CHAIRMAN'S LETTER

DEAR SHAREHOLDERS,

On behalf of the Board of Directors of Rubicon Resources Limited ("Rubicon" or "the Company"), I am pleased to present the Company's Annual Report for 2013.

At the risk of stating the obvious, 2013 has offered little in the way of relief or value opportunities to the junior resources sector. The limitations on access to capital, volatile and falling commodity prices have continued the very negative trend of 2011/2012.

Notwithstanding this environment, your Board has managed the Company's working capital over the past 12 months and has maintained an active exploration program funded without further recourse to the equity capital markets. We have also remained of the strong view that it is the right time to build the asset base — provided it can be done at low cost and that the work programs can be efficiently funded.

Our Australian assets, primarily held via joint venture, have been maintained and advanced through exploration activities by our joint venture partners.

Given the mature nature of the Australian industry and the highly competitive environment in pursuing new projects, your Board resolved to focus its efforts on the review of offshore resource project opportunities. Eighteen months after first discussing the change in geographic focus away from the Company's core of Western Australian Eastern Goldfields assets, and following an extensive process of country and later project reviews we have assessed and recognised the potential of the Turkey resources sector. We have now built a presence in Turkey, and procured the first of what we intend to be several exploration and development projects in-country.

During the past 12 months we have established a wholly owned Turkish registered entity, a small, first class in-country team and a data base of established projects and opportunities in the developing Turkish mining industry. Our first acquisition is the highly prospective Balya West project interest.

As I outlined in our circular to shareholders of 10 July 2013, Turkey is considered an attractive investment destination because of:

1. Geological prospectivity; the country boasts high prospectivity and low maturity in terms of discovery of economic gold and base metal mineralisation;

2. A low operating cost environment; operating costs of established in-country miners are significantly below peer group Australian and many other developed world countries;

3. Significant government support for growth of the precious metals mining industry; and

4. Robust economy for growth of the mining industry in general.

Whilst there are inevitable operational challenges, Turkey is a robust secular democracy and maintains a high level of political stability as compared with neighbouring regions. Mining and the international promotion thereof is a key plank as part of its European Union membership application and in the country's economic plan for significant growth as it moves toward the Centenary of the Republic and, as such, remains an attractive destination.

We will continue to focus on the evaluation of new opportunities in Turkey, but will also review and acquire projects in Australia and other locations where justified.

Notwithstanding our efforts to manage the working capital of the Company as referred to above, we will need shareholders support for further funding as we enter 2014. Shareholders will see further reference to this in the Notice of Annual General Meeting.

In closing I would like to express my sincere thanks to our executives and staff for the continued efforts in a very difficult market environment and to thank you our shareholders for your ongoing support.

Ian Macpherson

OPERATIONAL OVERVIEW

Rubicon's goal is to create shareholder returns through the successful acquisition and development of mineral exploration projects that we believe have the capacity to become profitable mining operations. Rubicon believes that its existing tenement portfolio in Turkey and our joint venture properties in Australia have significant exploration merit. Our Australian joint ventures are all being sole funded by high quality partners.

In the past year Rubicon has focussed its activities on pursuing more advanced projects, mainly in Turkey, and has reviewed many opportunities there, principally for gold and copper in porphyry and epithermal settings. Rubicon has established a Turkish registered subsidiary company and assembled the core of a high quality in-country team to assist in the accelerated programme of project assessment, exploration and development in Turkey.

In June 2013, Rubicon signed a Memorandum of Understanding (MOU) for the purchase of the Balya West exploration licence in Western Turkey. Previous exploration by a significant private Turkish company has identified gold anomalism and alteration of a style usually associated with high sulphidation epithermal systems. Balya West is Rubicon's first project in Turkey and the company has the opportunity to acquire 100% of the project at an early stage to take full advantage of the upside as exploration progresses.

The Company has also established relationships with experienced Turkish geological consultants who are assisting our own technical staff in the generation and assessment of new project opportunities, as well as executing exploration programs and preparing statutory reports on behalf of Rubicon.

Rubicon management is confident that the in-country team and strong future focus in Turkey will continue to deliver quality projects in this under explored environment to complement our Australian joint venture projects.

Rubicon controls some 1,725km^2 of prospective tenements in Western Australia and 245km^2 in Queensland (Figure 1). Exploration on most of Rubicon's Australian tenements is being funded by joint venture partners.

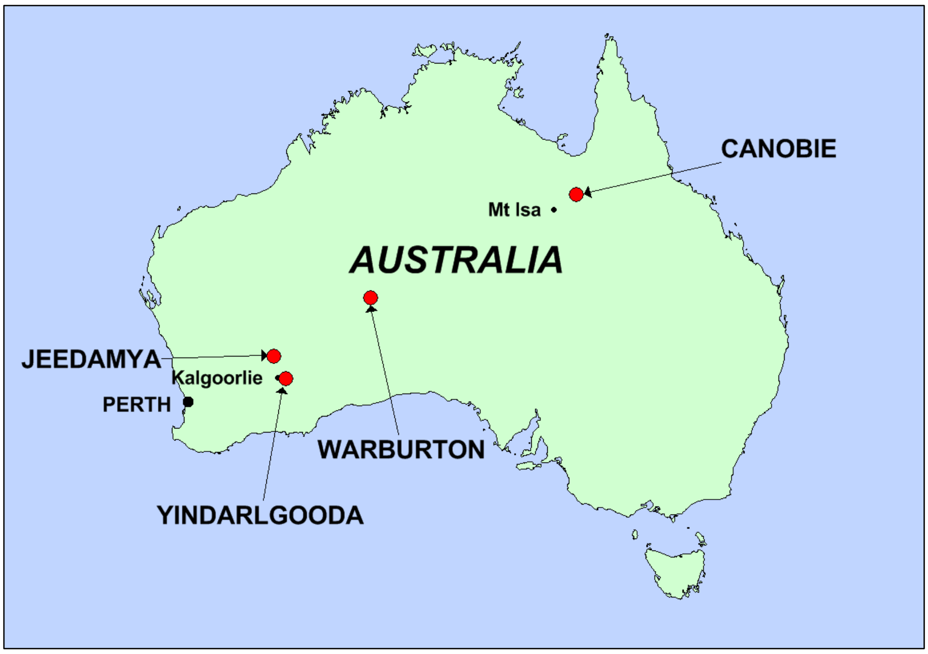

Figure 1 - Rubicon Australian Project Locations

TURKEY

Turkey is located in the centre of the Tethyan Metallogenic Belt, a geological feature rich in gold and base metals occurrences that runs from Eastern Europe east to Afghanistan. Turkey currently has six operating gold mines: Ovacik, Mastra and Kaymaz (Koza Gold), Kişladag and Efemcukuru (Eldorado Gold Corporation) and Çöpler (Alacer Gold) with several other projects in development stage (Figure 2). Currently seven individual deposits contain resources in excess of one million ounces of gold.

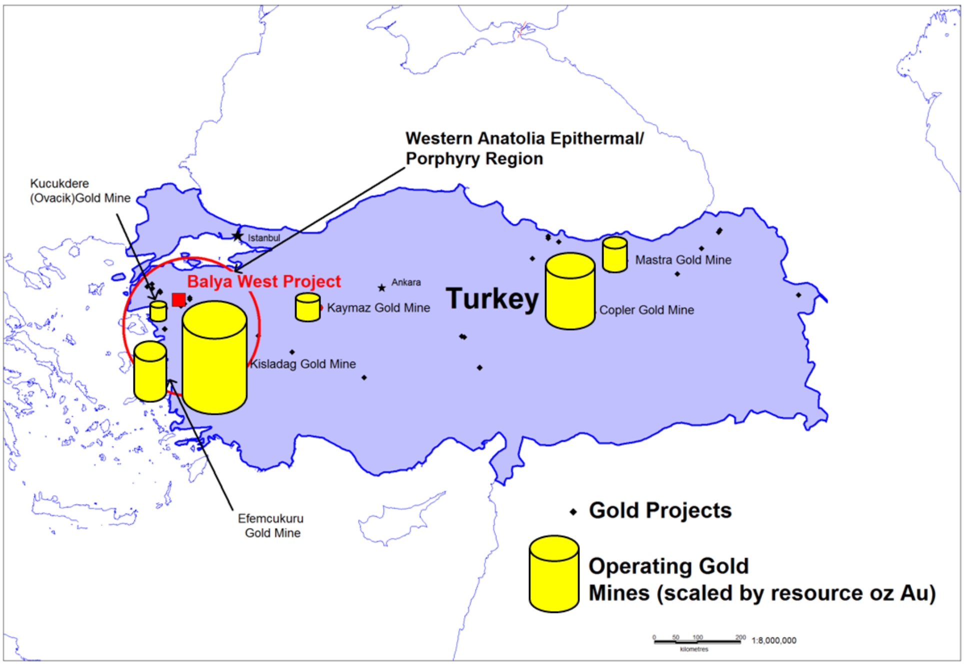

Figure 2 – Location of the Balya West Project in relation to Turkish producing gold mines scaled by resources

Balya West Project

During 2013, Rubicon signed an MOU for the purchase of the Balya West exploration licence in Western Turkey. Exploration at the Balya West project by private Turkish company Tümad Madencilik (Tümad) has identified gold mineralization and alteration of a style associated with a high sulphidation epithermal system, one of Rubicon's preferred model types.

Rubicon has paid Tümad US$100,000 on the signing of the option to purchase agreement. If Rubicon decides to exercise its purchase option to acquire 100% of the licence[1], Rubicon will pay Tümad an additional US$185,000. Tümad will retain a 2% NSR.

