58 | 4 | 1.03 |
| | RCAC0244 | Aircore | 6757097 | 440990 | 41 | 44 | 3 | 0.78 |
| | RCAC0266 | Aircore | 6759901 | 439929 | 48 | 72 | 24 | 0.17 |
| | RCAC0286 | Aircore | 6756900 | 441000 | 60 | 64 | 4 | 0.34 |

CELIA PROJECT (CONTINUED)

The Celia project area has numerous BIF ridges outcropping throughout. The Celia BIFs have an anomalously high magnetic intensity in relation to other Eastern Goldfields BIF occurrences, which is similar in magnitude to that of the iron deposits of the Midwest and Southern Cross regions. The Celia BIFs all lie within 100 kilometres of the under-utilised Leonora-Esperance rail line (Figure 2).

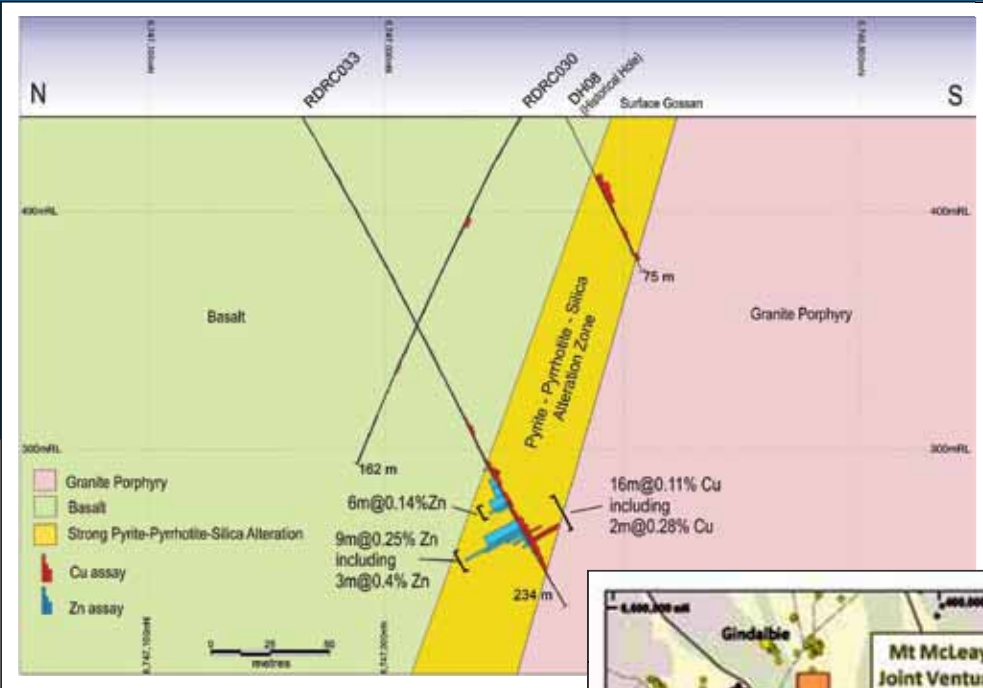
Previous rock chip sampling was undertaken on a nominal 800m spacing over suitable BIF outcrops. Average grades of 250 samples (at a 25% Fe lower cut) are 31.2% Fe, 51.3% SiO₂, 0.1% P₂O₅ and 0.5% Al₂O₃. These are excellent results in comparison to other Western Australian magnetite deposits under consideration for development. Sampled (outcrop) widths range up to 26 metres.

JEEDAMYA PROJECT

The Jeedamya project is located near Kookynie, to the south of Leonora (Figures 1 & 2). During the year, Rubicon tested previously-defined electromagnetic (EM) anomalies with deep RC drill holes. Three holes for 744 metres were drilled into the three best defined conductors. All three holes intersected zones of intense silica-pyrrhotite-pyrite alteration with minor chalcopyrite, within a mafic volcanic-sedimentary chert package at the contact with either an intermediate volcanic or a porphyritic felsic unit.

The altered zones exhibit consistently anomalous copper and zinc values of up to 0.5% zinc and 0.3% copper, but typically less than 0.1%. Best results of 9m @ 0.25% zinc and 16m @ 0.11% copper were recorded within the altered zone in RDRC033 (Figure 3), which was sited under a shallow hole drilled by a previous explorer. The results are considered indicative of a VMS system, with the presence of semi-massive pyrrhotite anomalous in copper and zinc a feature of VMS alteration systems. A joint venture partner is being sought to fund further drilling.

FIGURE 3



ABOVE: Figure 3 - Cross Section through RDR033, Jeedamy

RIGHT: Figure 4 - Yindarlgooda Project - Geology, Tenements & Prospects

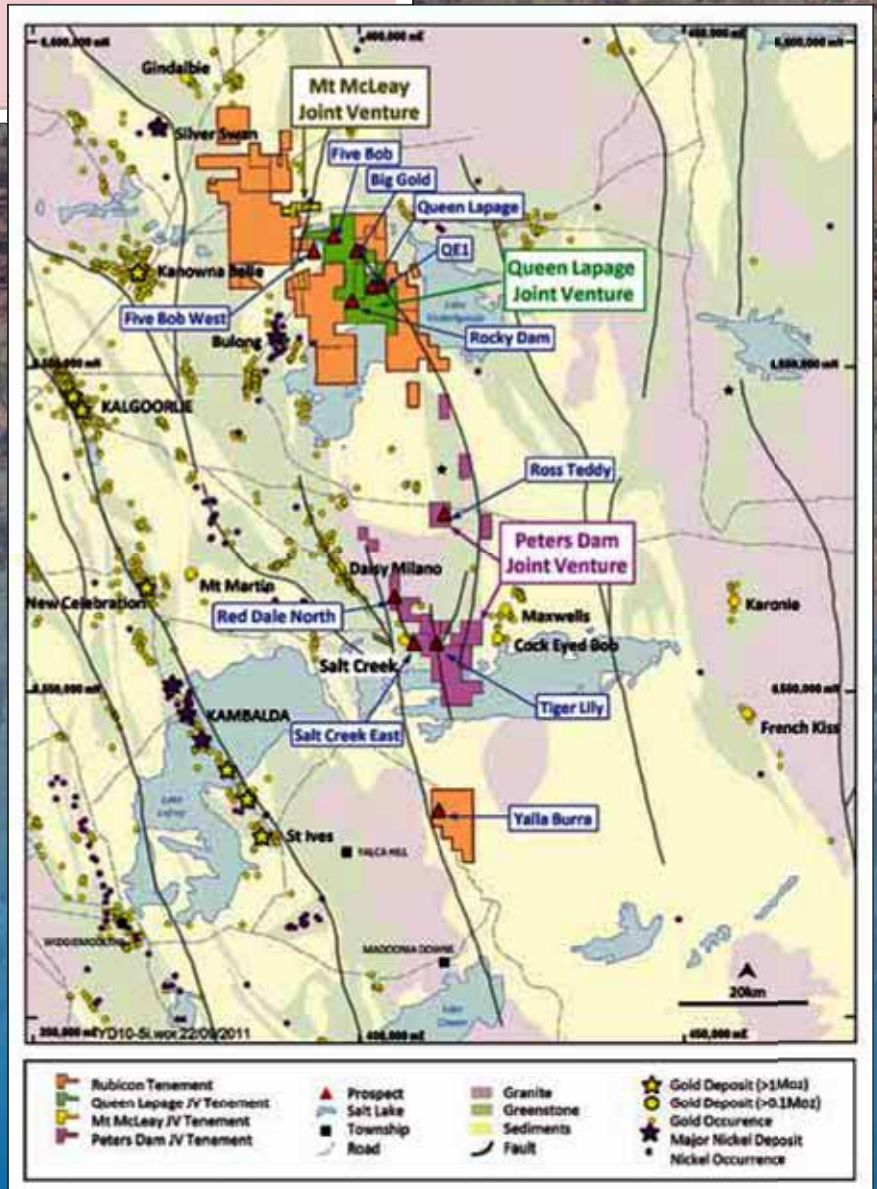


FIGURE 4

YINDARLGOODA PROJECT

The Yindarlgooda Project comprises approximately 800km² of tenure centred 55km east of Kalgoorlie (Figure 4). Known gold mineralisation within Rubicon tenure occurs at the Queen Lepage and QE1 deposits and Rubicon tenements are located adjacent to the recently-discovered 400,000 ounce Salt Creek gold deposit.

