



**ANNUAL
REPORT 2010**

ABN 38 115 857 988

CORPORATE DIRECTORY

Directors Ian Buchhorn - *Non-Executive Chairman*
 Peter Eaton - *Managing Director*
 Robert S Middlemas - *Non-Executive Director*

Company Secretary Robert S Middlemas

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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



ABOVE:
 Andrew Ford (Exploration Manager),
 Ian Buchhorn, Sam Middlemas
 and Peter Eaton

**Right: Figure 1 - Rubicon's
 Project Locations**

FIGURE 1

■ Rubicon Project
 GEOLOGICAL ERA
 Mesozoic to Cainozoic
 Palaeozoic (Mainly)
 Proterozoic (Mainly)
 Archaean



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CHAIRMAN'S LETTER



DEAR SHAREHOLDERS,

On behalf of the Board of Directors of Rubicon Resources Limited, it is with pleasure that I present the Company's Annual Report for 2010.

The 2010 year has remained a relatively difficult year for most junior exploration companies, with Rubicon and the sector in general affected by continued limits on capital access and downward pressure on market capitalisations.

During 2009, as a result of the global financial crisis, Rubicon restricted self funded exploration to preserve capital. In early 2010 Rubicon has resumed its focus on aggressive exploration of its 100% owned project leases, particularly at Celia, coupled with ongoing management of the Warburton Joint Venture project, where exploration is being funded by Brazilian multinational miner Vale S.A.

The Company retains four joint ventures at the Yindargooda Project with Integra Mining Ltd, St Barbara Ltd, Dominion Mining Ltd and Empire Resources Ltd. The Yindargooda joint ventures total \$7.9 million of potential exploration expenditure, with Rubicon having the option of retaining a 49% interest in most tenements. While joint venture activities were somewhat subdued through 2010, it is expected that this activity will increase going forward.

Following a successful capital raising in late 2009 of approximately \$1.0 million, Rubicon recommenced active exploration activities, principally on its flagship Celia project. Rubicon has continued to build on its ground position at Celia through direct tenement application or low-cost acquisitions and now holds some 1,200km² of tenure in this highly prospective Laverton Tectonic Zone gold belt. The exploration program, including first pass reconnaissance drilling is ongoing, but has already identified significant regolith gold anomalies at several prospects, where follow up programs are current. At Warburton, stratigraphic diamond and aircore drilling was undertaken, which has led to the proposed flying of a \$0.4 million electromagnetic survey over the Jackie Junction and Caesar Hill prospects in late 2010.

Rubicon has continued to review new project acquisition opportunities, both in Australia and in other low-risk countries, as well as corporate opportunities. Rubicon has strengthened its ability to undertake reviews overseas through the use of in-country consultancy groups. We remain confident that this strategy will be ultimately successful in the acquisition of a high quality project.

To expand its Western Australian project portfolio, Rubicon has aggressively monitored and applied for tenements of technical merit as they become available. This has allowed Rubicon to acquire the Wyloo and Bellary Springs CID iron projects and the Channar BIF iron project, the Errolls vanadium-iron-PGM project and the Paddy Well uranium occurrence (Bellary Springs and Channar are subject to competing applications). Rubicon remains in a sound financial position with sufficient cash reserves to fund ongoing exploration and acquisition activities through the 2011 financial year. Your Board remains convinced that the current strategy of systematic drill exploration in well mineralised belts will yield the best opportunity for success, either by Rubicon solely or through its joint venture partners. Additionally, the industry knowledge of the Board facilitates potential success through acquisition.

I would like to acknowledge the contribution of my predecessor, Mr John Shipp, and thank him for his input over the last three years.

I would also like to thank the Shareholders for their continued patience and ongoing support of the Company during difficult times. You can be assured that the Board and Management are totally committed to the ultimate success of the Company.

Ian Buchhorn
Chairman

" RUBICON remains committed to creating shareholder returns through successful exploration..."



ABOVE: Peter Eaton at the historic Jackie Junction at the Warburton Project

RIGHT: Diamond drilling at the Lilian Prospect, Warburton

OPERATIONAL OVERVIEW

Rubicon remains committed to creating shareholder returns through successful exploration on our existing projects or through the exploration and development of new opportunities. Rubicon's strategy remains to test targets or acquire projects that we believe have the capacity to become profitable mining operations.

Rubicon is a mineral exploration company, currently focussed on gold and copper exploration in Western Australia. Rubicon controls some 5,500km² of prospective tenements in Western Australia (Figure 1).

Rubicon's project portfolio consists of large contiguous areas within highly mineralised provinces. Rubicon's major project areas of activity are:

- The **Celia** project in the southern Laverton Tectonic Zone, where Rubicon has accumulated 1,200km² of tenure around existing gold operations and is actively exploring for gold and iron.
- The **Yindarlgooda** gold and base metal project located east of Kalgoorlie where Rubicon has tenements in its own right and four separate joint venture agreements with companies earning an interest in Rubicon tenure by the potential expenditure of up to \$7.9 million.
- The **Warburton** project in the Western Musgrave Province, where Rubicon is managing exploration for copper and nickel on behalf of a joint venture with major shareholder Vale S.A, where Vale is earning an interest.

- Emerging interests in iron projects at **Wyloo**, **Channar** and **Bellary Springs**, iron-vanadium-PGMs at **Errols** and uranium at **Paddy Well** (Figure 1). All of these tenements (some under competitive applications) have been acquired through aggressive tenement monitoring activities.

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

- Aggressive drilling of first order targets on Rubicon's 100% owned projects, currently focussed on Celia.
- Continued acquisition of quality exploration tenure adjacent to existing Rubicon projects.
- Continued review of alternate funding arrangements where appropriate, which has resulted in approximately \$11.0 million in potential joint venture expenditure by current contributing partners.
- Aggressive monitoring program for new tenement acquisitions in Western Australia recently put in place, which has already resulted in the acquisition of new projects.
- Ongoing high commitment to monitoring and review of other projects/corporate opportunities in both Australia and in low-risk countries overseas. Technical agreements have been entered into with international consultancies to aid in this process.

REVIEW OF OPERATIONS



Rubicon's exploration programs during the year have comprised:

- Continued tenement acquisition, open file data compilation, aeromagnetic data purchase and interpretation, soil sampling, iron ore rock chip sampling, targeting and a 407-hole initial reconnaissance rotary airblast (RAB) and aircore drill program of approximately 18,000 metres at Celia.
- Strong drill results for planned follow up drilling at Celia include 10m @ 1.85g/t gold at Safari North and 7m @ 0.85g/t gold at Red October Extended, along with new first order targets as additional tenements are granted.
- A comprehensive rock chip sampling program on highly magnetic banded iron formations (BIFs) at Celia indicating significant iron grades averaging 31% in an area with established transport infrastructure.
- Two stratigraphic diamond holes were completed at Warburton, which were 50% funded under the Western Australian Co-funding Government-Industry Drilling Program. A 62-hole aircore drill program was also completed.
- Altered mafic intrusive was identified at the Jackie Junction prospect at Warburton and is considered prospective for copper-nickel-platinum group metals (PGM). This prospect, along with the Caesar Hill prospect, is to be tested by an airborne Electromagnetic (EM) survey in late 2010.
- Significant exploration activities, including drilling, by contributing joint venture partners on the Yindarlgooda joint ventures.