Balya West covers an area of 2,000ha immediately east of the Biga Peninsula, 200km southwest of Istanbul (Figure 3). The western part of Turkey has a gold endowment of over 27 million ounces, with 17 million ounces alone contained in the Kişlidağ porphyry mine. Within a 100km radius of the Balya West project, existing mines and new development projects host an endowment of over 8 million ounces of gold hosted in epithermal and porphyry style deposits making the area a "hot spot for gold exploration" in Turkey.

Tümad has collected 416 soil samples and 180 rock chip and channel samples since the licence was granted in 2012. The majority of rock chip sampling was concentrated along a 200m long track cutting where there is strong alteration of the host volcanic rock. A zonation between clay rich argillic alteration to more acid leached advanced argillic alteration grading to vughy silica with relict pyrite is observed (Figure 4) over an area of 6km by 4km. In the most altered zone, gold grades are in excess of 0.3g/t gold, with a maximum of 1.21g/t gold. On top of the hill above the track cutting, there is a zone of cherty silica which is frequently associated with the upper portions of high sulphidation mineralized systems.

Rubicon has commenced exploration with an Induced Polarisation (IP) geophysical survey, rock chip sampling and geological mapping designed to identify the optimum drill locations. Permits for drilling have been submitted and their approval is awaited. The work to date has identified several very strong IP chargeability anomalies (Figure 4) which most likely indicate the presence of sulphide and clay alteration. The mapping has successfully identified several new zones of outcropping silica-clay-pyrite alteration within the broad zone of argillic alteration. The Tümad rock chip gold anomalism was confirmed by Rubicon's sampling.

[1]As of September 2013 the Turkish Government has placed a temporary hold on the transfer of Operation and Exploration Licences between companies. Until this is resolved the payment of the Option Exercise fee and the transfer of the licence to Rubicon will be delayed.

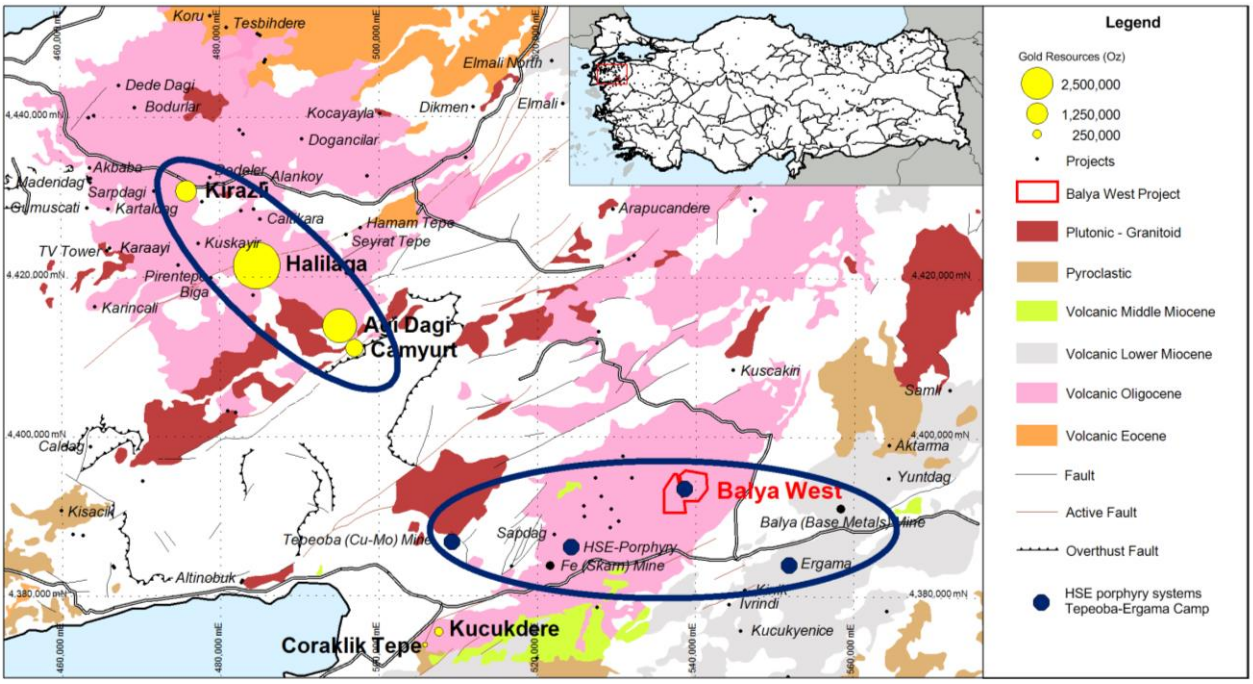

Figure 3 – Comparison between the highly endowed Biga Peninsula HSE/Porphyry camp hosting the Halilaga deposit and the emerging Tepeoba-Ergama camp which is hosted in equivalent stratigraphy and includes the Balya West project.

Turkish Project Reviews

Rubicon has systematically reviewed many opportunities in Turkey over the past year. These priority areas have been defined through prospectivity analysis using relevant area selection criteria, primarily for porphyry and epithermal styles of mineralisation and, to a lesser extent, Volcanogenic Massive Sulphide (VMS) deposits. So far, Rubicon has conducted field visits to projects containing low and high sulphidation epithermal, porphyry related and VMS mineralised systems in western and central Turkey. Rubicon is targeting projects that are held by both international companies and local Turkish groups that are seeking partners with exploration expertise.

AUSTRALIAN JOINT VENTURE INTERESTS

Rubicon retains joint venture interests in the Peters Dam, Queen Lapage and Mt McLeay joint ventures at the Yindarlgooda project located east of Kalgoorlie in Western Australia, in the Caesar Hill and Bentley joint ventures in the highly prospective Musgrave area in central Australia and the Canobie joint venture in the Mt Isa district of Queensland.

Yindarlgooda Project

The Yindarlgooda Project comprises approximately 725km^2 of tenure centred 55km east of Kalgoorlie on a felsic volcanic dome around Lake Yindarlgooda (Figure 5). The project area is subject to the Peters Dam and Queen Lapage Joint Ventures with Silver Lake Resources Limited (Silver Lake) and the Mt McLeay Joint Venture with Brimstone Resources Limited (Brimstone). Rubicon also retains a substantial tenement holding in the area in its own right.

Peters Dam Joint Venture (Silver Lake Resources Limited 64.5% (Rubicon diluting))

In July 2009, Rubicon entered into the Peters Dam Joint Venture with Silver Lake (then Integra Mining Limited (Integra)); on tenements adjacent to Silver Lake's Salt Creek gold deposit (Figure 5). Following the initial expenditure of $1.5 million, Silver Lake has earned its 51% interest in the project. Rubicon has elected not to contribute to exploration programs to date and its interest is being diluted under the terms of the joint venture agreement. Rubicon can elect to re-commence contributions to the joint venture on a six monthly basis.

During the year, Silver Lake completed 2,134m of reverse circulation (RC) drilling from 19 holes at the Salt Creek East prospect, targeting structures within the eastern extension of the rocks hosting Silver Lake's Salt Creek mine, located 2km to the west. Several holes intersected anomalous grades in excess of 0.2g/t gold, with best intersections from 4m composite samples of 4m @ 2.09g/t and 4m @ 1.35g/t gold.

Other work conducted during the year included gravity inversion modelling, re-processing of aeromagnetic data and Leapfrog computer modelling of the Causeway and Salt Creek East prospects and planning of additional drill programs at the Causeway, String of Pearls, Kiaki Soak and Samurai Hill prospects.