Rubicon currently has two separate joint ventures with Integra Mining Ltd, a joint venture with Brimstone Resources Ltd and has significant ground in its own right (Figure 4).

Peters Dam Joint Venture (Integra Mining Ltd earning 51 or 70% (at Rubicon's election))

In July 2009, Rubicon entered into the Peters Dam joint venture with Integra Mining Ltd (Integra), on tenements adjacent to Integra's Salt Creek gold deposit (Figure 4). Under the terms of the agreement, Integra may spend \$1.5 million over three years to earn a 51% interest in the tenements.

At Rubicon's election, Integra may then earn an additional 19% by the additional expenditure of \$1.0 million over a further two years.

During the year, RC drilling at Red Dale North and Salt Creek East (11 holes for 1,540 metres), RAB drilling at the Ross Teddy prospect (12 holes for 369 metres) and a gravity survey over Salt Creek East and on tenements northeast of the Daisy Milano Mine were completed.

At Red Dale North, Integra drilled six RC holes to follow up on gold anomalism in previous Rubicon drilling, which included 28m @ 0.53g/t and 16m @ 0.73g/t gold. Significant intercepts are shown in Table 2. Gold mineralisation was intersected within hangingwall mafic sediments and shales adjacent to a footwall felsic volcanic unit, dipping shallowly to the east. A north-south long section (Figure 5) shows the consistent zones of gold mineralisation across the limited extent of drilling to date. Further drilling is planned.

TABLE 2

| HOLE ID | NORTHING (MGA) | EASTING (MGA) | AZIMUTH | DIP | FROM (M) | TO (M) | INTERVAL (M) | GOLD (G/T) |
|---------|----------------|---------------|---------|-----|----------|--------|--------------|------------|
| RDNR001 | 6562790 | 405530 | 090 | -60 | 19 | 37 | 18 | 0.16 |
| | | | | | 48 | 52 | 4 | 1.13 |
| RDNR002 | 6562795 | 405590 | 090 | -60 | | | | NSV |
| | | | | | 26 | 54 | 28 | 0.63 |
| RDNR003 | 6562715 | 405560 | 000 | -60 | incl. 27 | 29 | 2 | 3.46 |
| | | | | | incl. 36 | 37 | 1 | 1.00 |
| | | | | | incl. 49 | 51 | 2 | 2.23 |
| RDNR004 | 6562675 | 405560 | 000 | -60 | 45 | 50 | 5 | 1.56 |
| | | | | | incl. 47 | 50 | 3 | 1.90 |
| RDNR005 | 6562710 | 405530 | 090 | -60 | 24 | 30 | 6 | 0.91 |
| | | | | | incl. 43 | 52 | 9 | 1.33 |
| RDNR006 | 6562715 | 405485 | 090 | -60 | incl. 48 | 52 | 4 | 2.32 |
| | | | | | | | | NSV |

RIGHT: Table 2 Red Dale North - Significant Drilling Intercepts

BELOW: Figure 5 - Red Dale North Prospect, Cross Section 405 560mE

FIGURE 5

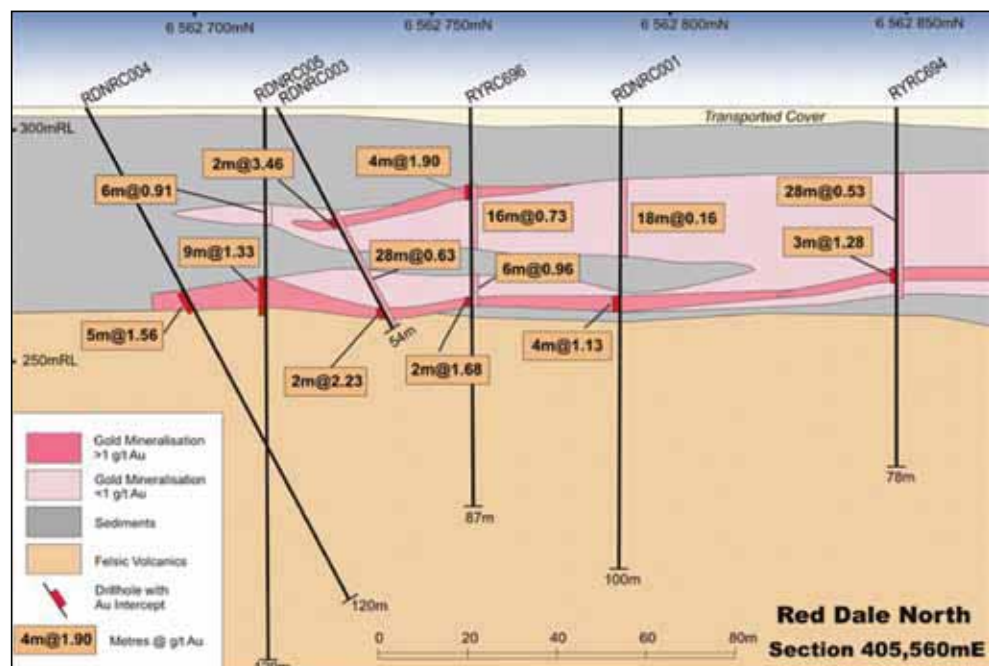
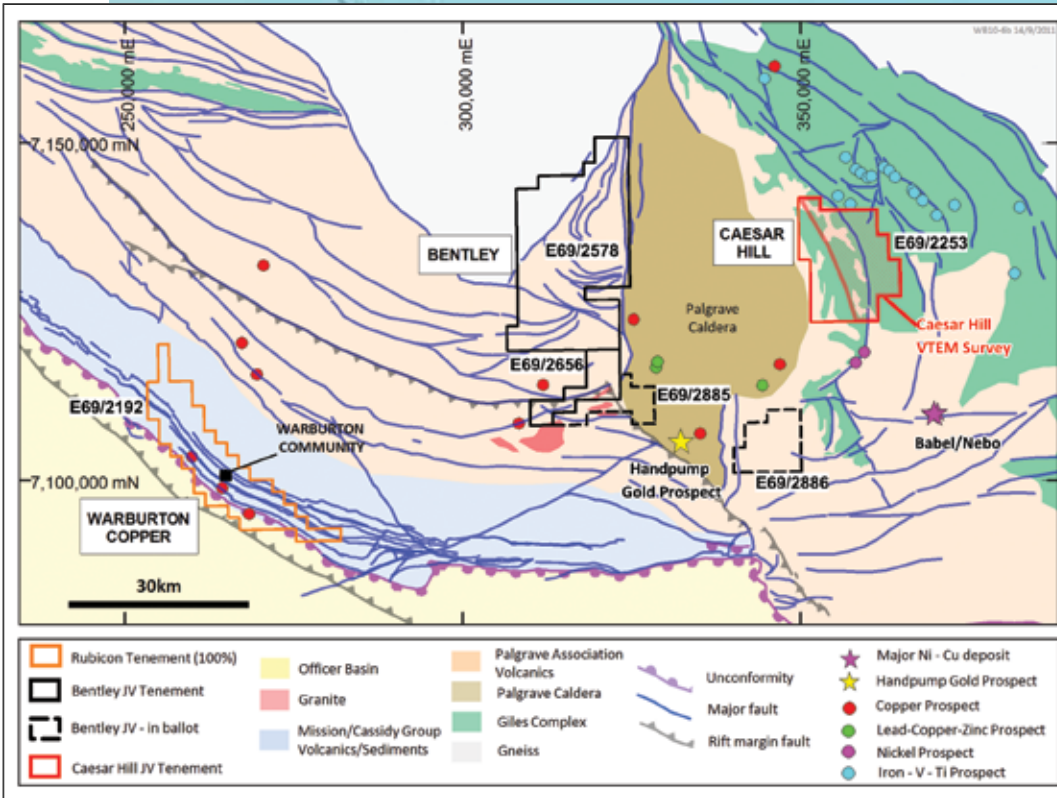