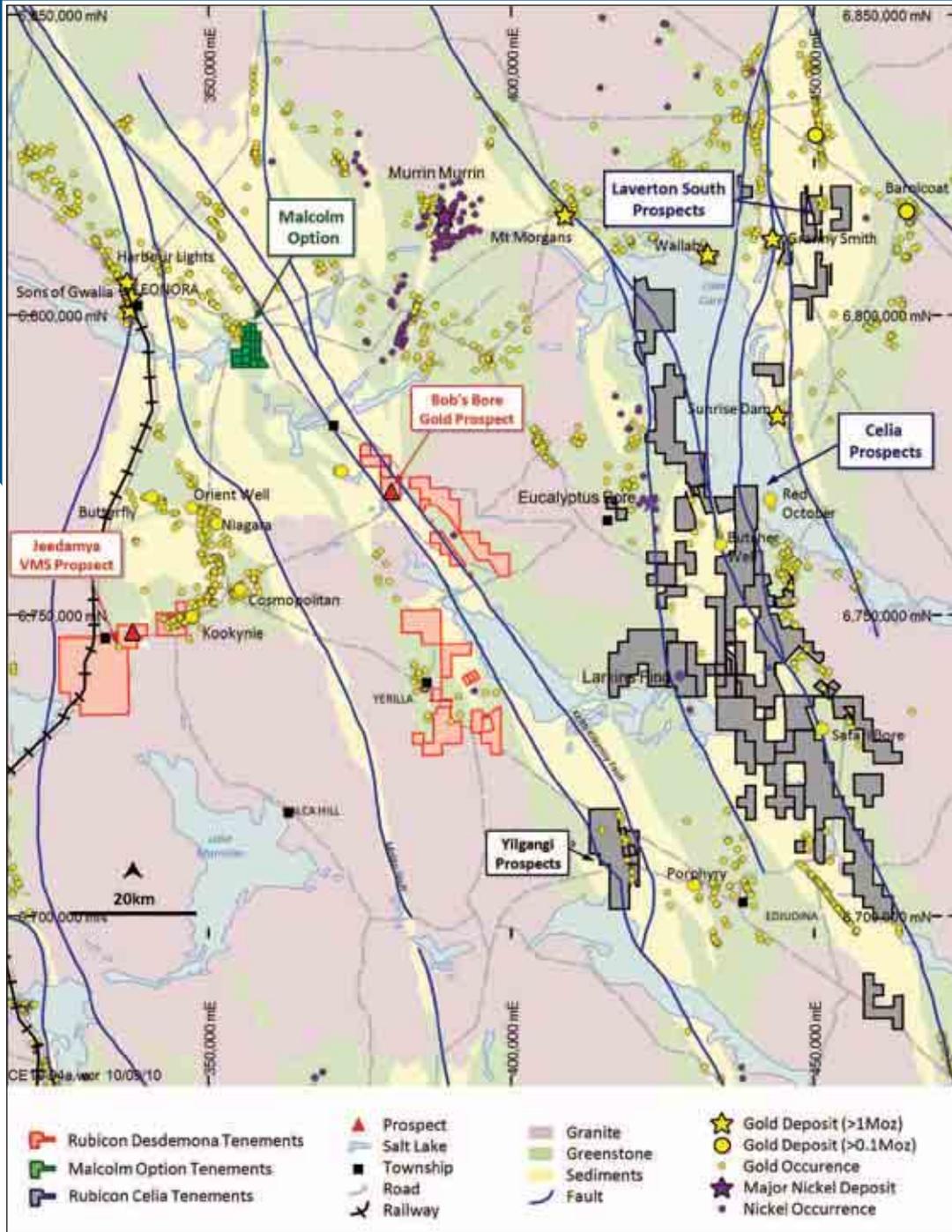
Rubicon's exploration expenditure comprised \$2.14 million, including \$0.82 million in joint venture contributions from Vale. The majority of this expenditure was incurred in the second half (\$1.40 million) as exploration programs were accelerated following the improving world outlook for commodities, notably gold, copper and iron.

CORPORATE OVERVIEW

Rubicon listed on 2 February 2007 and has maintained a relatively tight capital structure with 94.80 million shares on issue and 9.10 million unlisted options as at the date of this report. As at 30 June 2010, the Company retained \$2.4 million cash, net of creditors and joint venture contributions.

In November 2009, Rubicon raised \$0.96 million in a Share Purchase Plan through the issue of 14,554,598 shares at a price of 6.6 cents. The additional funds have been applied to accelerate exploration programs at Celia and for the identification and acquisition of new project opportunities.

FIGURE 2



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

RIGHT: BIF outcrop at Gap Bore, Celia Project



REVIEW OF OPERATIONS

CONTINUED...



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 mineralisation and includes Rubicon's Larkins Find lateritic nickel deposit with an inferred resource of 5.2 million tonne 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 on the Celia project to date has comprised the acquisition and interpretation of detailed multiclient, government and open file aeromagnetic, gravity and geology data, a detailed review of previous exploration and consolidation of all drilling and surface sampling data into a database, rock chip sampling of gold and iron ore targets, soil sampling, target definition, a heritage survey and a first pass 407 hole reconnaissance RAB and aircore drill program on gold targets.

Gold Exploration

During the year, compilation of all available geoscientific and exploration information resulted in the identification of numerous under-drilled gold targets. Fourteen of these targets were ranked as high priority, with the potential to host mineralisation of similar style to the Red October, Safari Bore, Butcher Well, Sunrise Dam and Wallaby gold mines located adjacent to Rubicon's tenements (Figure 2).

An initial reconnaissance drill program comprising 407 holes for 18,140 metres was completed to test higher priority gold targets on granted leases. Drilling was undertaken at the Gap Bore, Choir Boy, Safari North, Red October Extended, Camelback, Butcher Well South, Butcher Well South East and Sandy King prospects, as well as a significant program over prospects at Yilgangi (Figures 2 & 3). Results considered worthy of follow up drilling are presented in Table 1.

At the Safari North prospect, RCAC063 returned a result of 10m @ 1.85g/t gold. This intersection occurs in an intermediate volcanic with quartz veining. The prospect is open to the south, where weak gold anomalism was recorded on the next line of drilling some 1.6km away (Figure 3).

An intercept of 7m @ 0.85g/t gold in RCAC0106 at the Red October Extended prospect extends a gold anomalous trend intersected in historic drilling that is associated with mineralisation at a granite/felsic volcanic contact. Drilling on the Gap Bore prospects focussed on testing mainly BIF-hosted gold targets, which were either conceptual targets or were identified in rock chip sampling. While drilling on the BIFs did not produce many significant intercepts, a result of 1m @ 6.71g/t gold (Figure 3) is adjacent to a major structure and is open in most directions. At the Choir Boy prospect, an intercept of 3m @ 2.85g/t gold is located directly along strike from historic gold mineralisation. Follow up drilling of these results, drilling of current targets on tenements not yet granted and drilling of new prospect areas will continue in 2010.

Iron Ore Exploration

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).

A program of rock chip sampling over the BIF units identified from aeromagnetics has been completed to test the potential of the project to host economic magnetite mineralisation. Approximately 250 samples have been collected along traverses at nominal 800m spacing where suitable BIF outcrops or where more subdued outcrop may represent a hematite source for the iron.

Average grades of the 250 samples (at a 25% Fe lower cut) are 31.2% iron, 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. Contiguous samples have been compiled into 152 composites with sampled (outcrop) widths ranging between 0.5 and 26.0 metres.

TABLE 1

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	0	3	3	0.34
					20	24	4	0.74
Choir Boy	RCRB072	RAB	6736170	434569	44	47	3	2.85
					including 44	45	1	7.76
Safari North	RCAC0063	Aircore	6746090	443614	21	31	10	1.85
	RCAC0083	Aircore	6750100	442503	50	58	8	0.21
Red October Extended	RCAC0106	Aircore	6765708	439401	39	46	7	0.85
Butcher Well Southeast	RCAC0129	RAB	6760277	439791	48	59	11	0.34