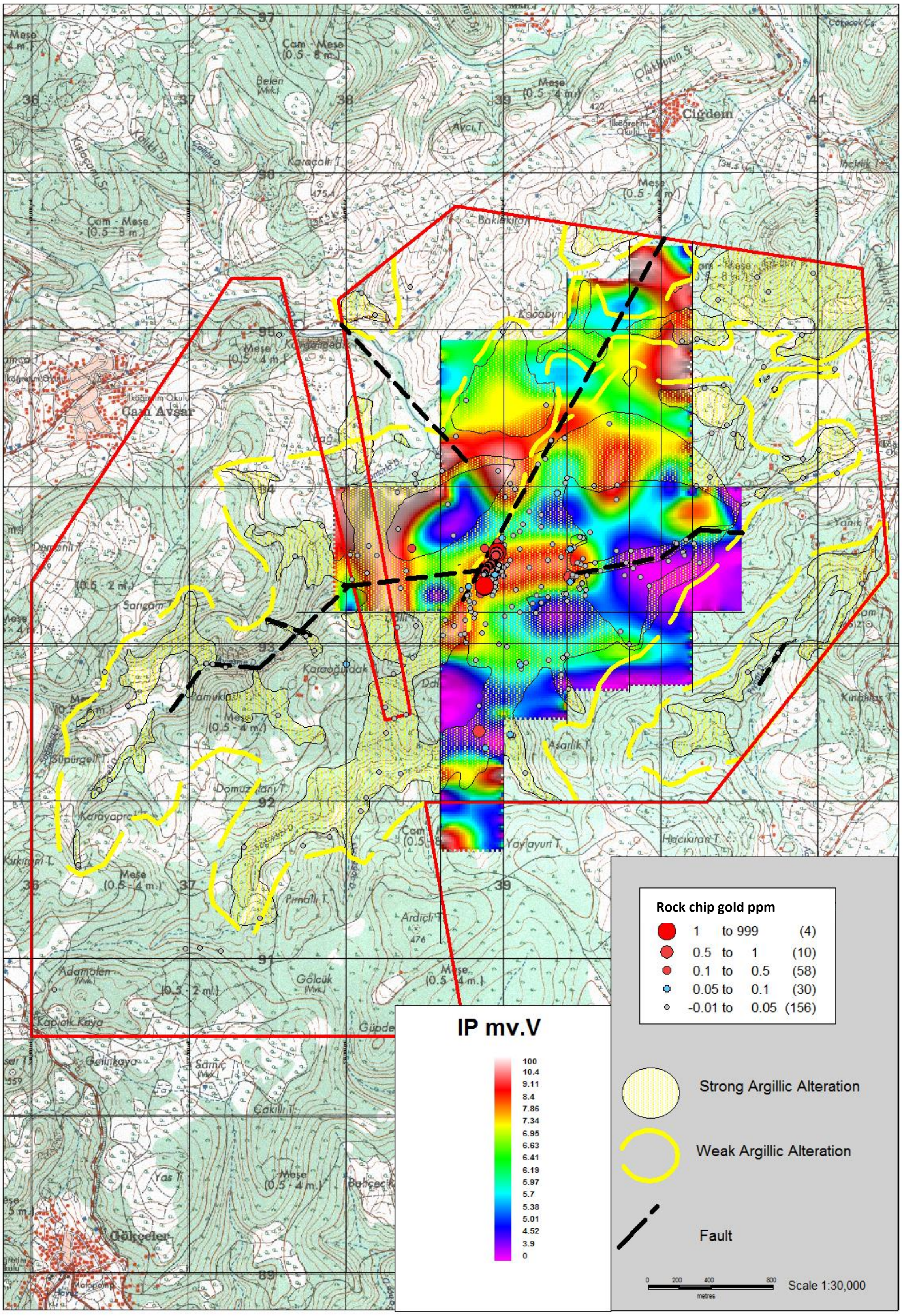

Figure 4 – Balya West licence showing gold in rock chips and the large argillic alteration zone outlined in yellow over IP chargeability (at 12.5m depth). IP lines are shown in black. Note the IP anomaly associated with the gold bearing vughy silica zone.

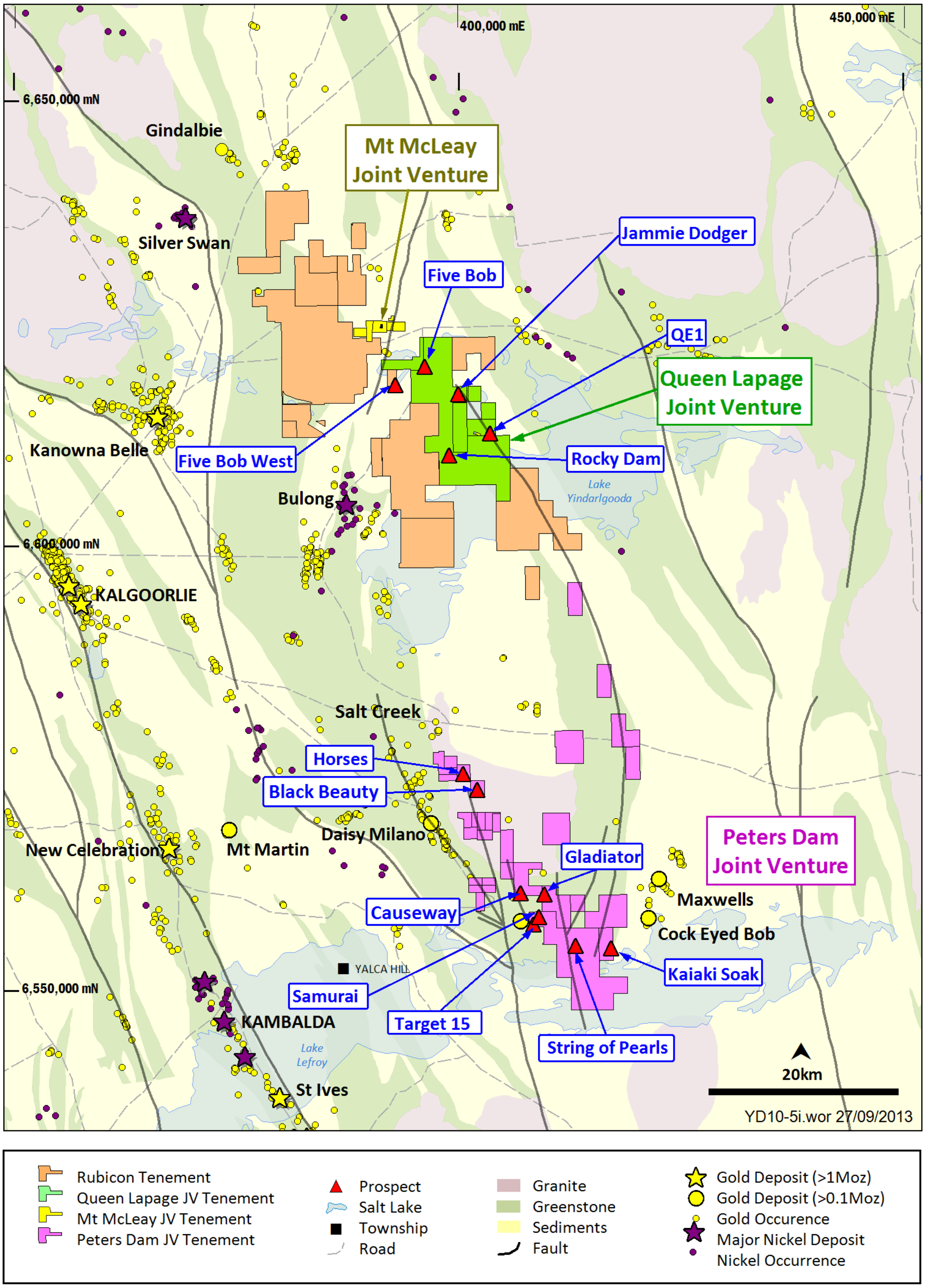

Figure 5 - Yindarlgooda Project – Tenements, Geology & Prospects

Queen Lapage Joint Venture (Silver Lake Resources Limited 57% (Rubicon diluting))

The Queen Lapage Joint Venture (QLJV) with Silver Lake covers five tenements of approximately 112km^2 located to the north of the Peters Dam Joint Venture (Figure 5).

Under the terms of the agreement, Silver Lake has expended $1.0 million and has thereby earned a 51% interest in the tenements. Under its rights in the joint venture agreement, Rubicon has nominally elected to contribute to ongoing exploration on a program-by-program basis. However, Rubicon has not contributed to the initial exploration programs so far proposed and its interest has been diluted accordingly.

The QLJV tenure encompasses the QE1 gold deposit discovered by Rubicon, which occurs on the regionally important Randall's Fault. Various other prospects with significant supergene gold anomalism are associated with this corridor. Better intercepts at QE1 from previous Rubicon shallow RC drilling include 6m @ 6.33g/t, 6m @ 3.24g/t, 4m @ 3.79g/t, 8m @ 2.48g/t and 8m @ 2.81g/t gold and are associated with sulphidic quartz veins in weathered shales and banded iron formation. Silver Lake has modelled the mineralisation to outline possible targets down plunge of previous drilling.

Activities on the QLJV were limited by previous joint venture partner Integra merging with new manager Silver Lake during the year.

Further RC and aircore drilling is planned at the Jammie Dodger target identified last year.

Mt McLeay Joint Venture (Brimstone Resources Limited 51%, increasing to 70%)

Brimstone Resources Limited has earned a 51% interest in the Mt McLeay Joint Venture through the expenditure of $300,000. Brimstone has also elected to earn an additional 19% to attain 70% by spending an additional $200,000 by end of December 2013.

Brimstone defined several anomalies considered to be potential drilling targets from a mapping program conducted earlier in the year.

WARBURTON PROJECT

The Warburton Project comprises approximately 760km^2 of exploration licences within the western Musgrave Province (Figure 6). The project has potential for magmatic nickel-copper (Babel/Nebo, Succoth, Voisey's Bay style) and felsic-related gold mineralisation (nearby Handpump prospect style). The area is subject to the Caesar Hill Joint Venture with Traka Resources Limited (Traka) and Western Areas Limited (Western Areas) and the Bentley Joint Venture with Caravel Minerals Limited (Caravel).