FIGURE 6



ABOVE: Figure 6 – Warburton Project Location, Tenements, Geology & Targets

RIGHT: Figure 7 - Location of Caesar Hill VTEM Anomalies on Gravity Tilt Processed Image

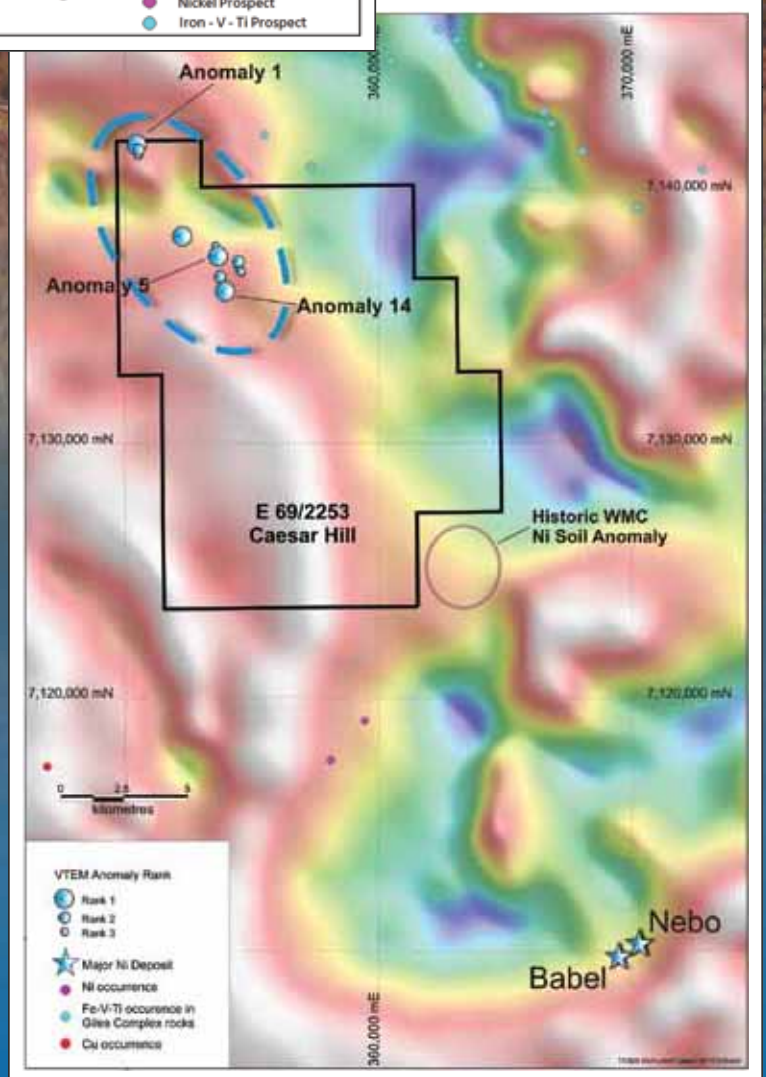


FIGURE 7

YINDARLGOODA PROJECT (CONTINUED)

Queen Lepage Joint Venture (Integra Mining Ltd earning 51-70% (at Rubicon's election))

In June 2011, Rubicon entered into the Queen Lepage Joint Venture with Integra on five tenements of approximately 100km² that were previously part of the Rocky Dam Joint Venture (Figure 4).

The Queen Lepage Joint Venture tenure encompasses the QE1 gold deposit, which occurs on the regionally important Randalls Fault. Various other prospects with significant supergene gold anomalism are associated with this corridor. Better intercepts at QE1 from shallow RC drilling include 6m @ 6.33g/t, 6m @ 3.24g/t, 4m @ 3.79g/t, 8m @ 2.48g/t and 8m @ 2.81g/t gold and are associated with sulphidic quartz veins in weathered shales and banded iron formation. The agreement does not cover the Queen Lepage open cut mine.

The joint venture also covers the Rocky Dam base metal prospects, where previous drilling has intersected massive and disseminated pyrite with low grade base metal mineralisation (best result of 18m @ 0.74% zinc and 0.20% copper). Rubicon has a significant strike extent of the prospective volcano-sedimentary sequence that hosts this mineralisation and hosts conductivity anomalies defined in electro-magnetic surveys. These have not been drill tested as yet.

Under the terms of the agreement, Integra may spend \$1.0m over three years to earn a 51% interest in the tenements. At Rubicon's election,

Integra may then earn an additional 19% by the additional expenditure of \$1.0m over a further two years. Integra must spend a minimum of \$335,000 in the first 12 months before withdrawal, including \$150,000 in direct drilling costs. Integra must then spend a minimum of \$150,000 in direct drilling costs in the second and third years of the first earn-in phase of the joint venture and also in the first year of the second earn-in phase, if this is enacted. The minimum drilling commitments will ensure that exploration is focused towards value-adding drilling activities.

Mt McLeay Joint Venture (Brimstone Resources Ltd earning 51% to 70% (at Rubicon's election))

During the year, Empire Resources Ltd assigned their rights in the Mt McLeay joint venture to Brimstone Resources Ltd, a private company that purchased the rights to the Penny's Find resource south of the joint venture tenements. As a result, there was no significant work undertaken on the tenements.

Rubicon Tenure (100%)

During the year, St Barbara Ltd withdrew from the Rocky Dam joint venture and Dominion Mining Ltd withdrew from the Yalla Burra joint venture. At Rocky Dam, St Barbara completed RAB and aircore drilling at the Five Bob (32 holes for 1,897m) and Five Bob West prospects (10 holes for 608 metres).

Joint venture partners are being sought for Rubicon tenure.

WARBURTON PROJECT

The Warburton Project comprises approximately 900km² of exploration licences and two licences in ballot within the western Musgrave Province (Figures 1 & 6). The project has potential for the discovery of stratabound sediment-hosted copper (e.g. Mt Isa and Michigan Copper belt), magmatic nickel-copper (e.g. Babel/Nebo, Voisey's Bay) and felsic-related gold mineralisation (e.g. Handpump prospect).

During the year, Rubicon and joint venture partner Vale S.A. flew two major airborne VTEM (Versatile Time Domain Electromagnetic) surveys over the Jackie Junction and Caesar Hill prospects.

The Caesar Hill VTEM survey was flown over the eastern half of the Caesar Hill tenement (Figure 6), where basal Giles Complex rocks have been previously mapped. There has been no ground work undertaken on the Caesar Hill tenement to date and there have been no Native Title agreements signed for the tenement.

The Caesar Hill survey identified four high priority targets located in the northwest of the tenement, all associated with prospective Giles Complex rock types in potential "feeder dyke" positions as inferred for the Babel-Nebo copper (Cu)-nickel (Ni)-Platinum Group Elements (PGE) mineralisation (Figure 7).

Anomaly 14 is particularly interesting, as geophysical modelling indicates that the anomaly has a high conductance consistent with massive Ni-Cu-PGE mineralisation and models as a steeply dipping tabular body. The anomaly occurs over four lines, giving a potential 800m strike length. Anomalies 1 and 5 along strike to the north of anomaly 14 each extend over a strike length of 600m.

Rubicon believes that the conductors identified have potential for the discovery of massive sulphide deposits, associated with significant amounts of disseminated Ni-Cu-PGE mineralisation and remain highly attractive targets. This target style has many similarities to the nearby Babel-Nebo deposit of BHP-Billiton, located 16km to the southeast (Figure 7).