ABOVE: Table 1 Celia Project - Significant Gold Intersections

RIGHT: Figure 3 - Celia Project - RAB/Aircore Drill Locations and Results

FAR RIGHT: Aircore drilling at Yilgangi, Celia Project

FAR RIGHT: Figure 4 Yindarlgooda Project Geology, Tenements and Prospects

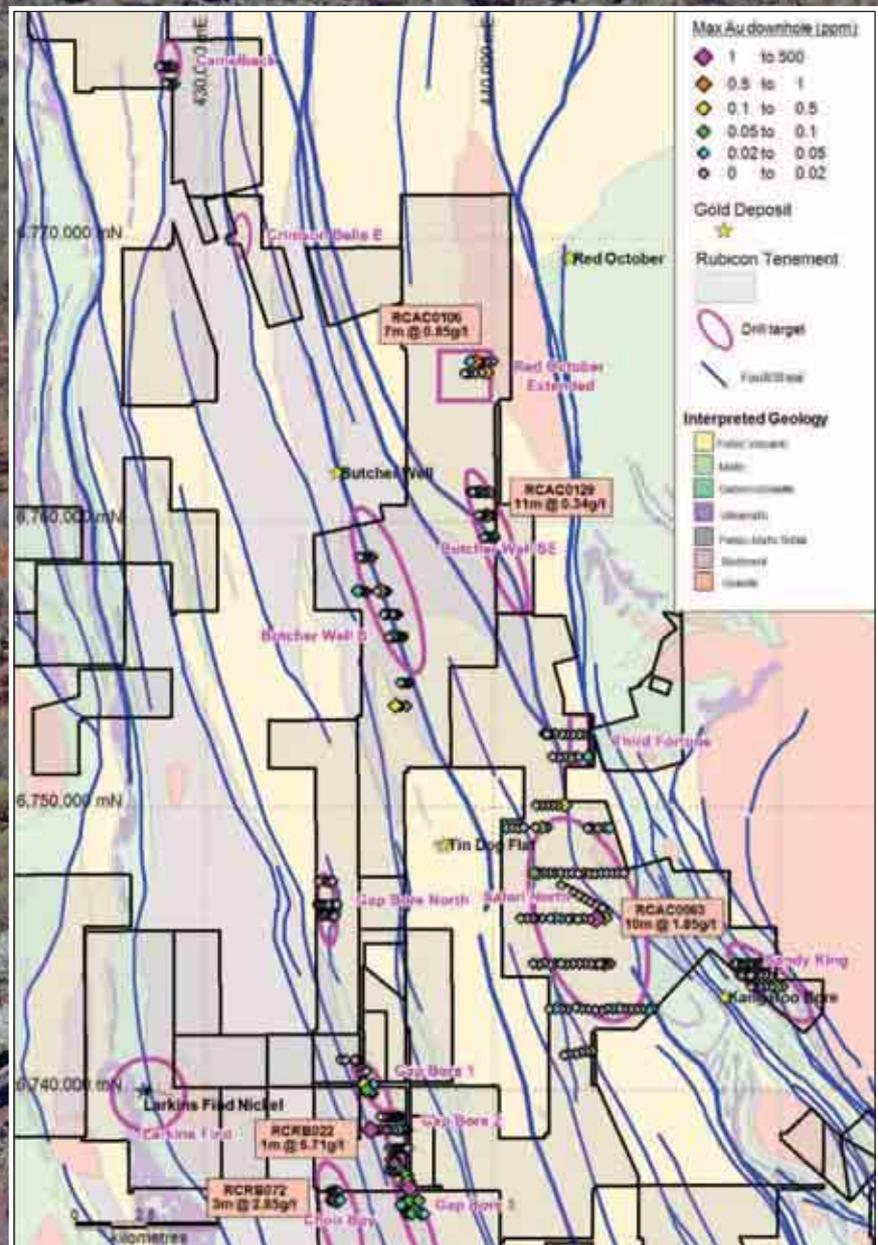


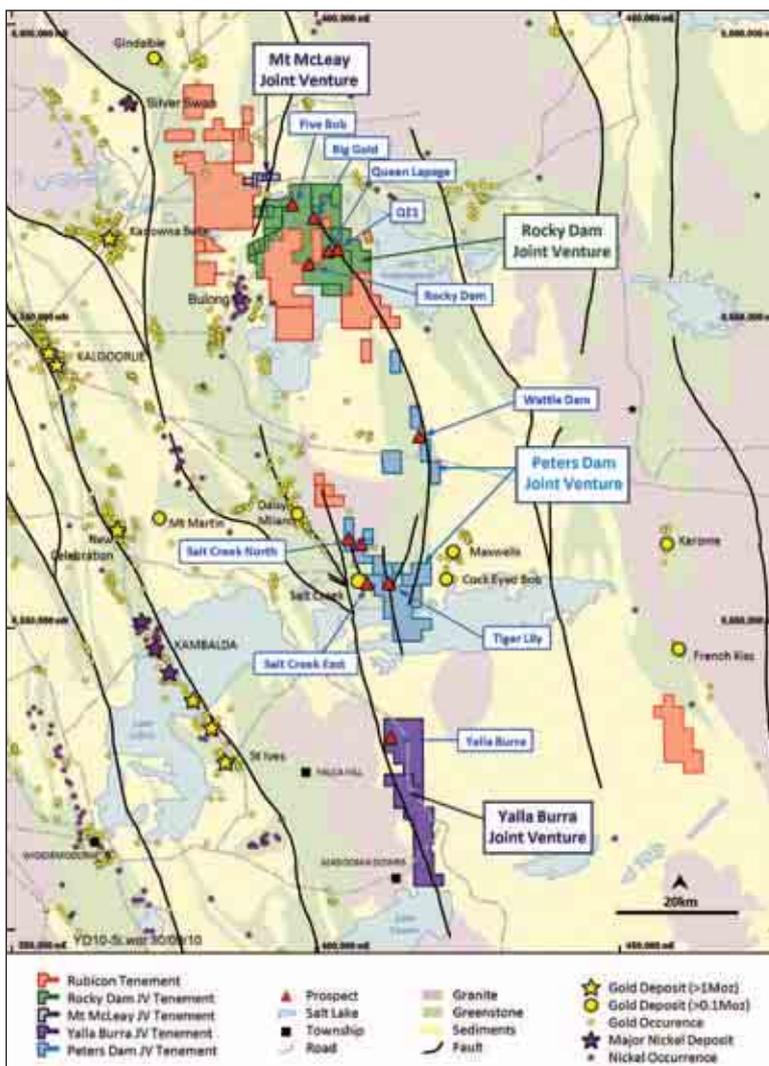
FIGURE 3

REVIEW OF OPERATIONS

CONTINUED...



FIGURE 4



YINDARLGOODA PROJECT

The Yindarlgooda Project comprises over 1,000km² of tenure centred 55km east of Kalgoorlie (Figure 4). The project area contains gold, VMS base metals and iron occurrences. Known gold mineralisation within Rubicon tenure occurs at the Queen Lapage and QE1 prospects and Rubicon tenements are located adjacent to the recently-discovered 400,000 ounce Salt Creek gold deposit.

Rubicon has entered into four separate joint ventures with Integra Mining Limited, St Barbara Limited, Dominion Mining Limited and Empire Resources Limited with collective potential earn-in commitments of \$7.9 million. Rubicon also retains significant tenure in its own right.

During the year, all of Rubicon's JV partners were actively exploring the Yindarlgooda project. In addition, a number of new tenements were acquired by Rubicon (Figure 4).

Rocky Dam Joint Venture (St Barbara Ltd earning 51% or 70% (at Rubicon's election))

The Rocky Dam Joint Venture covers approximately 190km² of Rubicon tenements at the northern end of the Yindarlgooda project (Figure 4), including the Queen Lapage and QE1 gold deposits and the Rocky Dam base metal prospects. The joint venture commenced in September 2008. St Barbara may earn a 51% interest through expenditure of \$2.5 million over three years and at Rubicon's election, may then earn an additional 19% by the additional expenditure of \$1.5 million over two further years.

St Barbara completed a 169 hole RAB/aircore drill program for 10,412 metres, testing the Five Bob and Big Gold prospect targets (Figure 5).

At the Five Bob prospect, drilling intersected gold mineralised paleochannel material associated with the Lake Penny system over approximately 2.4km, with best results of 4m @ 1.73g/t, 5m @ 1.50g/t and 1m @ 3.55g/t gold. Some weak bedrock gold anomalism was also recorded.

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, over approximately 200km² of Rubicon tenements at the southern end of the Yindarlgooda project adjacent to Integra's Salt Creek gold deposit (Figure 4).



Aircore drilling at Lilian Prospect, Warburton Project

REVIEW OF OPERATIONS

CONTINUED...



YINDARLGOODA PROJECT (CONTINUED)

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. Integra is developing a significant gold mining operation focused around Salt Creek and any exploration success in the discovery of a commercial deposit by Integra on Rubicon's tenements could expose Rubicon to the potential for early mining without a major capital outlay.