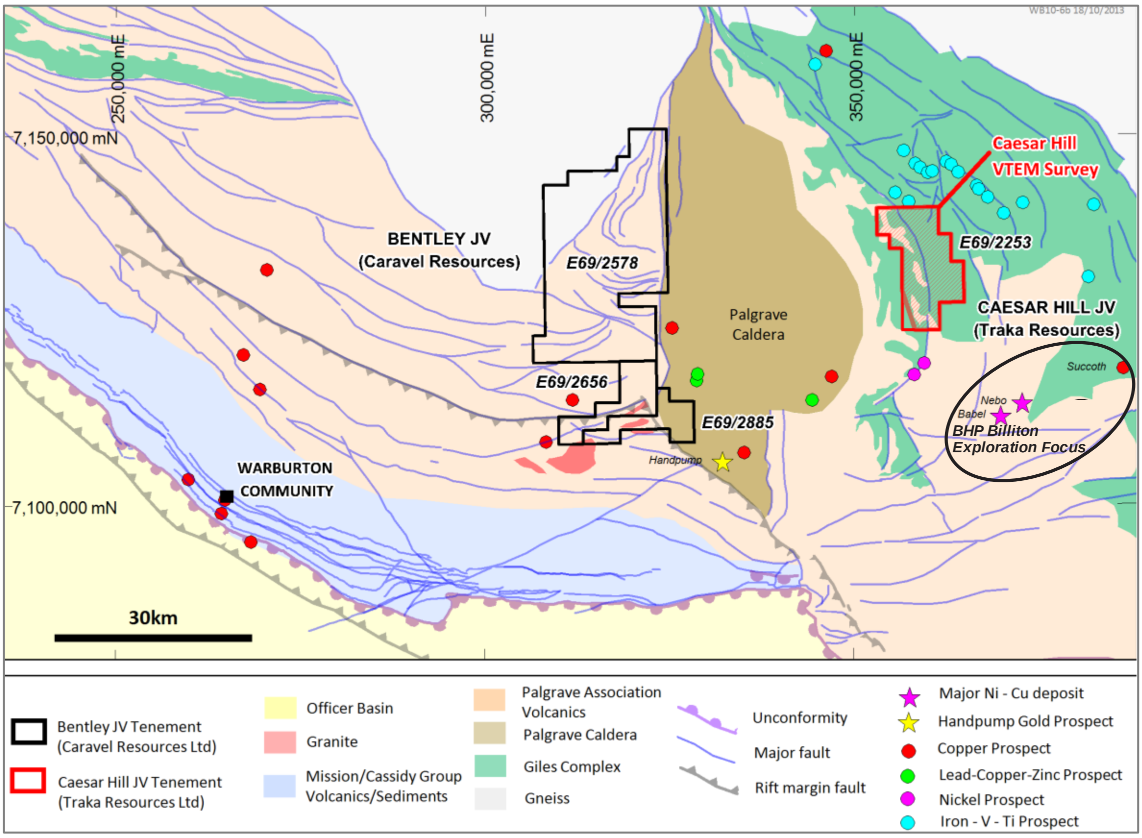

Figure 6 - Warburton Project Location, Tenements, Geology & Targets

Caesar Hill Joint Venture (Traka Resources Limited and Western Areas Limited earning 70%)

Traka is an active explorer in the Musgrave block with a large tenement portfolio. The Caesar Hill tenement is semi-contiguous with Traka's Jameson prospect, where Traka is testing outcropping titaniferous magnetite rocks, containing titanium, vanadium and precious metals (gold, platinum and palladium).

Under the terms of the agreement, Traka has the right to earn a 70% interest in the Caesar Hill tenement through expenditure of $800,000 over a five year period, commencing from 20 July 2013.

In July 2013, Traka announced that it had entered into a joint venture with Western Areas Limited (Western Areas) over several tenements including Caesar Hill, where Western Areas will be operator and have the right to earn up to 70% of Traka's equity. Rubicon maintains its existing 30% equity rights under the Western Areas Assignment.

Traka have completed a ground moving loop electromagnetic (MLEM) survey over the high priority targets (Figure 7) identified by Rubicon's previous airborne Versatile Time Domain Electromagnetic (VTEM) survey. These VTEM targets will be prioritised and scheduled for drilling if the results of the MLEM survey are positive.

Bentley Joint Venture (Caravel Minerals Limited earning 70%)

Caravel Minerals Limited (Caravel) (originally transacted with Dominion Mining Limited, who were taken over by Kingsgate Consolidated Limited, who this year sold the joint venture vehicle to Caravel) has the right to earn a 70% interest in the Bentley tenement through the expenditure of $810,000 (inclusive of Pre-Commencement costs) from 8 July 2013 over five years.

Caravel has worked to conclude negotiations on Heritage Agreements, anthropological/ archaeological surveys and access permits with the Ngaanyatjarra Land Council (NLC).

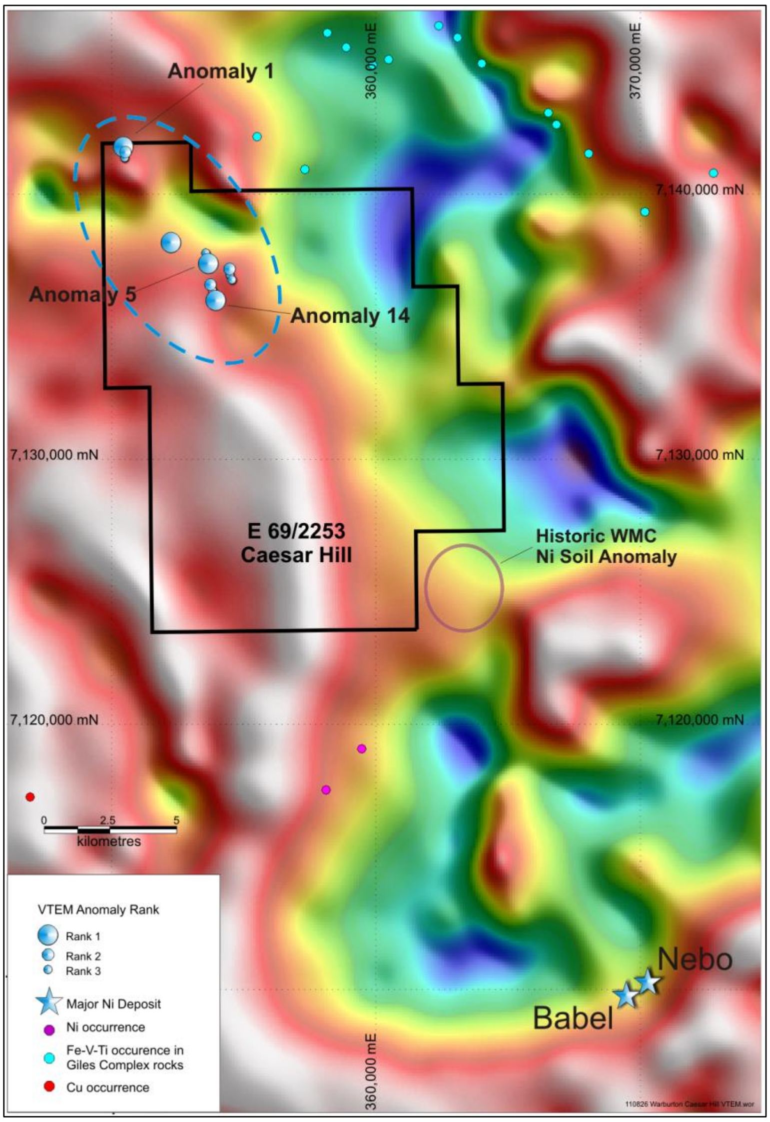

Figure 7 - Location of Caesar Hill VETM anomalies on gravity Tilt processed Image

CANOBIE JOINT VENTURE (Exco Resources Limited earning 70%)

In March 2012, Rubicon entered into an option agreement with Exco Resources Limited (Exco) (taken over by Washington H Soul Pattinson and Company Limited in 2012) over the 245km² Canobie tenement EPM17767, located between Exco's Hazel Creek and Cloncurry Projects some 60 kilometres north of Cloncurry in northwest Queensland (Figure 8). In May 2013 Exco notified Rubicon that is had met its $100,000 required minimum expenditure commitment and was exercising its option to commit to spending an additional $900,00 over three years to earn 70% equity in the project.

The EPM covers Mt Isa Block Eastern Succession Proterozoic stratigraphy that is considered prospective for various styles of base metal mineralisation, including Ernest Henry style iron oxide copper gold (IOCG), and Broken Hill type (BHT) silver lead zinc mineralisation. The EPM falls within a major NNE striking structural corridor with the majority of the tenement masked by a thin veneer of younger sediments.

In November 2012, seven RC holes were drilled at the project for a total of 558m to test targets primarily identified from a magnetic survey (Figure 9). Two holes returned significant intersections; with EHRC501 intersecting 24m @ 0.1% copper and EHRC504 intersecting 52m @ 0.1% copper (including 1m @ 1.6% copper).

In June 2013, a 20 hole RC drill programme consisting of three fences of shallow holes was completed to follow up mineralisation intersected in EHRC504. A total of 921 m was drilled during the programme and results are awaited.