The Jackie Junction VTEM survey identified several single line anomalies, which could represent small zones of massive sulphide surrounded by disseminated mineralisation; however, they may also be due to variations in overburden conductivity such as palaeochannels. As such, the tenements were relinquished.

In early 2011, Vale withdrew from the Warburton joint venture. Since that time, Rubicon has entered into two new joint ventures in the Warburton area. These are as follows:



WARBURTON PROJECT (CONTINUED)

Bentley Joint Venture (Kingsgate Consolidated Ltd earning 70%)

In December 2010, Rubicon entered into an agreement with Quadrio Resources Pty Ltd (a wholly owned subsidiary of Kingsgate Consolidated Ltd) ("Kingsgate") to explore Exploration License 69/2578.

Under the terms of the agreement, Kingsgate has the right to earn a 70% interest in the Bentley tenements through expenditure of \$750,000 over a five year period. Kingsgate will spend a minimum of \$140,000 (net of Land Access Agreement costs) within 12 months from the commencement date. An additional granted tenement and two additional tenements under ballot (Figure 6) may be brought into the joint venture, with a commensurate increase in expenditure commitment.

The joint venture is contingent on signing an acceptable Land Access Agreement with the relevant Land Council and its Traditional Owners on terms acceptable to Kingsgate.

Kingsgate is a focused gold exploration and mining company and intends to principally explore for gold in the tenement as part of a larger project area, following the recent discovery of the Handpump gold mineralisation in the area by a third party. The Bentley tenement has a structural setting and similar rock types to those at Handpump.

Caesar Hill Joint Venture (Traka Resources Ltd earning 70%)

In September 2011, Rubicon entered into an agreement with Traka Resources Ltd to explore the Caesar Hill Exploration License.

Under the terms of the agreement, Traka has the right to earn a 70% interest in the Caesar Hill tenement through expenditure of \$800,000 over a five year period, commencing from, and contingent on, gaining access for exploration through a Land Access Agreement. Traka will spend a minimum of \$150,000 (net of Land Access Agreement costs) within 12 months from the commencement date.

WYLOO CHANNEL IRON PROJECT

The Wyloo project comprises two exploration licences, located 30km northwest of the Paulsens Gold deposit and 200km south of Dampier in the western Pilbara district of Western Australia (Figure 1). Exploration will target Channel Iron Deposits (CIDs) located along the western margin of the Hamersley Province. Significant CID deposits such as those at the Robe River Iron Associates Pannawonica operations, Bungaroo Creek and Cane River Valley indicate that these deposits trend along ancient drainage systems to the west of the Hamersley

outcrops. Two of these potential drainages may occur under recent alluvial drainages on E08/2078, which has recently been granted.

Rubicon has also entered into an agreement with Onslow Resources Ltd to allow Onslow to mine river shingles from an excised mining lease within E08/2078. Rubicon will receive a royalty of \$0.50/tonne on all material mined and will retain rights to all metals beneath the recent alluvial channel.

OTHER PROJECTS

The **Errolls Project** tenement, is located immediately northwest of the Barrambie vanadium deposit, approximately 80km north of Sandstone in Western Australia. The tenement contains the interpreted northern extension of the highly magnetic gabbro complex that hosts the Barrambie magnetite-vanadium resource under shallow cover and is considered prospective for vanadium, magnetite and platinum group metals (PGMs) (Figure 1).

At the **Paddy Well Uranium Project**, located 340km east of Carnarvon in the Gascoyne region of Western Australia, previous explorers have identified primary uranium mineralisation in a vein network system within a chloritic alteration halo, associated with a surficial secondary uranium zone. This setting is a classic East Alligator uranium setting, warranting exploration follow-up (Figure 1).

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Peter Eaton, the Managing Director of Rubicon Resources Limited, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Eaton has sufficient experience that is relevant to the style of mineralisation and the activity being reported to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, and consents to the release of information in the form and context in which it appears here.

CONCISE FINANCIAL REPORT



The concise financial report is an extract from the full financial report of Rubicon Resources Limited for the year ended 30 June 2011. 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.

FOR THE YEAR ENDED
30 JUNE 2011

DIRECTORS' REPORT

The Directors present their report on Rubicon Resources Limited for the year ended 30 June 2011.

DIRECTORS

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

Ian Macpherson – *BComm. CA*

Non Executive Chairman

Appointed 18 October 2010

Mr Macpherson is a Chartered Accountant with over thirty years experience in finance, principally in the provision of corporate and financial advice to the mining and mineral exploration industry. In his early career, Mr Macpherson was a partner at KMG Hungerfords, which built up a specialist practice in the provision of corporate and financial advice to the mining and mineral exploration industry. In 1987 the firm merged with Arthur Andersen & Co.

In 1990, Mr Macpherson established Ord Partners (later to become Ord Nexia) and has specialised in the area of corporate advice with particular emphasis on capital structuring, equity and debt raising, corporate affairs and Stock Exchange compliance for public companies in the mining and industrial areas. He has further been involved in numerous asset acquisitions and disposals. He has acted in the role of Director and Company Secretary for a number of his clients and is currently a Non-Executive Chairman of Kimberly Rare Earth Limited (2 December 2010 to present), a Non-Executive Director of Navigator Resources Ltd (1 July 2003 to present), Avita Medical Ltd (5 March 2008 to present) and formerly Nimrod Resources Ltd (17 July 2007 to 2 August 2011) and Sihayo Gold Limited (24 April 2009 to 3 June 2010). Ord Nexia has recently merged with MGI Perth and Mr Macpherson remains as a consultant to that group.

Mr Macpherson is a Member of the Institute of Chartered Accountants in Australia and past member of the Executive Council of the Association of Mining Exploration Companies (WA) Inc.

Peter Eaton – *B.Sc (Hons), MAusIMM*

Managing Director

Appointed 3 July 2006

Mr Eaton is a geologist with more than 30 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 more than 30 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. 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 24 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 a directorship in Heron Resources Limited (17 February 1995 to present). He previously held directorships in Polaris Minerals NL (18 September 2006 to 7 January 2010) and Southern Cross Goldfields Ltd (24 July 2007 to 15 March 2010).

Mr Robert Middlemas was appointed as Non Executive Director on 1 February 2010 and resigned on 18 October 2010.

COMPANY SECRETARY

Robert (Sam) Middlemas – *B.Com, PGradDipBus, CA.*

Mr Middlemas was appointed Company Secretary and Chief Financial Officer on 17 July 2006. He is a chartered accountant with more than 20 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.

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

The Company recorded an operating loss after income tax for the Year ended 30 June 2011 of \$1,667,115 compared to an operating loss after income tax of \$2,622,297 for the Year ended 30 June 2010. The large difference is related to significantly higher write-downs on exploration projects during the 2010 period and a reduced level of exploration activity during the current year.

The Company's cash position remained strong at the end of the year at \$2,760,616, following the successful Share Purchase Plan and Placement during November 2010, which raised a total of \$1,900,000 at an issue price of 4 cents per share.

Rubicon is a mineral exploration company, currently focussed on gold and copper exploration in Western Australia, where it controls some 3,500km² of prospective tenements. Rubicon's project portfolio consists of large contiguous areas within highly mineralised provinces.

Rubicon's strategy for ultimate growth is to combine the following elements:

- Ongoing commitment to the identification and review of projects/corporate opportunities that we believe have the capacity to successfully develop into a profitable mine, both in Australia and countries overseas,
- Maximise the commercial value of the existing tenement portfolio through the ongoing establishment and maintenance of suitable joint ventures and other alternate funding arrangements where appropriate, and
- continued exploration of Rubicon properties where appropriate.