Integra undertook field mapping and rock chip sampling over the prospective Salt Creek Dolerite to the east of the Salt Creek deposit, identifying a zone of increased structural disruption coincident with increased silica and carbonate alteration, located immediately north of Rubicon's Tiger Lily prospect (Figure 4). A 136-hole 4,740 metre reconnaissance RAB programme on a nominal 320 x 80 metre grid was completed over the zone of structural dislocation and alteration. Best results of 4m @ 0.5g/t gold were recorded.

Integra also undertook a 6 hole reverse circulation (RC) drilling program at the Salt Creek North prospect to follow up regolith anomalies identified in previous drilling, including 28m @ 0.53g/t and 16m @ 0.73g/t gold. Another 5 RC holes were drilled to test the RAB anomalism discussed above north of the Tiger Lily prospect. Results are awaited for this drilling.

Yalla Burra Joint Venture (Dominion Mining Ltd earning 70%)

In June 2009, Rubicon entered into a joint venture agreement with Quadrio Resources Ltd, a wholly owned subsidiary of Dominion Mining Limited (Dominion), on the Yalla Burra sub-project tenements (Figure 4).

Under the terms of the agreement, Dominion has the right to earn a 70% interest in the tenements by the expenditure of \$0.6 million over a four year period.

During the year, Dominion completed a comprehensive auger sampling programme over the tenements. Several discrete gold anomalous zones coincident with the Kanowna Shear Zone and the Salt Creek Fault were tested by a reconnaissance RAB drill program consisting of 62 holes for 2,072 metres. A best result of 9m @ 0.08g/t gold, supported by lower order results, was recorded coincident with the Kanowna Shear Zone.

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

Rubicon entered into the Mt McLeay Joint Venture in October 2008 with Bluestar Resources Ltd, covering Rubicon tenements to the northwest of the Rocky Dam tenements (Figure 4). During the year, Bluestar transferred its interest in the joint venture to Empire Resources Limited, which owns the adjacent Penny's Find gold deposit. Under the terms of the joint venture, Empire must spend \$0.3 million within 30 months to earn a 51% interest in the tenements. At Rubicon's election, Empire may earn an additional 19% by expenditure of an additional \$0.5 million over a further two years.

Two lines of reconnaissance RAB drilling (34 holes for 1,418 metres) were completed and three RC drill holes for 384 metres tested under existing RAB drilling anomalies, with one hole testing a coincident copper and magnetic anomaly. A best result of 1m @ 1.25g/t gold in the RC drilling was recorded.

DESDEMONA PROJECT

The Desdemona Project now comprises leases over the Jeedamya volcanogenic massive sulphide (VMS) prospect and along the Keith-Kilkenny Fault Zone and the Malcolm tenements under option to St Barbara Ltd. (Figure 2). Following a comprehensive data review, other tenements lacking drill targets were relinquished during the year.

At the Jeedamya Prospect, Rubicon conducted new geophysical modelling of electromagnetic (EM) and ground magnetic data, which indicated that the interpreted conductors (which may indicate the presence of sulphide hosted mineralisation) had not been adequately tested by previous drilling. This new interpretation combined with the previously recognised alteration and base metal anomalism is very encouraging and deeper drilling into this anomalous system will be undertaken in late 2010.

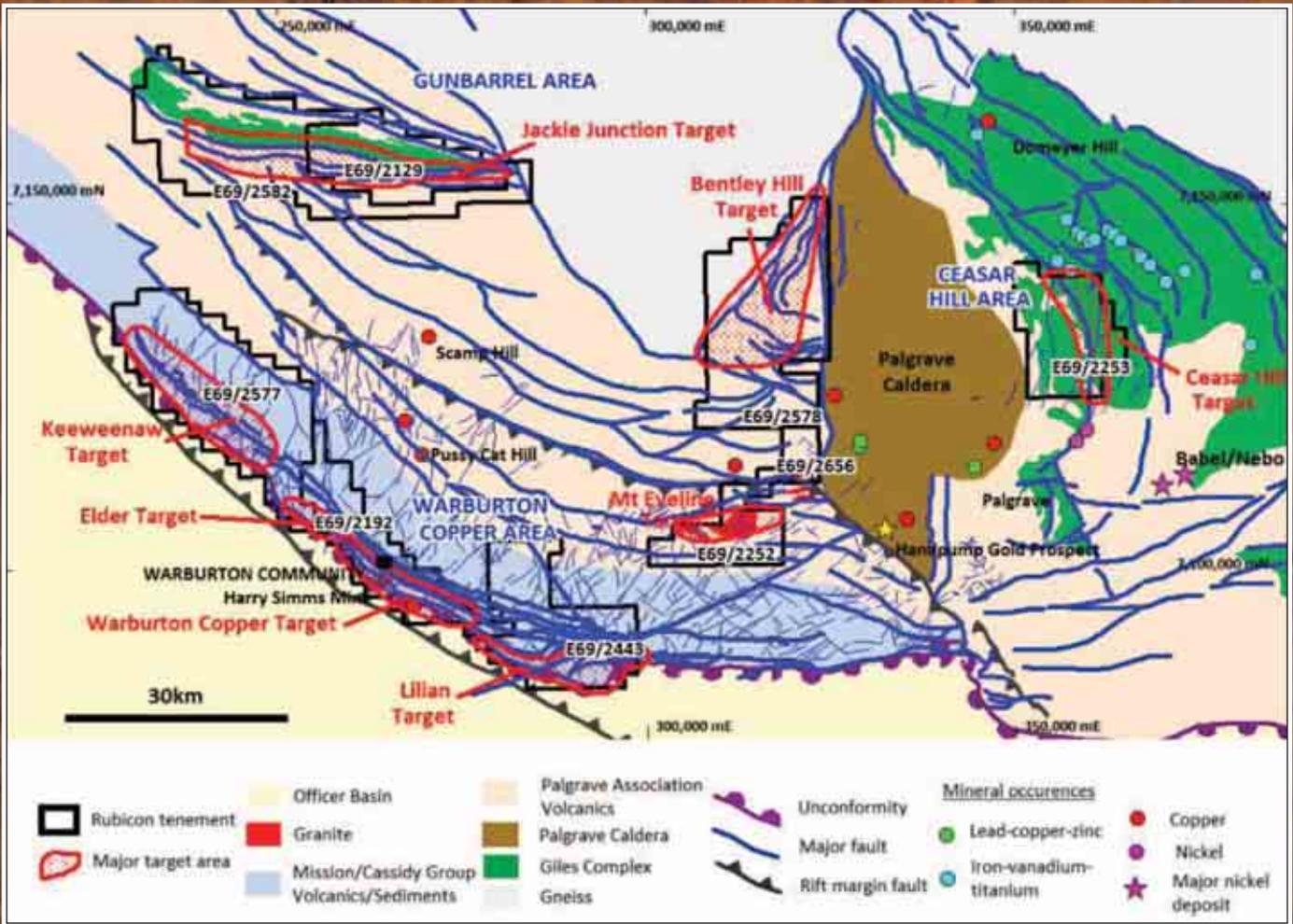


FIGURE 5

TOP: Aircore Samples, Lillian Prospect, Warburton Project

Figure 5 – Warburton Project Location, Tenements, Geology & Targets

REVIEW OF OPERATIONS

CONTINUED...

WARBURTON PROJECT

The Warburton Project comprises approximately 2,700km² of exploration licences within the western Musgrave Province (Figure 5). Rubicon is managing exploration on the project, which has potential for the discovery of world class 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) under an Evaluation and Farm-in Agreement with major Rubicon shareholder; Vale S.A. (Vale).

Vale is currently spending \$3 million over a three year period on exploration and potential development. Upon spending \$3 million, Vale may exercise an option to enter into an Exploration Joint Venture Agreement with Rubicon, thereby earning 51% of the project. Vale may proceed to a 70% interest in the project by sole funding exploration and development studies up to the commencement of a Bankable Feasibility Study (BFS) and an additional 5% interest by sole funding the BFS. Rubicon is managing the exploration program on behalf of the joint venture.