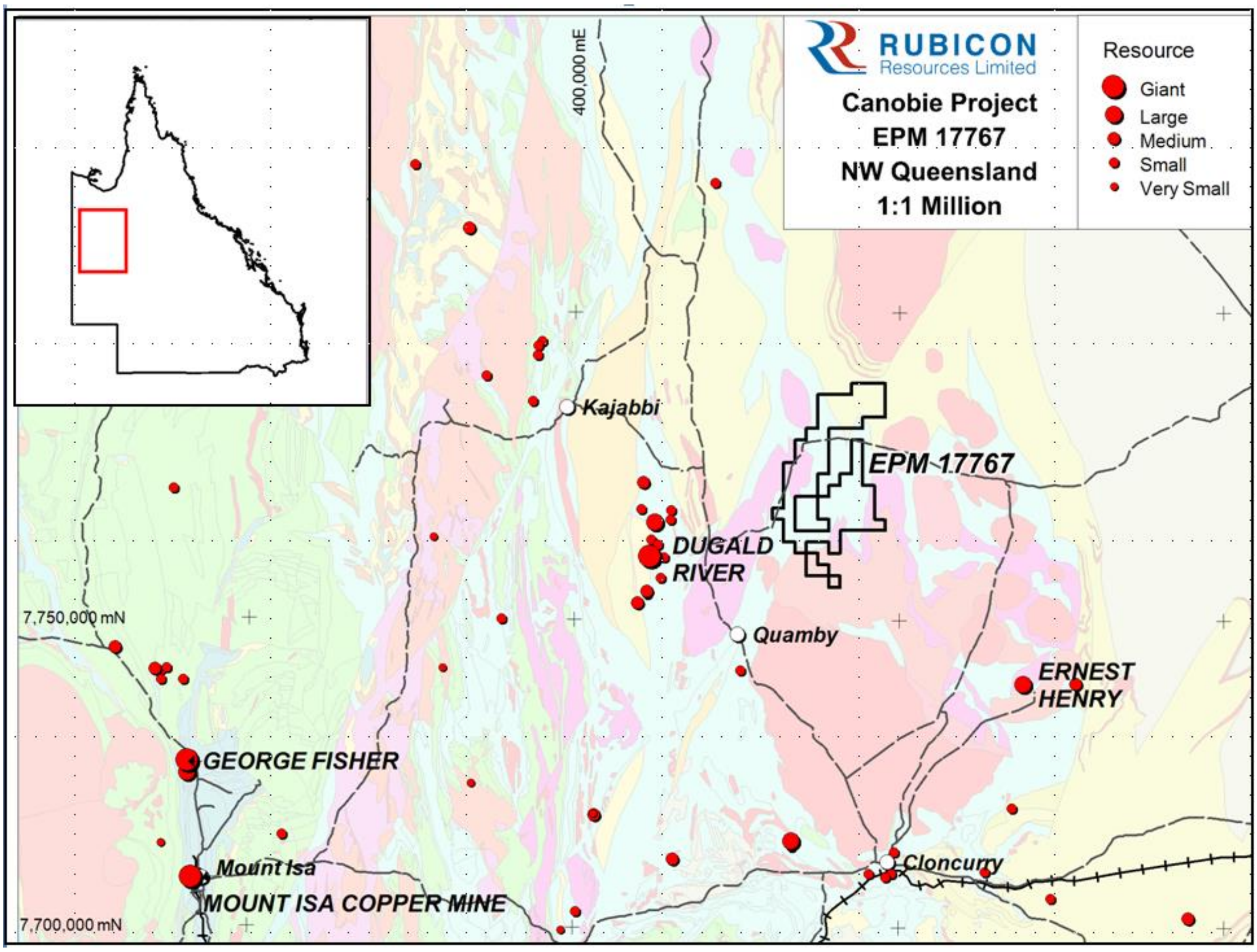

Figure 8 - Location of Canobie Tenement, Queensland

OTHER PROJECTS

Rubicon has withdrawn from the Kapuas Hulu Joint Venture in Indonesia following continued delays in the granting of access for drilling to an area of production forest.

Compilation of previously reported drilling results at Jeedamya was completed and joint venture partners are being sought.

The Wallareenya, Errolls, and the remaining Celia tenements were surrendered during 2013.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Andrew Ford the Chief Operating Officer of Rubicon Resources Limited, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Ford has sufficient experience that is relevant to the styles of mineralisation and the activity being reported to qualify as a Competent Person as defined in the 2012 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.

Figure 10 – Project review field work – Turkey, typical of Rubicon's target areas, areas of historic workings as a focus for modern geophysical and drill exploration.

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2013

The Directors present their report on Rubicon Resources Limited (Rubicon) and the entity it controlled at the end of and during the year ended 30 June 2013.

DIRECTORS AND SENIOR MANAGEMENT

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

Ian Macpherson *– B.Comm, CA*
Executive Chairman
Appointed 18 October 2010

Mr Macpherson is a Chartered Accountant with over thirty years experience in the provision of financial and corporate advisory services. Mr Macpherson was formerly a partner at Arthur Anderson & Co managing a specialist practice providing corporate and financial advice to the mining and mineral exploration industry.

In 1990, Mr Macpherson established Ord Partners (later to become Ord Nexia) and has specialised in the area of corporate advice with particular emphasis on capital structuring, equity and debt raising, corporate affairs and Stock Exchange compliance for public companies in the mining and industrial areas. He has further been involved in numerous asset acquisitions and disposal engagements. Ord Nexia merged with MGI Perth in October 2010 and Mr Macpherson continued in a consulting role with the merged group until November 2011.

He has acted in the role of Director and Company Secretary for a number of entities and is currently Deputy Chairman of Avita Medical Limited (5 March 2008 to present).

Former Directorships: Non-Executive Chairman of Kimberly Rare Earth Limited (2 December 2010 to 29 November 2012), Non-Executive Director of Navigator Resources Limited (1 July 2003 to 14 January 2013), Nimrodel Resources Limited (17 July 2007 to 2 August 2011) and Sihayo Gold Limited (24 April 2009 to 3 June 2010).

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

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

Mr Buchhorn is a Mineral Economist and Geologist with more than 30 years of experience. He was the founding Managing Director of Heron Resources Limited for a period of 11 years until early 2007 and returned to that role in October 2012 after a period as Executive Director. Mr Buchhorn previously worked with a number of international mining companies and has worked on nickel, bauxite and industrial mineral mining and exploration, gold and base metal project generation and corporate evaluations. For the last 24 years Mr Buchhorn has acquired and developed mining projects throughout the Eastern Goldfields of Western Australian and has operated as a Registered Mine Manager.

During the three year period to the end of the financial year, Mr Buchhorn continues to hold a directorship in Heron Resources Limited (17 February 1995 to present). He previously held directorships in Polaris Minerals NL (18 September 2006 to 7 January 2010) and Southern Cross Goldfields Limited (24 July 2007 to 15 March 2010).

Peter Eaton *– B.Sc (Hons), MAusIMM*
Non-Executive 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 November 2011, Mr Eaton was Managing Director of Rubicon, but is now Exploration Manager for the Sampoerna Strategic group focussed on exploration in Indonesia. Mr Eaton remains as a Non-Executive Director of Rubicon. Before 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 the 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.

Andrew Ford *– B.Sc (Hons), MAusIMM*
Chief Operating Officer
Appointed 23 November 2009

Mr Ford is a geologist with over 25 years of experience in exploration, management and mining. His role before joining Rubicon was Chief Operating Officer/Exploration Manager of uranium explorer Peninsula Minerals. Mr Ford was previously involved in the management and execution of mineral exploration for Barrick Gold of Australia, Homestake Gold of Australia Plutonic Resources, and Golden Shamrock Mines. He was also involved in the start-up of mining operations at the Plutonic Gold Mine in Western Australia and Iduapriem Gold mine in Ghana. Mr Ford has explored for a broad range of commodities (principally gold, base metals and uranium) throughout Australia and internationally in Africa, Indonesia and USA and brings a wealth of exploration management knowledge to Rubicon.

COMPANY SECRETARY

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

Mr Middlemas was appointed Company Secretary and Chief Financial Officer on 17 July 2006. He is a chartered accountant with more than 20 years of experience in various financial and company secretarial roles with a number of listed public companies operating in the resources sector. He is the principal of a corporate advisory company which provides financial and secretarial services specialising in capital raisings and initial public offerings. Previously Mr Middlemas worked for an international accountancy firm. His fields of expertise include corporate secretarial practice, financial and management reporting in the mining industry, treasury and cash flow management and corporate governance.

PRINCIPAL ACTIVITIES

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

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

DIVIDENDS

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

REVIEW OF OPERATIONS AND ACTIVITIES

The Consolidated Entity recorded an operating loss after income tax for the Year ended 30 June 2013 of $1,824,278 compared to an operating loss after income tax of $1,688,609 for the Year ended 30 June 2012.

Rubicon is a mineral exploration Consolidated Entity, currently focussed on gold and copper exploration in Western Australia and Turkey. In Western Australia it continues to hold some 2,000km^2 of prospective tenements.

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

- Progressing exploration of Rubicon's Balya West gold project in Turkey towards a commercial discovery;
- Ongoing commitment to the identification and review of projects/corporate opportunities that have the capacity to successfully develop into a profitable mine, with a focus on Turkey; and
- Maximise the commercial value of the existing tenement portfolio through the ongoing establishment and maintenance of suitable joint ventures and other alternate funding arrangements where appropriate.

Rubicon's major projects are as follows:

- The Balya West gold project in Turkey which has potential for epithermal and porphyry style mineralisation;
- The Yindarlgooda gold and base metal project located east of Kalgoorlie where Rubicon has tenements in its own right and three separate joint venture agreements with Silver Lake Resources Limited (two) and Brimstone Resources Limited earning an interest in Rubicon tenure; and
- The Warburton project in the Western Musgrave Province, where Rubicon has joint ventures with Caravel Minerals Limited and Traka Resources Limited, in which these companies are earning an interest in Rubicon tenements.

CORPORATE AND FINANCIAL POSITION

As at 30 June 2013; the Consolidated Entity had cash reserves of $1.13 million (2012 - $2.48 million).

RISK MANAGEMENT

The Board is responsible for the oversight of the Consolidated Entity's risk management and control framework. Responsibility for control and risk management is delegated to the appropriate level of management with the Managing Director (or equivalent) having ultimate responsibility to the Board for the risk management and control framework.

Areas of significant business risk to the Consolidated Entity are highlighted in the Business Plan presented to the Board by the Managing Director (or equivalent) 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 Consolidated Entity.

EARNINGS/LOSS PER SHARE	2016	2012
	Cents	Cents
Basic loss per share	(1.26)	(1.18)
Diluted loss per share	(1.26)	(1.18)

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 Consolidated Entity that occurred during the financial year under review other than the establishment of a subsidiary in Turkey and associated operations.

OPTIONS OVER UNISSUED CAPITAL

Unlisted Options

During the financial year and to the date of this report there have been no unlisted options over unissued ordinary shares granted or lapsed.