Rubicon's major projects are as follows:

- The Celia project in the southern Laverton Tectonic Zone, where Rubicon has 1,200km² of tenure around existing gold operations that is prospective for gold, nickel and iron.
- The Yindarlgooda gold and base metal project located east of Kalgoorlie where Rubicon has tenements in its own right and three separate joint venture agreements with Integra Mining Ltd (two) and Brimstone Resources Ltd earning an interest in Rubicon tenure.
- The Warburton project in the Western Musgrave Province, where Rubicon has two joint ventures with Kingsgate Consolidated and Traka Resources.
- The Wyloo project where Rubicon will commence exploration for channel iron deposits.

CORPORATE AND FINANCIAL POSITION

As at 30 June 2011 the Company had cash reserves of \$2.8 million.

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 5 employees as at 30 June 2011 (2010: 8 employees).

DIRECTORS' REPORT

CONTINUED

EARNINGS/LOSS PER SHARE

| | 2011 CENTS | 2010 CENTS |
|------------------------|---------------|---------------|
| Basic loss per share | (1.36) | (2.94) |
| Diluted loss per share | (1.36) | (2.94) |

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.

OPTIONS OVER UNISSUED CAPITAL

UNLISTED OPTIONS

During the financial year the Company granted the following unlisted options over unissued ordinary shares to the following Directors. All options were issued for Nil consideration:

| ISSUED TO | NUMBER OF OPTIONS GRANTED | EXERCISE PRICE | VALUE PER OPTION AT GRANT DATE | VALUE OF OPTIONS GRANTED | EXPIRY DATE |
|----------------|---------------------------------|-------------------|--------------------------------------|--------------------------------|-----------------|
| Ian Macpherson | 2,500,000 | 10 cents each | 1.84 cents | \$46,000 | 31 October 2014 |
| Peter Eaton | 1,500,000 | 10 cents each | 1.84 cents | \$27,600 | 31 October 2014 |
| Peter Eaton | 1,500,000 | 15 cents each | 1.55 cents | \$23,250 | 31 October 2014 |
| Peter Eaton | 1,000,000 | 20 cents each | 1.35 cents | \$13,500 | 31 October 2014 |
| Ian Buchhorn | 2,000,000 | 10 cents each | 1.84 cents | \$36,800 | 31 October 2014 |

Since 30 June 2011 and up until the date of this report there have been no further options issued.

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 |
|----------------------------|-------------------|------------------|
| 6,000,000 | 10 cents each | 31 October 2014 |
| 1,500,000 | 15 cents each | 31 October 2014 |
| 1,000,000 | 20 cents each | 31 October 2014 |
| 2,600,000 | 14 cents each | 13 January 2014 |
| 1,000,000 | 25 cents each | 31 December 2011 |

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 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.

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 |
|----------------|--|---|--|
| Ian Macpherson | Non-Executive Chairman Appointed on 18 October 2010 | 12,831,630 | 2,500,000 |
| Peter Eaton | Managing Director Appointed on 3 July 2006 | 1,475,000 | 4,000,000 |
| Ian Buchhorn | Non-Executive Director Appointed on 19 August 2005 | 8,859,777 | 2,000,000 |

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 |
| I Macpherson | 7 | 7 |
| I Buchhorn | 10 | 10 |
| P Eaton | 10 | 10 |
| S Middlemas | 3 | 3 |

REMUNERATION REPORT

Recommendation 8.1 of the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (2nd edition)* 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.

REMUNERATION REPORT

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.

DIRECTORS'

REPORT

CONTINUED

REMUNERATION REPORT (CONTINUED)

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 either the Black-Scholes methodology or the Binomial model. 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 e.g. 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 up to a maximum of twelve months pro rata of base salary.

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

| 2010/2011 | PRIMARY | | POST | EQUITY | |
|-------------------------------------|----------------------------|-------------------------------|---|---------------|-------------|
| | Base Salary/ Fees \$ | Motor Vehicle/ Bonus \$ | EMPLOYMENT Superannuation Contributions \$ | Options \$ | Total \$ |
| Directors | | | | | |
| I Macpherson – Chairman (i) | 43,348 | - | 3,901 | 46,000 | 93,249 |
| P Eaton – Managing Director | 247,999 | 9,346 | 22,320 | 64,350 | 344,015 |
| I Buchhorn – Non Executive | 57,500 | - | - | 36,800 | 94,300 |
| S Middlemas – Non Executive (ii) | 7,200 | - | - | - | 7,200 |
| Executives | | | | | |
| S Middlemas (ii) Company Secretary | 48,980 | - | - | - | 48,980 |
| A Ford – Exploration Manager | 186,000 | - | 16,740 | - | 202,740 |
| 2009/2010 | | | | | |
| Directors | | | | | |
| I Buchhorn – Chairman | 45,335 | - | 3,363 | - | 48,698 |
| P Eaton – Managing Director | 193,948 | 9,346 | 50,000 | - | 253,294 |
| S Middlemas – Non Executive (ii) | 10,000 | - | - | - | 10,000 |
| J Shipp – Retired Chairman (iii) | 16,098 | - | 35,246 | - | 51,344 |
| Executives | | | | | |
| S Middlemas (ii) Company Secretary | 57,882 | - | - | 28,900 | 86,782 |
| A Ford – Exploration Manager (iv) | 109,154 | - | 9,824 | 28,900 | 147,878 |
| K Cassidy – Exploration Manager (v) | 107,284 | - | 4,236 | - | 111,520 |

- Mr Macpherson was appointed Non executive Chairman on 18 October 2010
- Mr Middlemas was appointed a Non executive director on 1 February 2010, and resigned on 18 October 2010 – all fees as a director and company secretary were paid to Sparkling Investments Pty Ltd
- Mr Shipp retired as Chairman on 1 February 2010
- Mr Ford was appointed Exploration Manager on 23 November 2009
- Mr Cassidy resigned from the Company on 9 October 2009

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 2011.

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.

DIRECTORS' REPORT

CONTINUED

INDEMNIFYING OFFICERS AND AUDITOR (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 |
| Ian Macpherson | 2,500,000 | 25 Nov 2010 | 25 Nov 2010 | 0.0184 | 0.10 | 31 Oct 2014 |
| Peter Eaton | 1,500,000 | 25 Nov 2010 | 25 Nov 2010 | 0.0184 | 0.10 | 31 Oct 2014 |
| Peter Eaton | 1,500,000 | 25 Nov 2010 | 25 Nov 2010 | 0.0155 | 0.15 | 31 Oct 2014 |
| Peter Eaton | 1,000,000 | 25 Nov 2010 | 25 Nov 2010 | 0.0135 | 0.20 | 31 Oct 2014 |
| Ian Buchhorn | 2,000,000 | 25 Nov 2010 | 25 Nov 2010 | 0.0184 | 0.10 | 31 Oct 2014 |

There were no amounts payable on the issue of the options, and there are no performance conditions attached. All options previously issued are now fully vested and are exercisable at any time subject to employment being maintained. When exercisable, each option is convertible into one ordinary share of Rubicon Resources Limited.

AUDITORS' INDEPENDENCE DECLARATION

Section 370C of the *Corporations Act 2001* requires the Company's auditors Butler Settineri (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 have not undertaken any non-audit work during the financial year.