During the year, Rubicon completed an aircore and diamond drilling program at Warburton. Drilling consisted of a 400 metre diamond hole at each of the Lilian and Keeweenaw prospects and aircore drilling (65 holes for 2,110 metres) at the Lilian, Keeweenaw, Jackie Junction and Elder prospects (Figure 5). The diamond drilling and the previous year's RC drilling program were 50% funded by the Western Australian Co-funding Government-Industry Drilling Program. Drilling completed was essentially stratigraphic in nature to test for appropriate geological environments to host sedimentary copper mineralisation under recent cover. The drilling at Lilian, Keeweenaw and Elder intersected hematite altered conglomerates, sandstones, siltstones and mafic volcanics but there was no evidence of the interpreted reduced sediments favourable for copper mineralisation and no mineralisation was recorded.

The drilling at the Jackie Junction Prospect, located to the north of Warburton, was targeting a significant magnetic unit located under sand cover which is interpreted from magnetics and gravity as Giles Complex equivalent (Figures 5) with potential for copper, nickel and PGE mineralisation. This mineralisation style is analogous to the Babel and Nebo copper-nickel deposits located approximately 80km to the southeast of Jackie Junction.

Aircore drilling (38 holes) tested across the magnetic feature to define lithology and geochemical indicators. Although the geology is complex, with drilling intersecting a range of lithologies, visual inspection shows that many of the holes intersected an intrusive mafic unit, often associated with significant pyrite.

Based on this encouraging result, the joint venture partners consider that the mafic units intersected at Jackie Junction warrant aggressive follow up for copper-nickel-PGM mineralisation. A contract to fly a VTEM (Versatile Time Domain Electromagnetic) survey over the prospect area has therefore been entered into. The survey will cover an area of over 200km², where the recent drilling has verified mafic intrusive rocks and shallow cover conditions.

At the same time, the eastern part of the Caesar Hill Target (Figure 5) will also be tested with airborne VTEM. The Caesar Hill target area contains known basal Giles Complex rocks and has had no on-ground exploration by Rubicon to date. The surveys have heritage approval and will be undertaken in October 2010.



ABOVE: Warburton Landscape

WYLOO CHANNEL IRON PROJECT

Rubicon applied for E08/2078, located 30km northwest of the Paulsens Gold deposit and 200km south of Dampier in the western Pilbara district of Western Australia. Exploration is targeting Channel Iron Deposits (CIDs) located along the western margin of the Hamersley Province. Significant CID deposits such as 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 are interpreted to occur under recent alluvial drainages on E08/2078.

Rubicon has 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

At the **Errolls** project, Rubicon has applied for an exploration licence immediately northwest of the Barrambie vanadium deposit, located 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 detailed exploration follow-up.

Tenements prospective for iron have also been applied for at the **Channar** (outcropping Brockman Iron Formation) and **Bellary Springs** (known CID prospects) projects, located to the south of Tom Price in the Pilbara district of Western Australia. Both tenements have competing applications.

The **Bencubbin** and **Canobie** projects were relinquished during the year and there was limited work undertaken at **Erlistoun**.

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

FOR THE PERIOD ENDED JUNE 30 2010

The concise financial report is an extract from the full financial report of Rubicon Resources Limited for the year ended 30 June 2010. 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.

DIRECTORS' REPORT

The Directors present their report on Rubicon Resources Limited for the year ended 30 June 2010.

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 Buchhorn – *B.Sc (Hons), Dipl. Geosci (Min. Econ), MAusIMM*

Non Executive Chairman

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 Strategy. Mr Buchhorn previously worked with a number of international mining companies and has worked on nickel, bauxite and industrial mineral mining and exploration, gold and base metal project generation and corporate evaluations. For the last 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).

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.

Sam Middlemas – *B.Com. CA. Grad. Dip. Acc.*

Non Executive Director and Company Secretary

Appointed 1 February 2010

Mr Middlemas is a chartered accountant with more than 15 years experience in various financial 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 company 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. Mr Middlemas was appointed Company Secretary and Chief Financial Officer on 17 July 2006, and appointed as a Non Executive Director on 1 February 2010.

Mr John Shipp resigned as Non Executive Chairman of the Board on 1 February 2010.

PRINCIPAL ACTIVITIES

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

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

RESULTS OF OPERATIONS

The net loss after income tax for the financial year was \$2,622,297 (2009: \$3,139,630).

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

Rubicon is a mineral exploration company, currently focussed on gold and copper exploration in Western Australia. Rubicon controls some 5,300km² of prospective tenements in Western Australia.

Rubicon's project portfolio consists of large contiguous areas within highly mineralised provinces. Rubicon's major project areas of activity are:

- The Celia project in the southern Laverton Tectonic Zone, where Rubicon has accumulated 1,200km² of tenure around existing gold operations and is actively exploring for gold and iron.
- The Yindarlgooda gold and base metal project located east of Kalgoorlie where Rubicon has tenements in its own right and four separate joint venture agreements with companies earning an interest in Rubicon tenure by the potential expenditure of up to \$7.9 million.
- The Warburton project in the Western Musgrave Province, where Rubicon is managing exploration for copper and nickel on behalf of a joint venture with major shareholder Vale S.A, where Vale is earning an interest.
- Emerging interests in iron projects at Wyloo, Channar and Bellary Springs, iron-vanadium-PGMs at Errolls and uranium at Paddy Well. All of these tenements (some under competitive applications) have been acquired through aggressive tenement monitoring activities.

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

- Aggressive drilling of first order targets on Rubicon's 100% owned projects, currently focussed on Celia.
- Continued acquisition of quality exploration tenure adjacent to existing Rubicon projects.
- Continued review of alternate funding arrangements where appropriate, which has resulted in approximately \$11.0 million in potential joint venture expenditure by current contributing partners.
- Aggressive monitoring program for new tenement acquisitions in Western Australia recently put in place, which has already resulted in the acquisition of new projects.
- Ongoing high commitment to monitoring and review of other projects/corporate opportunities in both Australia and in low-risk countries overseas. Technical agreements have been entered into with international consultancies to aid in this process.

Rubicon's exploration programs during the year have comprised:

- Continued tenement acquisition, open file data compilation, aeromagnetic data purchase and interpretation, soil sampling, iron ore rock chip sampling, targeting and a 407-hole initial reconnaissance rotary airblast (RAB) and aircore drill program of approximately 18,000 metres at Celia.
- Strong drill results for planned follow up drilling at Celia include 10m @ 1.85g/t gold at Safari North and 7m @ 0.85g/t gold at Red October Extended, along with new first order targets as additional tenements are granted.
- A comprehensive rock chip sampling program on highly magnetic banded iron formations (BIFs) at Celia indicating significant iron grades averaging 31% in an area with established transport infrastructure.
- Two stratigraphic diamond holes were completed at Warburton, which were 50% funded under the Western Australian Co-funding Government-Industry Drilling Program. A 62-hole aircore drill program was also completed.
- Altered mafic intrusive was identified at the Jackie Junction prospect at Warburton and is considered prospective for copper-nickel-platinum group metals (PGM). This prospect, along with the Caesar Hill prospect, is to be tested by an airborne Electromagnetic (EM) survey in late 2010.
- Significant exploration activities, including drilling, by contributing joint venture partners on the Yindarlgooda joint ventures.

Rubicon's exploration expenditure comprised \$2.14 million, including \$0.82 million in joint venture contributions from Vale. The majority of this expenditure was incurred in the second half (\$1.40 million) as exploration programs were accelerated following the improving world outlook for commodities, notably gold, copper and iron.

DIRECTORS' REPORT

CONTINUED...

CORPORATE AND FINANCIAL POSITION

As at 30 June 2010 the Company had cash reserves of \$2.6 million.

BUSINESS STRATEGIES AND PROSPECTS

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

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

RISK MANAGEMENT

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

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

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

EMPLOYEES

The Company has 8 employees as at 30 June 2010 (2009: 5 employees).

EARNINGS/LOSS PER SHARE

	2010 CENTS	2009 CENTS
Basic loss per share	(2.94)	(3.92)
Diluted loss per share	(2.94)	(3.92)

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 there were no options issued to Directors.

During the financial year the Company granted the following unlisted options over unissued ordinary shares to the following Key Management Personnel and other employees. All employee 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
Other Employees	2,600,000	14 cents each	2.89 cents	\$75,140	13 January 2014

Since 30 June 2010 and up until the date of this report there have been no further options issued.