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

Number of Options on Issue	Exercise Price	Expiry Date
6,000,000	2 cents each	30 June 2017
6,000,000	10 cents each	31 October 2014
1,500,000	15 cents each	31 October 2014
1,000,000	20 cents each	31 October 2014
2,200,000	14 cents each	13 January 2014

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 Consolidated Entity to affect substantially the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Consolidated Entity 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 Consolidated Entity.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Consolidated Entity holds various exploration licences to regulate its exploration activities in Australia and Turkey. 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 Consolidated Entity's licence conditions and all exploration activities comply with relevant environmental regulations.

INFORMATION ON DIRECTORS

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

Director	Title	Directors' Interests in Ordinary Shares	Directors' Interests in Unlisted Options
Ian Macpherson	Executive Chairman Appointed on 18 October 2010	17,542,389	2,500,000
Ian Buchhorn	Non-Executive Director Appointed on 19 August 2005	8,859,777	2,000,000
Peter Eaton	Non-Executive Director Appointed on 3 July 2006	1,475,000	4,000,000

DIRECTORS' MEETINGS

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

Director	Board of Directors' Meetings	
	Meetings Attended	*Meetings held while a director*
I Macpherson	9	9
I Buchhorn	9	9
P Eaton	9	9

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 Consolidated Entity and executive officers of the Consolidated Entity 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 (or equivalent) 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 Consolidated Entity and the activities which it undertakes and is appropriate in aligning Director and executive objectives with shareholder and business objectives.

REMUNERATION REPORT (Continued)

The remuneration policy in regard to setting the terms and conditions for the Managing Director (or equivalent) 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 Consolidated Entity 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 Consolidated Entity's Non-Executive Directors is disclosed below. Remuneration fees for Non-Executive Directors are not linked to the performance of the Consolidated Entity. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Consolidated Entity and have all received options.

Senior Executives and Management

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

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

Following the resignation of Mr Peter Eaton as Managing Director, this role has been jointly run by Mr Ian Macpherson (Executive Chairman) and Mr Andrew Ford (Chief Operating Officer).

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 (or equivalent) are based on the recommendation of the Managing Director (or equivalent), subject to the approval of the Board in the annual budget setting process.

REMUNERATION REPORT (Continued)

Service Agreement

Mr Andrew Ford was appointed Chief Operating Officer from 1 December 2011 and is employed under a standard contract of employment requiring one month notice period.

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

	Primary		Post Employment	Equity Compensation	
2012/2013	Base Salary/Fees $	Motor Vehicle/Bonus $	Superannuation Contributions $	Options $	Total $
Directors					
I Macpherson – Executive Chairman (i)	119,633	-	6,709	-	126,342
P Eaton – Non-Executive (ii)	38,097	-	3,600	-	41,697
I Buchhorn – Non-Executive	50,000	-	-	-	50,000
Executives					
S Middlemas - Company Secretary (iii)	46,120	-	-	-	46,120
A Ford – Chief Operating Officer	211,000	-	18,990	-	229,990
2011/2012					
Directors					
I Macpherson – Executive Chairman (i)	79,725	-	18,933	-	98,658
P Eaton – Managing Director (ii)	107,071	2,465	9,572	-	119,108
P Eaton – Non-Executive (ii)	23,333	-	2,100	-	25,433
I Buchhorn – Non-Executive	50,000	-	-	-	50,000
Executives					
S Middlemas - Company Secretary (iii)	45,000	-	-	-	45,000
A Ford – Exploration Manager/COO	202,333	-	18,210	-	220,543

(i) Mr Macpherson was appointed Executive Chairman from 1 December 2011 when he has taken on additional executive duties which are compensated by a consultancy arrangement at $5,000 per month.
(ii) Mr Eaton resigned from his position as Managing Director on 11 November 2011 – he remains on the Board as a Non-Executive Director from that date.
(iii) All fees for providing Company Secretarial services were paid to Sparkling Investments Pty Limited.
(iv) Mr Ford was appointed Exploration Manager on 23 November 2009, and appointed Chief Operating Officer (COO) on 1 December 2011.

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 2013.

INDEMNIFYING OFFICERS AND AUDITOR

During the year the Company paid an insurance premium to insure certain officers of the Consolidated Entity. The officers of the Consolidated Entity 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 Consolidated Entity. The insurance policy does not contain details of the premium paid in respect of individual officers of the Consolidated Entity. 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 Consolidated Entity has not provided any insurance for an auditor of the Consolidated Entity.

Share Based Compensation

There was no share based compensation granted during this financial year. 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 Consolidated Entity's auditors Butler Settineri (Audit) Pty Limited, to provide the Directors of the Consolidated Entity 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 CONSOLIDATED ENTITY

No person has applied for leave of Court to bring proceedings on behalf of the Consolidated Entity or intervene in any proceedings to which the Consolidated Entity is a party for the purpose of taking responsibility on behalf of the Consolidated Entity for all or any part of those proceedings. The Consolidated Entity 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 Consolidated Entity support and have adhered to the principles of corporate governance. The Consolidated Entity's corporate governance statement is contained in the Annual Report.

DATED at Perth this 18th day of September 2013
Signed in accordance with a resolution of the Directors

Ian Macpherson
Chairman

Chartered Accountants

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of Rubicon Resources Limited for the year ended 30 June 2013, 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.

This declaration is in respect of Rubicon Resources Limited and the entity it controlled during the year.

BUTLER SETTINERI (AUDIT) PTY LTD

LUCY P GARDNER
Director

Perth
Date: 18 September 2013

BUTLER SETTINERI

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Butler Settineri (Audit) Pty Ltd
ACN 112 942 373

Registered Company Auditor
Number 289109

Liability limited by a scheme approved under Professional Standards Legislation

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

		THE CONSOLIDATED ENTITY	
	NOTES	2013	2012
		$	$
Other income	2	**74,648**	191,177
Employee expenses		**453,127**	498,518
Non-Executive Directors' fees		**218,037**	174,091
Insurance expenses		**18,039**	20,000
Consolidated Entity Secretarial fees		**46,120**	45,000
Corporate expenses		**37,722**	65,835
Depreciation	3	**6,281**	19,087
Rent		**108,699**	116,237
Recruitment		**-**	21,683
Employee costs recharged to capitalised exploration		**(425,568)**	(444,488)
Expense of share-based payments	3	**-**	-
Exploration Written off	3	**1,297,996**	1,182,973
Other expenses		**138,473**	180,850
Loss before income tax		**1,824,278**	1,688,609
Income tax	5	**-**	-
Net loss attributable to members of the Consolidated Entity	14	**1,824,278**	1,688,609
Other Comprehensive Loss net of tax		**-**	-
Total Comprehensive Loss		**1,824,278**	1,688,609
Basic earnings/(loss) per share (cents per share)	20	**(1.26) cents**	(1.18) cents
Diluted earnings/(loss) per share (cents per share)	20	**(1.26) cents**	(1.18) cents

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

AS AT 30 JUNE 2013

	NOTES	2013 $	2012 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	21(a)	**1,134,686**	2,484,062
Other receivables	6	**2,943**	4,161
Other assets	7	**14,859**	13,332
TOTAL CURRENT ASSETS		**1,152,488**	2,501,555
NON-CURRENT ASSETS			
Plant and equipment and motor vehicles	8	**23,043**	14,012
Investments	9	**-**	-
Capitalised mineral exploration expenditure	10	**1,676,337**	2,161,634
TOTAL NON-CURRENT ASSETS		**1,699,380**	2,175,646
TOTAL ASSETS		**2,851,868**	4,677,201
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	**47,943**	58,446
Provisions	12	**12,735**	3,287
TOTAL CURRENT LIABILITIES		**60,678**	61,733
TOTAL LIABILITIES		**60,678**	61,733
NET ASSETS		**2,791,190**	4,615,468
EQUITY			
Contributed equity	13(a)	**14,831,596**	14,831,596
Share Option Reserve	15	**586,640**	586,640
Accumulated losses	14	**(12,627,046)**	(10,802,768)
TOTAL EQUITY		**2,791,190**	4,615,468

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2013

	NOTES	CONTRIBUTED EQUITY	SHARE BASED PAYMENT RESERVE	LOSSES	TOTAL
BALANCE AT 1 JULY 2011		14,741,596	586,640	(9,114,159)	6,214,077
TOTAL COMPREHENSIVE INCOME		-	-	(1,688,609)	(1,688,609)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	13(b)	90,000	-	-	90,000
Directors and Employees options		-	-	-	-
BALANCE AT 30 JUNE 2012		14,831,596	586,640	(10,802,768)	4,615,468
TOTAL COMPREHENSIVE INCOME		-	-	(1,824,278)	(1,824,278)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					
Shares issued during the year	13(b)	-	-	-	-
BALANCE AT 30 JUNE 2013		14,831,596	586,640	(12,627,046)	2,791,190

The above Consolidated statement of changes in equity should be read in conjunction with the Consolidated Entity's accompanying notes.