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 21st day of September 2011

Signed in accordance with a resolution of the Directors



P Eaton
Managing Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2011

| | THE COMPANY | |
|--|--------------|--------------|
| | 2011 \$ | 2010 \$ |
| Other income | 182,039 | 132,892 |
| Employee expenses | 736,187 | 828,128 |
| Non-Executive Directors' fees | 111,949 | 110,040 |
| Insurance expenses | 21,473 | 22,470 |
| Company Secretarial fees | 48,980 | 57,882 |
| Corporate expenses | 79,578 | 70,122 |
| Depreciation | 23,118 | 56,523 |
| Rent | 103,006 | 101,764 |
| Recruitment | - | 42,087 |
| Employee costs recharged to capitalised exploration | (657,216) | (753,003) |
| Expense of share-based payments | 147,150 | 75,140 |
| Exploration Written off | 1,096,620 | 2,039,920 |
| Other expenses | 138,309 | 104,116 |
| Loss before income tax | 1,667,115 | 2,622,297 |
| Income tax | - | - |
| Net loss attributable to members of the Company | 1,667,115 | 2,622,297 |
| Other Comprehensive Loss net of tax | - | - |
| Total Comprehensive Loss | 1,667,115 | 2,622,297 |
| Basic earnings/(loss) per share (cents per share) | (1.36) cents | (2.94) cents |
| Diluted earnings/(loss) per share (cents per share) | (1.36) cents | (2.94) cents |

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2011

| | 2011 \$ | 2010 \$ |
|---|------------------|-------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | 2,760,616 | 2,640,356 |
| Other receivables | 3,430 | 25,399 |
| Other assets | 15,333 | 19,883 |
| TOTAL CURRENT ASSETS | 2,779,379 | 2,685,638 |
| NON-CURRENT ASSETS | | |
| Plant and equipment and motor vehicles | 38,099 | 59,421 |
| Capitalised mineral exploration expenditure | 3,488,405 | 3,479,375 |
| TOTAL NON-CURRENT ASSETS | 3,526,504 | 3,538,796 |
| TOTAL ASSETS | 6,305,883 | 6,224,434 |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Trade and other payables | 59,103 | 292,278 |
| Provisions | 32,703 | 98,114 |
| TOTAL CURRENT LIABILITIES | 91,806 | 390,392 |
| TOTAL LIABILITIES | 91,806 | 390,392 |
| NET ASSETS | 6,214,077 | 5,834,042 |
| EQUITY | | |
| Contributed equity | 14,741,596 | 12,841,596 |
| Share Option Reserve | 586,640 | 439,490 |
| Accumulated losses | (9,114,159) | (7,447,044) |
| TOTAL EQUITY | 6,214,077 | 5,834,042 |

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2011

| | CONTRIBUTED EQUITY | SHARE BASED PAYMENT RESERVE | LOSSES | TOTAL |
|---|-----------------------|-----------------------------------|-------------|-------------|
| BALANCE AT 1 JULY 2009 | 11,868,496 | 364,350 | (4,824,747) | 7,408,099 |
| TOTAL COMPREHENSIVE INCOME | - | - | (2,622,297) | (2,622,297) |
| TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS | | | | |
| Shares issued during the year | 973,100 | - | - | 973,100 |
| Directors and Employees options | - | 75,140 | - | 75,140 |
| BALANCE AT 30 JUNE 2010 | 12,841,596 | 439,490 | (7,447,044) | 5,834,042 |
| TOTAL COMPREHENSIVE INCOME | - | - | (1,667,115) | (1,667,115) |
| TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS | | | | |
| Shares issued during the year | 1,900,000 | - | - | 1,900,000 |
| Directors and Employees options | - | 147,150 | - | 147,150 |
| BALANCE AT 30 JUNE 2011 | 14,741,596 | 586,640 | (9,114,159) | 6,214,077 |

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2011

| | 2011 \$ | 2010 \$ |
|---|--------------------|--------------------|
| Cash flows from operating activities | | |
| Interest received | 140,289 | 132,892 |
| Payments to suppliers and employees (inclusive of goods and services tax) | (496,153) | (613,650) |
| Net cash used in operating activities | (355,864) | (480,758) |
| Cash flows from investing activities | | |
| Payments for exploration and evaluation | (2,096,943) | (1,947,416) |
| Funds received from sale of exploration tenement | - | - |
| Funds received from joint venture partners | 674,863 | 823,862 |
| Payments for plant and equipment and motor vehicles | (1,796) | (10,187) |
| Net cash used in investing activities | (1,423,876) | (1,133,741) |
| Cash flows from financing activities | | |
| Proceeds from the issue of shares | 1,900,000 | 960,600 |
| Net cash provided by financing activities | 1,900,000 | 960,600 |
| Net increase (decrease) in cash held | 120,260 | (653,899) |
| Cash at the beginning of the financial year | 2,640,356 | 3,294,255 |
| Cash at the end of the financial year | 2,760,616 | 2,640,356 |

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES

TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

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.

DIRECTORS' DECLARATION

The directors declare that in their opinion, the concise financial report of Rubicon Resources Limited for the year ended 30 June 2011 as set out on pages 12 to 23 complies with Accounting Standard AASB 1039: Concise Financial Reports.

The concise financial report is an extract from the full financial report for the year ended 30 June 2011. The financial statements and specific disclosures included in the concise financial report have been derived from the full financial report.

The concise financial report 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 which is available on request.

This declaration is made in accordance with a resolution of directors.



P Eaton

Managing Director

21 September 2011

AUDITORS' INDEPENDENCE DECLARATION

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of Rubicon Resources Limited for the year ended 30 June 2011, 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



LUCY P GARDNER
Director

Perth
Date: 21 September 2011

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

Chartered
Accountants



BUTLER
SETTINERI

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Directors:

Colin Butler
FCA

Paul Chabrel
FCA

Lucy Gardner
CA

Marius van der Merwe
CA

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INDEPENDENT AUDIT REPORT

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF RUBICON RESOURCES LIMITED

Report on the Concise Financial Report

The accompanying concise financial report of Rubicon Resources Limited comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, derived from the audited financial report of Rubicon Resources Limited for the year ended 30 June 2011. 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 2011. Our audit report on the financial report for the year was signed on 21 September 2011 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 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 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

Chartered
Accountants



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Directors:

Colin Butler
FCA

Paul Chabrel
FCA

Lucy Gardner
CA

Marius van der Merwe
CA

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Auditor's Opinion

In our opinion, the concise financial report of Rubicon Resources Limited for the year ended 30 June 2011 complies with Australian Accounting Standard AASB 1039: Concise Financial Reports.

Report on the Remuneration Report

We have audited the remuneration report included on pages 6 to 8 of the directors' report for the year ended 30 June 2011.

The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001.

Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the remuneration report of Rubicon Resources Limited for the year ended 30 June 2011, complies with section 300A of the Corporations Act 2001.

BUTLER SETTINERI (AUDIT) PTY LTD



LUCY P GARDNER
Director

Perth
Date: 21 September 2011

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. A copy can be found on the Company website at www.rubiconresources.com.au.

1. BOARD OF DIRECTORS

1.1 ROLE OF THE BOARD AND MANAGEMENT - ASX PRINCIPLE 1

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. In addition the board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.

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 Statement.

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 - ASX PRINCIPLE 2

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 professional qualifications, corporate experience, resource industry knowledge and experience, public company management experience, technical and operational skills required by the Company at this time.

The Company's board changed during the year with the appointment of Mr Ian Macpherson as Non-Executive Chairman, on 18 October 2010. Mr Sam Middlemas the Company Secretary resigned from the board on this date and Mr Ian Buchhorn who was acting Chairman reverted to a Non-Executive Director role. As a consequence, the board comprised one Executive (Managing Director) and two Non-Executive Directors. The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer.

None of the board meets the independence criteria under the ASX Corporate Governance Council Recommendations 2.1, as all Directors are either executives, substantial shareholders or have been consultants to the Company within the last three years. The Board views shareholdings of Directors as important, although this is outside the ASX Recommendations criteria for independence, as it believes it more correctly aligns the Board with shareholder interests. In addition, the Non-Executive Chairman Ian Macpherson does not meet the ASX Corporate Governance Council Recommendation 2.2 as his is not an independent director.

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. The existing Directors provide the necessary diversity of qualifications, skill and experience and bring quality and independent judgement to all relevant issues.

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 Non-Executive 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 - ASX PRINCIPLE 1

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:

- 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.
- 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.
- 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.
- Shareholder Liaison - ensuring effective communications with shareholders through an appropriate communications policy and promoting participation at general meetings of the Company.
- 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.
- Company Finances - approving expenses in excess of those approved in the annual budget and approving and monitoring acquisitions, divestitures and financial and other reporting.
- 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.
- 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.
- 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.