Unlisted Options

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
2,600,000	14 cents each	13 January 2014
2,900,000	25 cents each	7 November 2010
1,000,000	25 cents each	31 December 2011
1,300,000	30 cents each	7 November 2010
1,300,000	40 cents each	7 November 2010

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

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

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

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

CORPORATE STRUCTURE

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

EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen 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.

DIRECTORS' REPORT

CONTINUED...

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 Buchhorn	<i>Non-Executive Chairman</i> Appointed on 19 August 2005	6,976,064	250,000
Peter Eaton	<i>Managing Director</i> Appointed on 3 July 2006	1,100,000	4,000,000
Sam Middlemas	<i>Non-Executive Director</i> Appointed on 1 February 2010	881,368	1,000,000

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:

BOARD OF DIRECTORS' MEETINGS		
DIRECTOR	MEETINGS ATTENDED	MEETINGS HELD WHILE A DIRECTOR
I Buchhorn	11	11
P Eaton	11	11
S Middlemas	5	5
J Shipp	6	6

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.

Overview of Remuneration Policy

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

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

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



All remuneration paid to Directors is valued at cost to the Company and expensed. Options are valued using 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.

DIRECTORS' REPORT

CONTINUED...

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:

	PRIMARY		POST EMPLOYMENT	EQUITY COMPENSATION	
	BASE SALARY/ FEES	MOTOR VEHICLE/ BONUS	SUPERANNUATION CONTRIBUTIONS	OPTIONS	TOTAL
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 (i)	10,000	-	-	-	10,000
J Shipp – Retired Chairman (ii)	16,098	-	35,246	-	51,344
EXECUTIVES					
S Middlemas (i) Company Secretary	57,882	-	-	28,900	86,782
A Ford – Exploration Manager (iii)	109,154	-	9,824	28,900	147,878
K Cassidy – Exploration Manager (iv)	107,284	-	4,236	-	111,520
2008/2009					
DIRECTORS					
J Shipp – Chairman	-	-	63,358	-	63,358
P Eaton – Managing Director	189,118	9,346	55,754	-	254,218
I Buchhorn – Non-Executive	-	-	35,000	-	35,000
EXECUTIVES					
S Middlemas (i) Company Secretary	51,477	-	-	-	51,477
K Cassidy – Exploration Manager	174,561	17,500	15,710	-	207,771

(i) Mr Middlemas was appointed a Non executive director on 1 February 2010 – all fees as a director and company secretary were paid to Sparkling Investments Pty Ltd.

(ii) Mr Shipp retired as Chairman on 1 February 2010

(iii) Mr Ford was appointed Exploration Manager on 23 November 2009

(iv) 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 2010.

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.

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
Sam Middlemas	1,000,000	13 Jan 2010	13 Jan 2010	0.029	0.14	13 Jan 2014
Andrew Ford	1,000,000	13 Jan 2010	13 Jan 2010	0.029	0.14	13 Jan 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 29th day of September 2010.

Signed in accordance with a resolution of the Directors.



P Eaton
Managing Director

AUDITORS' INDEPENDENCE DECLARATION

Chartered
Accountants



As lead auditor for the audit of Rubicon Resources Limited for the year ended 30 June 2010, 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: 29 September 2010

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Directors:

Colin Butler
FCA

Paul Chabrel
FCA

Lucy Gardner
CA

Butler Settineri (Audit) Pty Ltd

A.C.N. 112 942 373

Registered Company Auditor Number 289109

Liability limited by a scheme approved under Professional Standards Legislation

www.butlersettineri.com.au

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2010

THE COMPANY

	2010 \$	2009 \$
Other income	132,892	297,421
Employee expenses	828,128	962,365
Non-Executive Directors' fees	110,040	98,671
Insurance expenses	22,470	27,991
Company Secretarial fees	57,882	51,477
Corporate expenses	70,122	89,021
Depreciation	56,523	60,149
Rent	101,764	87,953
Recruitment	42,087	180
Employee costs recharged to capitalised exploration	(753,003)	(852,336)
Expense of share-based payments	75,140	3,190
Exploration Written off	2,039,920	2,805,348
Other expenses	104,116	103,042
Loss before income tax	2,622,297	3,139,630
Income tax	-	-
Net loss attributable to members of the Company	2,622,297	3,139,630
Other Comprehensive Loss net of tax	-	-
Total Comprehensive Loss	2,622,297	3,139,630
Basic earnings/(loss) per share (cents per share)	(2.94) cents	(3.92) cents
Diluted earnings/(loss) per share (cents per share)	(2.94) cents	(3.92) cents

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

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$	2009 \$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2,640,356	3,294,255
Other receivables	25,399	6,785
Other assets	19,883	14,768
TOTAL CURRENT ASSETS	2,685,638	3,315,808
NON-CURRENT ASSETS		
Plant and equipment and motor vehicles	59,421	105,757
Capitalised mineral exploration expenditure	3,479,375	4,202,256
TOTAL NON-CURRENT ASSETS	3,538,796	4,308,013
TOTAL ASSETS	6,224,434	7,623,821
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	292,278	129,264
Provisions	98,114	86,458
TOTAL CURRENT LIABILITIES	390,392	215,722
TOTAL LIABILITIES	390,392	215,722
NET ASSETS	5,834,042	7,408,099
EQUITY		
Contributed equity	12,841,596	11,868,496
Share Option Reserve	439,490	364,350
Accumulated losses	(7,447,044)	(4,824,747)
TOTAL EQUITY	5,834,042	7,408,099

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 2010

	CONTRIBUTED EQUITY	SHARE BASED PAYMENT RESERVE	LOSSES	TOTAL
BALANCE AT 1 JULY 2008	11,868,496	361,160	(1,685,117)	10,544,539
TOTAL COMPREHENSIVE LOSS	-	-	(3,139,630)	(3,139,630)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS				
Directors and Employees options	-	3,190	-	3,190
BALANCE AT 30 JUNE 2009	11,868,496	364,350	(4,824,747)	7,408,099
TOTAL COMPREHENSIVE LOSS	-	-	(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

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

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 30 JUNE 2010

	2010 \$	2009 \$
Cash flows from operating activities		
Interest received	132,892	247,421
Payments to suppliers and employees (inclusive of goods and services tax)	(613,650)	(555,609)
Net cash used in operating activities	(480,758)	(308,188)
Cash flows from investing activities		
Payments for exploration and evaluation	(1,947,416)	(2,452,637)
Funds received from sale of exploration tenement	-	50,000
Funds received from joint venture partners	823,862	409,604
Payments for plant and equipment and motor vehicles	(10,187)	(1,262)
Net cash used in investing activities	(1,133,741)	(1,994,295)
Cash flows from financing activities		
Proceeds from the issue of shares	960,600	-
Net cash provided by financing activities	960,600	-
Net decrease in cash held	(653,899)	(2,302,483)
Cash at the beginning of the financial year	3,294,255	5,596,738
Cash at the end of the financial year	2,640,356	3,294,255

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 2010

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 2010 as set out on pages 14 to 27 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 2010. 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

29 September 2010

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 2010, the statements of comprehensive income, changes in equity and 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 2010. 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 2010. Our audit report on the financial report for the year was signed on 29 September 2010 and was not subject to any modification. The Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

Independence

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

Butler Settineri (Audit) Pty Ltd

A.C.N. 112 942 373

Registered Company Auditor Number 289109

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Paul Chabrel
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Lucy Gardner
CA

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INDEPENDENT AUDIT REPORT

CONTINUED...

Auditor's Opinion

In our opinion, the concise financial report of Rubicon Resources Limited for the year ended 30 June 2010 complies with Australian Accounting Standard AASB 1039: Concise Financial Reports.

Report on the Remuneration Report

We have audited the Remuneration Report included on pages 18 to 21 of the directors' report for the year ended 30 June 2010.

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 2010, complies with section 300A of the Corporations Act 2001.

BUTLER SETTINERI (AUDIT) PTY LTD



LUCY P GARDNER

Director

Perth

Date: 29 September 2010

Butler Settineri (Audit) Pty Ltd

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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 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.

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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.

CORPORATE GOVERNANCE STATEMENT

CONTINUED...

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 and technical and operational skills required by the Company at this time.