FOR THE YEAR ENDED 30 JUNE 2013

	NOTES	2013 $	2012 $
Cash flows from operating activities			
Interest received		**74,648**	134,177
Payments to suppliers and employees (inclusive of goods and services tax)		**(587,230)**	(653,814)
Net cash used in operating activities	21(b)	**(512,582)**	(519,637)
Cash flows from investing activities			
Payments for exploration and evaluation		**(1,014,978)**	(666,917)
Funds received from sale of exploration tenement		**200,000**	900,000
Payments for investments		**(6,503)**	-
Proceeds (Payments) for plant and equipment and motor vehicles		**(15,313)**	10,000
Net cash used in investing activities		**(836,794)**	243,083
Cash flows from financing activities			
Proceeds from the issue of shares		**-**	-
Net cash provided by financing activities		**-**	-
Net increase (decrease) in cash held		**(1,349,376)**	(276,554)
Cash at the beginning of the financial year		**2,484,062**	2,760,616
Cash at the end of the financial year	21(a)	**1,134,686**	2,484,062

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

FOR THE YEAR ENDED 30 JUNE 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in preparing the financial report of the Company, Rubicon Resources Limited and its controlled entity ("Rubicon" or "Consolidated Entity"), are stated to assist in a general understanding of the financial report. These policies have been consistently applied to all the years presented, unless otherwise indicated.

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 Consolidated Entity's functional currency.

(a) Basis of Preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards (including Australian Interpretations) adopted by the Australian Accounting Standards Board and the *Corporations Act 2001*.

Rubicon Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial report has been prepared on the basis of historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets.

The financial report was authorised for issue by the Directors.

Going Concern

The Company incurred a loss for the year of $1,824,278 (2012: $1,688,609) and a net cash outflow from operating activities of $512,582 (2012: $519,637).

At 30 June 2013 the Consolidated Entity had cash assets of $1,134,686 (2012: $2,484,062) and working capital of $1,091,810 (2012: $2,439,822).

The directors have prepared cash flow forecasts that indicated that the consolidated entity will have sufficient cash flows for a period of 12 months from the date of this report with limited exploration activities. It is expected that the Company will be able to access funds through the equity markets during the year to allow for exploration activities to continue. Based on this fact, the Directors consider it appropriate that the financial statements be prepared on a going concern basis.

(b) Use of Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. None of the balances reported have been derived from estimates.

(c) Basis of Consolidation

Controlled Entity

The consolidated financial statements comprise the financial statements of Rubicon Resources Limited and its subsidiary as at 30 June each year.

The financial statements of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. The subsidiary is fully consolidated from the date on which control is transferred to the consolidated entity and ceases to be consolidated from the date on which control is transferred out of the consolidated entity.

FOR THE YEAR ENDED 30 JUNE 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The acquisition of the subsidiary has been accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of the subsidiary for the period from their acquisition.

Joint Ventures

Joint ventures are those entities over whose activities the consolidated entity has joint control, established by contractual agreement.

In the consolidated entity's financial statements, investments in joint ventures are carried at cost. Details of these interests are shown in Note 27.

Interests in joint ventures have been brought to account by including the appropriate share of the relevant assets, liabilities and costs of the joint ventures in their relevant categories in the financial statements.

(d) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred asset or liability is recognised in relation to those temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and future tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Consolidated Entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(f) Cash and Cash Equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, which are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis.

FOR THE YEAR ENDED 30 JUNE 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Employee Entitlements

Liabilities for wages and salaries, annual leave and other current employee entitlements expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Contributions to employee superannuation plans are charged as an expense as the contributions are paid or become payable.

(h) Plant and Equipment and Motor Vehicles

Each class of plant and equipment and motor vehicles is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment and motor vehicles
Plant and equipment and motor vehicles are stated at cost less accumulated depreciation and any impairment in value.

The carrying values of plant and equipment and motor vehicles are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount.

Depreciation
Depreciable non-current assets are depreciated over their expected economic life using either the straight line or the diminishing value method. Profits and losses on disposal of non-current assets are taken into account in determining the operating loss for the year. The depreciation rate used for each class of assets is as follows:

- Plant & equipment 20 - 33%
- Motor vehicles 22.5%

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except where the amount of GST incurred is not recoverable from the Australian Taxation Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. GST incurred is claimed from the ATO when a valid tax invoice is provided. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(j) Payables

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

FOR THE YEAR ENDED 30 JUNE 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Contributed Equity

Issued capital is recognised as the fair value of the consideration received by the Company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(l) Exploration and Evaluation Expenditure

Mineral exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest and is subject to impairment testing. These costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

- Such costs are expected to be recouped through the successful development and exploitation of the area of interest, or alternatively by its sale; or
- Exploration and/or evaluation activities in the area have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active or significant operations in, or in relation to, the area of interest are continuing.

In the event that an area of interest is abandoned or if the Directors consider the expenditure to be of reduced value, accumulated costs carried forward are written off in the year in which that assessment is made. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Where a mineral resource has been identified and where it is expected that future expenditures will be recovered by future exploitation or sale, the impairment of the exploration and evaluation is written back and transferred to development costs. Once production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

Costs of site restoration and rehabilitation are recognised when the Consolidated Entity has a present obligation, the future sacrifice of economic benefits is probable and the amount of the provision can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Exploration and evaluation assets are assessed for impairment if:

(i) Sufficient data exists to determine technical feasibility and commercial viability; and
(ii) Facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

For the purpose of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then re-classified from intangible assets to mining property and development assets within property, plant and equipment.

(m) Earnings per Share

Basic earnings per share (“EPS”) are calculated based upon the net loss divided by the weighted average number of shares. Diluted EPS are calculated as the net loss divided by the weighted average number of shares and dilutive potential shares.

FOR THE YEAR ENDED 30 JUNE 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight-line basis over the term of the lease.

(o) Share-based Payment Transactions

The Company provides benefits to employees (including Directors and Consultants) of the Consolidated Entity in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ("Equity–settled transactions").

There is currently one plan in place to provide these benefits being an Employee Share Option Plan ("ESOP") which provides benefits to Directors, Consultants and Senior Executives.

The cost of these equity-settled transactions is measured by reference to fair value at the date at which they are granted. The fair value is determined by an external valuer using the either the Black - Scholes or Binomial model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Rubicon Resources Limited ("market conditions").

The cost of equity settled securities is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date").

Where the Consolidated Entity acquires some form of interest in an exploration tenement or an exploration area of interest and the consideration comprises share-based payment transactions, the fair value of the equity instruments granted is measured at grant date. The cost of equity securities is recognised within capitalised mineral exploration and evaluation expenditure, together with a corresponding increase in equity.

(p) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(q) Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework, to identify and analyse the risks faced by the Consolidated Entity. These risks include credit risk, liquidity risk and market risk from the use of financial instruments. The Consolidated Entity has only limited use of financial instruments through its cash holdings being invested in short term interest bearing securities. The primary goal of this strategy is to maximise returns while minimising risk through the use of accredited Banks with a minimum credit rating of A1 from Standard & Poors. The Consolidated Entity has no debt, and working capital is maintained at its highest level possible and regularly reviewed by the full Board.

(r) New Accounting Standards and Interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods, and have not been adopted by the Consolidated Entity. The Consolidated Entity's assessment of the impact of these new standards and interpretations is that they will have no material impact and will only effect disclosure provisions in the December 2013 half year and 2014 full year accounts.

FOR THE YEAR ENDED 30 JUNE 2013

	2013 $	2012 $
2. OTHER INCOME		
Other Income		
Interest	**74,648**	134,177
Rental/Office recharges	**-**	57,000
	74,648	191,177

3. EXPENSES

	2013 $	2012 $
Contributions to employees superannuation plans	**46,786**	64,624
Depreciation - Plant and equipment	**6,281**	14,087
- Motor vehicles	**-**	5,000
Exploration Written off	**1,297,996**	1,182,973
Share Based Payment expense	**-**	-
Provision for employee entitlements	**9,448**	29,416

4. AUDITORS' REMUNERATION

	2013 $	2012 $
Audit – Butler Settineri (Audit) Pty Limited		
Audit and review of the financial statements	**17,735**	17,701

FOR THE YEAR ENDED 30 JUNE 2013

5. INCOME TAX

No income tax is payable by the Consolidated Entity as it has incurred losses for income tax purposes for the year, so current tax, deferred tax and tax expense is $Nil (2012 - $Nil).

(a) Numerical reconciliation of income tax expense to prima facie tax payable

	2013 $	2012 $
Loss from continuing operations	**(1,824,278)**	(1,688,609)
Tax at the tax rate of 30% (2010: 30%)	**(547,283)**	(506,583)
Tax effect of amounts which are deductible in calculating taxable income:		
Non-deductible expenses	**-**	-
Other allowable expenditure	**-**	(6,973)
Deferred tax asset not brought to account	**547,283**	513,556
Income tax expense	**-**	-

(b) Tax losses

	2013 $	2012 $
Unused tax losses for which no deferred tax asset has been recognised	**7,723,182**	6,226,242
Potential tax benefit at 30%	**2,316,955**	1,876,873

(c) Unbooked Deferred Tax Assets and Liabilities

Unbooked deferred tax assets comprise:

	2013 $	2012 $
Provisions/Accruals/Other	**3,563**	1,187
Tax losses available for offset against future taxable income	**2,815,542**	2,514,109
	2,819,105	2,515,109

Unbooked deferred tax liabilities comprise:

	2013 $	2012 $
Capitalised mineral exploration and evaluation expenditure	**2,819,105**	2,515,295

(d) Franking credits balance

The Consolidated Entity has no franking credits available as at 30 June 2013 (2012: $Nil).