CORPORATE GOVERNANCE STATEMENT

CONTINUED

1. BOARD OF DIRECTORS (CONTINUED)

1.4 BOARD POLICIES - ASX PRINCIPLE 3

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 (e.g. 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 - ASX PRINCIPLE 4

The Company does not have an audit committee. While this is a departure from ASX Corporate Governance Council Recommendations 4.1 and 4.2, it provides a more efficient mechanism based on the size of the Board and the complexity of the Company.

In the absence of an audit committee, the Board sets aside time at two Board meetings during the year to meet with the auditors and 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 - ASX PRINCIPLE 9

The Company does not have a remuneration committee. While this is a departure from ASX Corporate Governance Council Recommendation 9.1, it provides a more efficient mechanism based on the size and complexity of the Company.

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 - ASX PRINCIPLE 2

The Company does not have a nomination committee. While this is a departure from ASX Corporate Governance Council Recommendation 2.4, it provides a more efficient mechanism based on the size and complexity of the Company.

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.

CORPORATE GOVERNANCE STATEMENT

CONTINUED

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 - ASX PRINCIPLE 3

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; and
- 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 - ASX PRINCIPLE 3

The Company has implemented a Code of Ethics and Conduct, which provides guidelines aimed at maintaining high ethical standards, corporate behavior 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 - ASX Principle 10

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 and:

- 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.

CORPORATE GOVERNANCE STATEMENT

CONTINUED

4. DISCLOSURE OF INFORMATION

4.1 CONTINUOUS DISCLOSURE TO ASX - ASX PRINCIPLE 5

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 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
- the information is confidential; or
- one of the following applies:
 - it would breach a law or regulation to disclose the information;
 - the information concerns an incomplete proposal or negotiation;
 - the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - the information is generated for internal management purposes;
 - the information is a trade secret;
 - it would breach a material term of an agreement, to which the Company is a party, to disclose the information;
 - it would harm the Company's potential or possible patent application; or
 - 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 - ASX PRINCIPLE 6

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 - ASX PRINCIPLE 7

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 strategic, operational, legal, business and financial risks are identified, assessed and monitored to assist the Company to achieve its business objectives, and are highlighted in the Business Plan presented to the Board by the Managing Director each year. The main operational risks have been identified as retaining quality staff, commodity prices and exchange rate fluctuations, the generally increasing cost of operations in the mining industry, Native Title issues and access to capital.

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 - ASX PRINCIPLE 7

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 statements are 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 AUDIT AND ROLE OF AUDITOR - ASX PRINCIPLE 6

The Company's internal preparation of the Half Yearly audit review and the Financial Year audit includes preparing the Financial Statements and accompanying explanatory notes, conducting a series of routine reviews and financial tests and reviewing the carrying value of all assets. The Company 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.

Rubicon provides updates on the changes in its circumstances as and when they occur by continuous disclosure in compliance with the ASX Listing Rules, press releases, investor presentations and making all announcements and corporate information available on the Company's website.

6. PERFORMANCE REVIEW - ASX PRINCIPLE 8

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.

ASX

ADDITIONAL INFORMATION

SUMMARY OF MINING TENEMENTS

| SUB-PROJECT | TENEMENT ID | NATURE OF INTEREST | DATE GRANTED |
|-----------------------------|------------------|--------------------|--------------|
| Yindarlgooda Project | | | |
| Yindarlgooda | E15/00918 | 1 | 2-Mar-2007 |
| Yindarlgooda | E25/00392 | 1 | 29-Dec-2009 |
| Yindarlgooda | E25/00335 | 1 | 26-Feb-2007 |
| Yindarlgooda | E25/00355 | 1 | 10-Nov-2009 |
| Yindarlgooda | E25/00422 | 1 | 24-May-2010 |
| Yindarlgooda | E25/00456 | 1 | 8-Jun-2011 |
| Yindarlgooda | E26/00153 | 1 | 6-May-2011 |
| Yindarlgooda | E26/00154 | 1 | 6-May-2011 |
| Yindarlgooda | E27/00330 | 3 | 9-Feb-2009 |
| Yindarlgooda | E27/00337 | 1 | 26-Feb-2007 |
| Yindarlgooda | E27/00425 | 1 | 8-Sep-2010 |
| Yindarlgooda | E27/00430 | 1 | 25-Jan-2011 |
| Yindarlgooda | E27/00431 | 1 | Pending |
| Yindarlgooda | E27/00443 | 1 | 4-Jul-2011 |
| Yindarlgooda | E27/00449 | 1 | Pending |
| Yindarlgooda | E27/00454 | 1 | Pending |
| Yindarlgooda | E27/00456 | 1 | Pending |
| Yindarlgooda | M25/00344 | 1 | 14-Dec-2010 |
| Yindarlgooda | P25/01992 | 1 | 28-Jan-2009 |
| Yindarlgooda | P27/01924 - 1927 | 1 | 23-Apr-2008 |
| Yindarlgooda | P27/01947 - 1949 | 1 | 22-Sep-2008 |
| Yindarlgooda | P28/01213 | 1 | 3-Feb-2011 |
| Peter Dam JV | E15/00869 | 2 | 21-Dec-2005 |
| Peter Dam JV | E25/00307 | 2 | 21-Jun-2005 |
| Peter Dam JV | E25/00319 | 2 | 21-Feb-2006 |
| Peter Dam JV | E25/00376 | 2 | 30-Jan-2009 |
| Peter Dam JV | E25/00379 | 2 | 22-Dec-2009 |
| Peter Dam JV | E25/00390 | 2 | 10-Nov-2009 |
| Peter Dam JV | E25/00391 | 2 | 10-Nov-2009 |
| Peter Dam JV | E25/00433 | 2 | 22-Nov-2011 |
| Peter Dam JV | E25/00434 | 2 | 22-Nov-2011 |
| Mt McLeay JV | P27/01711 | 2 | 28-May-2008 |
| Mt McLeay JV | P27/01748 - 1749 | 2 | 28-May-2008 |
| Mt McLeay JV | P27/01954 | 2 | 19-Feb-2009 |
| Mt McLeay JV | P27/01979 | 2 | 29-Oct-2009 |
| Mt McLeay JV | P27/02006 | 2 | 29-Jun-2010 |
| Queen Lapage JV | E25/00273 | 2 | 23-Mar-2006 |
| Queen Lapage JV | E25/00326 | 2 | 1-Nov-2006 |
| Queen Lapage JV | E27/00426 | 2 | 8-Sep-2010 |
| Queen Lapage JV | E25/00455 | 2 | 25-Mar-2011 |
| Queen Lapage JV | E27/00291 | 2 | 28-Apr-2006 |
| Celia Project | | | |
| Laverton Tectonic | E38/02221 | 1 | 23-Mar-2010 |
| Laverton Tectonic | E38/02222 | 1 | 1-Sep-2009 |
| Laverton Tectonic | E38/02224 | 1 | 17-Aug-2010 |
| Laverton Tectonic | E38/02267 | 1 | 9-Feb-2010 |
| Laverton Tectonic | E38/02304 | 1 | 26-Mar-2010 |
| Laverton Tectonic | E38/02306 | 1 | 17-Aug-2010 |
| Laverton Tectonic | E38/02490 | 1 | 21-Jul-2011 |
| Laverton Tectonic | E38/02491 | 1 | Pending |
| Mt Celia | E31/00926 - 927 | 1 | 7-Dec-2010 |
| Mt Celia | E31/00949 | 1 | 29-Jun-2011 |
| Mt Celia | E31/00951 | 1 | 26-Sep-2011 |
| Mt Celia | E31/00956 | 1 | Pending |
| Mt Celia | E31/00957 | 1 | 23-Aug-2011 |
| Mt Celia | E31/00963 | 1 | 9-Sep-2011 |
| Mt Celia | E31/00964 | 1 | Pending |
| Mt Celia | E39/01278 | 1 | 14-May-2008 |