The Company's Board changed during the year with the resignation of the Company's Independent Non Executive Chairman, Mr John Shipp, on 1 February 2010. Mr Sam Middlemas, the Company Secretary, was appointed a Non Executive Director until a suitable replacement could be appointed, which has not occurred at the date of this Statement. 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 members meet 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 Buchhorn, does not meet the ASX Corporate Governance Council Recommendation 2.2 as he 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:

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

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

1.4 BOARD POLICIES - 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).

CORPORATE GOVERNANCE STATEMENT

CONTINUED...

1.4.6 Trading in the Company Shares (CONTINUED...)

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

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

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

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

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

2.3 NOMINATION COMMITTEE - 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.

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;
- 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.

CORPORATE GOVERNANCE STATEMENT

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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:

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

Responsibility to the Individual

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

Conflicts of Interest

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



How the Company Monitors and Ensures Compliance with its Code

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

Disciplinary measures may be imposed for violating the Code.

4. DISCLOSURE OF INFORMATION

4.1 CONTINUOUS DISCLOSURE TO ASX - ASX PRINCIPLE 5

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 web site.

The continuous disclosure policy requires all executives and Directors to inform the Managing Director or in their absence the Company Secretary of any potentially material information as soon as practicable after they become aware of that information.

Information is material if it is likely that the information would influence investors who commonly acquire securities on ASX in deciding whether to buy, sell or hold the Company's securities.

Information is not material and need not be disclosed if:

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

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

4.2 COMMUNICATION WITH SHAREHOLDERS - 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.

CORPORATE GOVERNANCE STATEMENT

CONTINUED...

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

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

5.2 INTEGRITY OF FINANCIAL REPORTING - 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 statement is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- the Company's risk management and internal compliance and control framework is operating efficiently and effectively in all material respects.

5.3 AUDIT AND ROLE OF AUDITOR - ASX PRINCIPLE 6

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

6. PERFORMANCE REVIEW - 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	E25/00445	1	Pending
Yindarlgooda	E25/00392	1	29-Dec-2009
Yindarlgooda	E25/00455	1	Pending
Yindarlgooda	E25/00456	1	Pending
Yindarlgooda	E25/00153	1	Pending
Yindarlgooda	E25/00154	1	Pending
Yindarlgooda	E26/00147	1	Pending
Yindarlgooda	E27/00330	3	9-Feb-2009
Yindarlgooda	E27/00430	1	Pending
Yindarlgooda	E27/00431	1	Pending
Yindarlgooda	E27/00425	1	8-Sep-2010
Yindarlgooda	E27/00426	1	8-Sep-2010
Yindarlgooda	E27/00443	1	Pending
Yindarlgooda	E27/00449	1	Pending
Yindarlgooda	P28/01213	1	Pending
Mt Monger	E25/00422	1	24-May-2010
Mt Monger	E25/00433	1	Pending
Mt Monger	E25/00434	1	Pending
Madoonia Downs	E28/01984	1	27-Jul-2010
Peter Dam JV	E15/00869	2a	21-Dec-2005
Peter Dam JV	E25/00303	2a	20-Apr-2005
Peter Dam JV	E25/00307	2a	21-Jun-2005
Peter Dam JV	E25/00313	1a	23-Mar-2006
Peter Dam JV	E25/00319	2a	21-Feb-2006
Peter Dam JV	E25/00376	1a	30-Jan-2009
Peter Dam JV	E25/00379	1a	22-Dec-2009
Peter Dam JV	E25/00390	1a	10-Nov-2009
Peter Dam JV	E25/00391	1a	10-Nov-2009
Yalla Burra JV	E15/00918	1a	2-Mar-2007
Yalla Burra JV	E15/01028	1a	12-Aug-2008
Mt McLeay JV	P27/01711	2a	28-May-2008
Mt McLeay JV	P27/01748	2a	28-May-2008
Mt McLeay JV	P27/01749	2a	28-May-2008
Mt McLeay JV	P27/01954	2a	19-Feb-2009
Mt McLeay JV	P27/01979	1a	29-Oct-2009

SUB-PROJECT	TENEMENT ID	NATURE OF INTEREST	DATE GRANTED
YINDARLGOODA PROJECT (CONTINUED)			
Mt McLeay JV	P27/02006	1a	Pending
Rocky Dam JV	E25/00273	2a	23-Mar-2006
Rocky Dam JV	E25/00316	1a	8-Aug-2006
Rocky Dam JV	E25/00326	1a	1-Nov-2006
Rocky Dam JV	E25/00335	2a	26-Feb-2007
Rocky Dam JV	E25/00355	2a	10-Nov-2009
Rocky Dam JV	E27/00291	2a	28-Apr-2006
Rocky Dam JV	E27/00337	2a	26-Feb-2007
Rocky Dam JV	M25/00344	1a	Pending
Rocky Dam JV	M27/00344 - 345	2a	Pending
Rocky Dam JV	M27/00466	2a	Pending
Rocky Dam JV	P25/01777	1a	5-Feb-2004
Rocky Dam JV	P25/01992	1a	28-Jan-2009
Rocky Dam JV	P27/01575	2a	5-Feb-2004
Rocky Dam JV	P27/01576	2a	5-Feb-2004
Rocky Dam JV	P27/01924 - 1927	1a	23-Apr-2008
Rocky Dam JV	P27/01947 - 1949	2a	22-Sep-2008
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-10
Mt Celia	E31/00925 - 927	1	Pending
Mt Celia	E31/00937 - 938	1	Pending
Mt Celia	E31/00941	1	Pending
Mt Celia	E39/01370	1	24-Feb-2009
Mt Howe	E39/00831	1	7-Sep-2006
Mt Howe	E39/00883	3	4-May-2007
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
Mt Celia	E39/01278	1	14-May-2008

Nature of Interest Notes

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

ASX

ADDITIONAL INFORMATION

CONTINUED...

SUMMARY OF MINING TENEMENTS CONTINUED...

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	E39/01430	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	E39/01537	1	Pending
Mt Celia	E39/01539	1	Pending
Mt Celia	E39/01548	1	Pending
Mt Celia	E39/01557 - 1558	1	Pending
Mt Celia	E39/01560 - 1561	1	Pending
Mt Celia	E39/01576	1	Pending
Mt Celia	E39/01580	1	Pending
Mt Celia	P39/04899 -4901	1	27-Mar-2009
Mt Celia	P39/04887	1	25-Nov-2008
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
Butchers Well	E39/01403	1	23-Jul-2009
Butchers Well	E39/01409	1	23-Jul-2009
Yilgangi	E31/00721	1	23-Nov-2006
Yilgangi	E31/00814	1	25-Nov-2008
Yilgangi	P31/01815	1	28-May-2008
Yilgangi	P31/01832 - 1834	1	28-Aug-2008
DESDEMONA PROJECT			
Apollo Hill	E39/01101	1	9-Feb-2006
Apollo Hill	E39/01405	1	23-Jul-2009
Apollo Hill	E39/01406	1	23-Jul-2009
Kookynie	E40/00195	1	20-Apr-2006

SUB-PROJECT	TENEMENT ID	NATURE OF INTEREST	DATE GRANTED
DESDEMONA PROJECT (CONTINUED)			
Kookynie	E40/00200	1	3-May-2006
Kookynie	E40/00293	1	Pending
Yerilla	E31/00684	3	11-Apr-2007
Yerilla	E39/01120	3	3-Oct-2006
Yerilla	E39/01139	3	12-Oct-2006
Yerilla	E39/01228	3	29-Jun-2007
Yerilla	P31/01752 - 1753	3	11-Jan-2007
Yerilla	P31/01756	3	11-Jan-2007
Malcolm Option	P37/07540 - 7545	2a	27-Mar-2009
Malcolm Option	P37/07546 - 7548	1a	27-Mar-2009
Malcolm Option	P37/07549	2a	27-Mar-2009
Malcolm Option	P37/07550	1a	27-Mar-2009
Malcolm Option	P37/07551 - 7552	2a	27-Mar-2009
Malcolm Option	P37/07553	1a	27-Mar-2009
Malcolm Option	P37/07554 - 7557	2a	27-Mar-2009
ERLISTOUN PROJECT			
Erlistoun	E38/01911	1	1-Nov-2007
WARBURTON PROJECT			
Caesar Hill	E69/02253	1a	19-Jul-2007
Warburton	E69/02192	1a	14-Apr-2008
Warburton	E69/02252	1a	12-Jun-2007
Warburton	E69/02582	1a	22-Apr-2010
Warburton	E69/02656	1a	Pending
Warburton	E69/02129	1a	17-Sep-2008
Warburton	E69/02443	1a	17-Sep-2008
Warburton	E69/02577	1a	25-Mar-2010
Warburton	E69/02578	1a	Pending
WYLOO PROJECT			
Wyloo	E08/02078	1	Pending
CHANNAR PROJECT			
Channar	E52/02598	1b	Pending
ERROLLS PROJECT			
Errolls	E57/00837	1	Pending
PADDY WELL PROJECT			
Paddy Well	E09/01796	1	Pending
BELLARY SPRINGS PROJECT			
Bellary Springs	E47/2412	1b	Pending