| SUB-PROJECT | TENEMENT ID | NATURE OF INTEREST | DATE GRANTED |
|----------------------------------|------------------|--------------------|--------------|
| Celia Project (Continued) | | | |
| Mt Celia | E39/01363 | 1 | 18-Sep-2008 |
| Mt Celia | E39/01369 | 1 | 5-Sep-2008 |
| Mt Celia | E39/01370 | 1 | 24-Feb-2009 |
| Mt Celia | E39/01430 | 1 | 23-Sep-2009 |
| Mt Celia | E39/01444 | 1 | 29-Oct-2009 |
| Mt Celia | E39/01460 | 1 | 5-Jan-2010 |
| Mt Celia | E39/01462 | 1 | 8-Feb-2010 |
| Mt Celia | E39/01478 | 1 | 26-Feb-2010 |
| Mt Celia | E39/01486 | 1 | 27-May-2010 |
| Mt Celia | E39/01487 | 1 | 9-Mar-2010 |
| Mt Celia | E39/01488 | 1 | 27-May-2010 |
| Mt Celia | E39/01489 | 1 | 25-Mar-2010 |
| Mt Celia | E39/01504 | 1 | 27-Jul-2010 |
| Mt Celia | E39/01515 | 1 | 27-Jul-2010 |
| Mt Celia | E39/01539 | 1 | 18-Nov-2010 |
| Mt Celia | E39/01548 | 1 | 15-Oct-2010 |
| Mt Celia | E39/01560 - 1561 | 1 | 17-Dec-2010 |
| Mt Celia | E39/01576 | 1 | 11-Mar-2011 |
| Mt Celia | E39/01580 | 1 | 28-Apr-2011 |
| Mt Celia | P39/04887 | 1 | 25-Nov-2008 |
| Mt Celia | P39/04899 - 4901 | 1 | 27-Mar-2009 |
| Mt Celia | P39/04935 | 1 | 9-Jan-2009 |
| Mt Celia | P39/04977 | 1 | 23-Jul-2009 |
| Mt Celia | P39/05028 | 1 | 1-Dec-2009 |
| Mt Celia | P39/05035 - 5036 | 1 | 24-Dec-2009 |
| Mt Howe | E39/01132 | 1 | 27-Oct-2006 |
| Mt Howe | E39/01182 | 1 | 16-Oct-2007 |
| Mt Howe | E39/01248 | 1 | 13-Aug-2007 |
| Mt Howe | E39/01317 | 1 | 16-Jun-2008 |
| Butchers Well | E39/01403 | 1 | 23-Jul-2009 |
| Butchers Well | E39/01409 | 1 | 23-Jul-2009 |
| Butchers Well | E39/01410 | 1 | 23-Jul-2009 |
| Yilgangi | E31/00721 | 1 | 23-Nov-2006 |
| Yilgangi | E31/00814 | 1 | 25-Nov-2008 |
| Yilgangi | E31/00958 - 959 | 1 | 18-Aug-2008 |
| Yilgangi | P31/01815 | 1 | 28-May-2008 |
| Yilgangi | P31/01832 - 1834 | 1 | 28-Aug-2008 |
| Desdemona Project | | | |
| Kookynie | E40/00195 | 1 | 20-Apr-2006 |
| Kookynie | E40/00293 | 1 | 4-May-2011 |
| Warburton Project | | | |
| Caesar Hill JV | E69/02253 | 2 | 19-Jul-2007 |
| Warburton | E69/02192 | 1 | 14-Apr-2008 |
| Bentley JV | E69/02578 | 2 | Pending |
| Bentley JV | E69/02656 | 2 | 3-Nov-2010 |
| Bentley JV | E69/02885 - 2886 | 2a | Pending |
| Wyloo Project | | | |
| Wyloo | E08/02078 | 1 | 2-Aug-2011 |
| Wyloo | E08/02228 | 1 | 19-Aug-2011 |
| Erols Project | | | |
| Erols | E57/00837 | 1 | Pending |
| Paddy Well Project | | | |
| Paddy Well | E09/01796 | 1 | 21-Apr-2011 |
| Wallarenya Project | | | |
| Wallarenya | E45/03809 | 1 | Pending |
| Wallarenya | E45/03833 | 1 | Pending |
| Leonora Project | | | |
| Leonora Project | P37/08042 | 1 | Pending |

1. Tenements 100% owned by Rubicon Resources Ltd
2. Tenements 100% owned by Rubicon Resources Limited, subject to joint venture
3. Tenements 100% owned by Rubicon Resources Limited, subject to joint venture - contested application
4. Tenements 100% owned by Heron Resources Limited or its subsidiaries; Rubicon Resources Limited has all non-nickel exploration and mining rights

Pursuant to the Listing Requirements of the Australian Stock Exchange Limited, the shareholder information set out below was applicable as at 5 October 2011.

A. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of shareholders by size of holding:

| DISTRIBUTION SHAREHOLDERS | NUMBER OF SHAREHOLDERS | NUMBER OF SHARES |
|---------------------------|------------------------|--------------------|
| 1 – 1,000 | 231 | 71,226 |
| 1,001 – 5,000 | 335 | 881,464 |
| 5,001 – 10,000 | 209 | 1,645,334 |
| 10,001 – 100,000 | 659 | 25,844,720 |
| More than 100,000 | 235 | 113,861,754 |
| Totals | 1,669 | 142,304,498 |

There were 1,020 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 |
| I Macpherson & Associates | 12,863,630 | 9.04% |
| I J Buchhorn and related entities | 8,859,777 | 6.22% |

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 |
| FATS PL (MACIB Super A/C) | 7,500,000 | 5.27% |
| FATS PL (MACIB FAM A/C) | 5,331,630 | 3.75% |
| Kurana Pty Ltd (Buchhorn Unit Fund) | 5,062,537 | 3.56% |
| CVRD Australia EA Pty Ltd | 4,000,000 | 2.81% |
| VALE Aust EA PL | 2,423,995 | 1.70% |
| Barker Bruce G&WA (Barker Retmnt Fund) | 2,405,753 | 1.69% |
| Sandhurst Ttees Ltd (JMFG Consol A/C) | 2,250,000 | 1.58% |
| Masen Properties Pty Ltd | 2,010,000 | 1.41% |
| Hazurn PL (Buchhorn S/F A/C) | 1,855,906 | 1.30% |
| PASO Holdings PL | 1,698,626 | 1.19% |
| Gregorach PL | 1,550,000 | 1.09% |
| Hopetoun Nom PL | 1,538,485 | 1.08% |
| Wise Daniel Paul (Ark Inv A/C) | 1,538,485 | 1.08% |
| National Nom PL | 1,526,951 | 1.07% |
| Citicorp Nom PL | 1,487,136 | 1.05% |
| Eaton Peter Charles & Teresa (Eaton S/F A/C) | 1,475,000 | 1.04% |
| Kavalex PL | 1,470,866 | 1.03% |
| Dupy Oliver R&JE (Enerjee S/F A/C) | 1,175,000 | .83% |
| Mizon Annette Sylvia (Bobbin S/F A/C) | 1,126,515 | .79% |
| Lawrence Crowe Cons PL (LCC S/F A/C) | 1,111,949 | .78% |
| | 48,538,834 | 34.10% |

D. UNQUOTED OPTIONS

| OPTIONS | NUMBER OF OPTIONS |
|--|-------------------|
| Unlisted options exercisable at 10 cents each by 31 October 2014 | 6,000,000 |
| Unlisted options exercisable at 15 cents each by 31 October 2014 | 1,500,000 |
| Unlisted options exercisable at 20 cents each by 31 October 2014 | 1,000,000 |
| Unlisted options exercisable at 14 cents each by 13 January 2014 | 2,600,000 |
| | 11,100,000 |

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.



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