Nature of Interest Notes

- Tenements 100% owned by Rubicon Resources Ltd
 - Tenements 100% owned by Rubicon Resources Ltd - subject to joint venture or option
 - Tenements 100% owned by Rubicon Resources Ltd - contested application
- Tenements 100% owned by Rubicon Resources Limited, nickel exploration and mining rights owned by Heron Resources Limited
 - Tenements 100% owned by Rubicon Resources Limited, nickel exploration and mining rights owned by Heron Resources Limited - subject to joint venture or option over non-nickel rights
- 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 28 September 2010.

A. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of shareholders by size of holding:

DISTRIBUTION	NUMBER OF SHAREHOLDERS
1 – 1,000	241
1,001 – 5,000	375
5,001 – 10,000	253
10,001 – 100,000	739
More than 100,000	173
Totals	1,781

There were 869 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
IJ Buchhorn and related entities	6,976,064	7.36%
CVRD Australia EA Pty Ltd and associates	6,423,995	6.78%

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ADDITIONAL INFORMATION

CONTINUED...

C. TWENTY LARGEST SHAREHOLDERS

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

SHAREHOLDER NAME	LISTED ORDINARY SHARES	
	NUMBER	PERCENTAGE QUOTED
Kurana Pty Ltd (Buchhorn Unit Fund)	4,687,537	4.94%
CVRD Australia EA Pty Ltd	4,000,000	4.22%
Vale Australia EA Pty Ltd	2,423,995	2.56%
Masen Properties Pty Ltd	2,010,000	2.12%
MBM Corporation Pty Ltd	1,736,983	1.83%
Bruce Barker (Barker Retirement Fund)	1,555,753	1.64%
National Nominees Limited	1,548,771	1.63%
Hazurn Pty Ltd (Buchhorn S/F)	1,480,906	1.56%
Citicorp Nominees Pty Ltd	1,432,827	1.51%
Kimbriki Nominees Pty Ltd	1,107,947	1.17%
Eaton, Peter Charles and Teresa (Eaton S/F)	1,100,000	1.16%
Paso Holdings Pty Ltd	1,023,626	1.08%
Raul Used (Raul Used Fam A/C)	1,000,000	1.05%
Kavalex Pty Ltd	1,000,000	1.05%
Peter Crisp Pty Ltd (Crisp S/F)	963,743	1.02%
Hollywell Investments Pty Ltd	905,000	0.95%
Rita Marian Brooks (Brooks S/F)	853,218	0.90%
Sambaitow Pty Ltd	827,272	0.87%
Oliver Dupuy (Enerjee S/F)	800,000	0.84%
Annette Mizon (Bobbin S/F)	751,515	0.79%
	31,209,093	32.89%

D. UNQUOTED OPTIONS

OPTIONS	NUMBER OF OPTIONS
Unlisted options exercisable at 14 cents each by 13 January 2014	2,600,000
Unlisted options exercisable at 25 cents each by 7 November 2010	2,900,000
Unlisted options exercisable at 25 cents each by 31 December 2011	1,000,000
Unlisted options exercisable at 30 cents each by 7 November 2010	1,300,000
Unlisted options exercisable at 40 cents each by 7 November 2010	1,300,000
	9,100,000

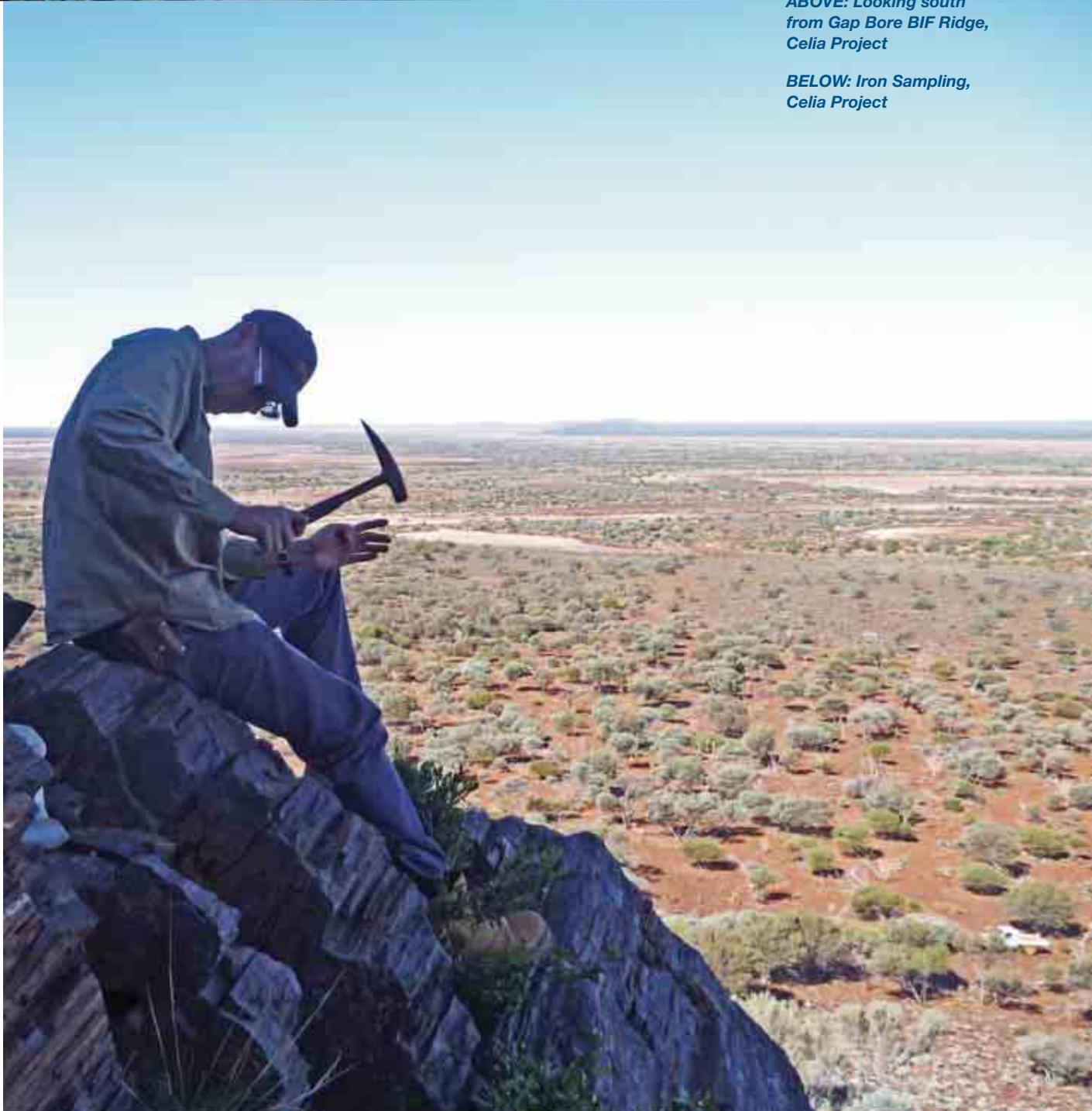
E. VOTING RIGHTS

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.



*ABOVE: Looking south
from Gap Bore BIF Ridge,
Celia Project*

*BELOW: Iron Sampling,
Celia Project*





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