6. OTHER RECEIVABLES

Current

	2013 $	2012 $
GST recoverable	**2,943**	4,161

7. OTHER ASSETS

Current

	2013 $	2012 $
Prepayments	**14,859**	13,332

FOR THE YEAR ENDED 30 JUNE 2013

	2013 $	2012 $

8. PLANT AND EQUIPMENT AND MOTOR VEHICLES

Plant and office equipment		
At cost	**179,622**	164,309
Accumulated depreciation	**(166,579)**	(160,297)
	13,043	4,012
Motor vehicles		
At cost	**53,831**	53,831
Accumulated depreciation	**(43,831)**	(43,831)
	10,000	10,000
	23,043	14,012

Reconciliation

Reconciliation of the carrying amounts for each class of plant and equipment and motor vehicles are set out below:

Plant and office equipment		
At cost	**179,622**	164,309
Accumulated depreciation	**(166,579)**	(160,297)
	13,043	4,012
Motor vehicles		
At cost	**53,831**	53,831
Accumulated depreciation	**(43,831)**	(43,831)
	10,000	10,000
	23,043	14,012

9. INVESTMENTS

Non-Current

Rubicon Resources Limited holds an investment in Rubicon Madencilik A.S. which was incorporated during the year and is held at a cost of $6,503.

Particulars in relation to the controlled entity
Rubicon Resources Limited is the parent entity.

Name of Controlled entity	Class of Shares	Equity Holding 2013	Equity Holding 2012
Rubicon Madencilik A.S.(1)	Ordinary	**100%**	-

(1) On 1 April 2013 Rubicon Madencilik A.S. was incorporated in Turkey as a wholly-owned controlled entity of the Company.

FOR THE YEAR ENDED 30 JUNE 2013

10. CAPITALISED MINERAL EXPLORATION EXPENDITURE

Non-Current

In the exploration phase

	2013 $	2012 $
Cost brought forward	**2,161,634**	3,488,405
Add: Expenditure incurred during the year (at cost)	**1,012,699**	756,202
Less Sale of Project	**(200,000)**	(900,000)
Exploration expenditure written off	**(1,297,996)**	(1,182,973)
	1,676,337	2,161,634

The recoupment of costs carried forward is dependent on the successful development and/or commercial exploitation or alternatively sale of the respective areas of interest.

11. TRADE AND OTHER PAYABLES

Current (Unsecured)

	2013 $	2012 $
Trade creditors	**6,784**	9,674
Other creditors and accruals	**41,159**	48,772
	47,943	58,446

Included within trade and other creditors and accruals is an amount of $Nil (2012- $2,279) relating to exploration expenditure.

12. PROVISIONS

Current

	2013 $	2012 $
Employee entitlements	**12,735**	3,287

13. CONTRIBUTED EQUITY

(a) Ordinary Shares

	2013 $	2012 $
145,304,498 (2012: 142,304,498) fully paid ordinary shares	**14,831,596**	14,831,596

(b) Share Movements during the Year

	2013		2012	
	Number of Shares	$	Number of Shares	$
Beginning of the financial year	145,304,498	14,831,596	142,304,498	14,741,596
New share issues during the year				
Share Issue at 3 cents (tenement purchase)	-	-	3,000,000	90,000
	145,304,498	14,831,596	145,304,498	14,831,596

FOR THE YEAR ENDED 30 JUNE 2013

13. CONTRIBUTED EQUITY (Continued)

(c) Unlisted Options

During the financial year the Company granted no unlisted options over unissued shares, and there were no options that lapsed. As a consequence the numbers of unlisted options on issue at 30 June 2013 and at the date of this report was 10,700,000 (2012 – 10,700,000). There were no options issued to staff under the Rubicon Share Option Plan (refer Note 16).

(d) Share Based Payments

The expense recognised in the income statement in relation to share-based payments is disclosed in Note 3 $Nil for the current year. The average remaining contractual life for the share options outstanding as at 30 June 2013 is between 0.5 and 1.4 years (2012: 1.5 and 2.4 years). The range of exercise prices for options outstanding at the end of the year was between 10 cents and 20 cents (2012: between 10 cents and 20 cents). The fair value of options granted during the year was Nil as none were granted (2012 - $Nil).

The fair value of the equity-settled share options granted is estimated as at the date of grant using a Black-Scholes and Binomial models taking into account the terms and conditions upon which the options were granted. There were no options issued during the current year or the prior year.

(e) Terms and Conditions of Contributed Equity

Ordinary Shares

The Company is a public Company limited by shares. The Company was incorporated in Perth, Western Australia.

The Company's shares are limited whereby the liability of its members is limited to the amount (if any) unpaid on the shares respectively held by them.

Ordinary shares have the right to receive dividends as declared and, in the event of the winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held.

Ordinary shares which have no par value, entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

(f) Capital Risk Management

Due to the nature of the Consolidated Entity's activities, being mineral exploration, the Consolidated Entity does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Consolidated Entity's capital risk management is the current working capital position against the requirements to meet exploration programmes and corporate overheads. The Consolidated Entity's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Consolidated Entity at 30 June 2013 and 30 June 2012 are as follows:

	2013 $	2012 $
Cash and cash equivalents	**1,134,686**	2,484,062
Trade and other receivables	**2,943**	4,161
Other assets	**14,859**	13,332
Trade and other payables	**(47,943)**	(58,446)
Provisions	**(12,735)**	(3,287)
Working capital position	**1,091,810**	2,439,822

FOR THE YEAR ENDED 30 JUNE 2013

	2013 $	2012 $

14. ACCUMULATED LOSSES

Accumulated losses at the beginning of the year	**10,802,768**	9,114,159
Net loss attributable to members	**1,824,278**	1,688,609
Accumulated losses at the end of the year	**12,627,046**	10,802,768

15. RESERVES

Share Option Reserve		
Balance at the beginning of the year	**586,640**	586,640
Add: Amounts expensed in current year	**-**	-
Balance at the end of the year	**586,640**	586,640

Share Option Reserve
The share option reserve comprises any equity settled share based payment transactions. The reserve will be reversed against share capital when the underlying share options are exercised.

16. OPTION PLAN

The establishment of the Rubicon Resources Limited Employee Share Option Plan ("the Plan") was approved by special resolution at a General Meeting of shareholders of the Consolidated Entity held on 22 November 2011. All eligible Directors, executive officers, employees and consultants of Rubicon Resources Limited who have been continuously employed by the Consolidated Entity are eligible to participate in the Plan.

The Plan allows the Consolidated Entity to issue free options to eligible persons. The options can be granted free of charge and are exercisable at a fixed price calculated in accordance with the Plan.

Options issued under the Plan have up to a 24 month vesting period prior to exercise, except under certain circumstances whereby options may be capable of exercise prior to the expiry of the vesting period.

17. RELATED PARTIES

Full remuneration details for Directors and Executives are included in the Directors report where the information has been audited as indicated. During the current financial year there were no other transactions with Directors or Executives (2012 - $Nil).

Movement in Shares

The aggregate numbers of shares and options of the Company held directly, indirectly or beneficially by Directors and Executive Officers of the Consolidated Entity or their personally-related entity are as follows:

2012/2013	Ordinary Shares				Unlisted Options	
	1 July 2012	Purchases	Disposals	30 June 2013	30 June 2013	30 June 2012
Mr I Macpherson	13,796,871	3,745,518	-	17,542,389	2,500,000	2,500,000
Mr P Eaton	1,475,000	-	-	1,475,000	4,000,000	4,000,000
Mr I Buchhorn	8,859,777	-	-	8,859,777	2,000,000	2,000,000
Mr R Middlemas	1,756,368	1,000,000	-	2,756,368	1,000,000	1,000,000
Mr A Ford	-	-	-	-	1,000,000	1,000,000
2011/2012	**1 July 2011**	**Purchases**	**Disposals**	**30 June 2012**	**30 June 2012**	**30 June 2011**
Mr I Macpherson	12,831,630	965,241	-	13,796,871	2,500,000	2,500,000
Mr P Eaton	1,475,000	-	-	1,475,000	4,000,000	4,000,000
Mr I Buchhorn	8,859,777	-	-	8,859,777	2,000,000	2,000,000
Mr R Middlemas	1,756,368	-	-	1,756,368	1,000,000	1,000,000
Mr A Ford	-	-	-	-	1,000,000	1,000,000

FOR THE YEAR ENDED 30 JUNE 2013

18. EXPENDITURE COMMITMENTS

(a) Exploration

The Consolidated Entity has certain obligations to perform minimum exploration work on mineral leases held. These obligations may vary over time, depending on the Consolidated Entity's exploration programmes and priorities. As at balance date, total exploration expenditure commitments on tenements held by the Consolidated Entity have not been provided for in the financial statements and those which cover the following twelve month period amount to $317,880 (2012: $354,960). These obligations are also subject to variations by farm-out arrangements or sale of the relevant tenements.

	2013 $	2012 $
(b) Operating Lease Commitments		
Total operating lease expenditure contracted for at balance date but not provided for in the financial statements, payable:		
Not later than one year	**83,553**	88,481
Between one and five years	**-**	81,107
	83,553	169,588

The operating lease relates to the Consolidated Entity's registered office premises in West Perth. The operating lease was for an initial five year period expiring on 31 May 2012, and it has been extended for a two year period to 31 May 2014. The operating lease entitles the Consolidated Entity to renew the term of the lease for a further period of three years after the expiry of the extension. During the term of the operating lease the rent is reviewed annually on each successive anniversary date.

(c) Capital Commitments

The Consolidated Entity had no capital commitments at 30 June 2013 (2012 - $Nil).

19. SEGMENT INFORMATION

The Consolidated Entity operates predominantly in one segment involved in the mineral exploration and development industry in Australia. During the year the focus was changed to look at exploration overseas and at year end a project in Turkey was identified. This will represent a separate segment in the Consolidated Entity's 2014 accounts, although was not material in 2013 and so is not separately accounted.

20. EARNINGS/ (LOSS) PER SHARE

	2013 $	2012 $
The following reflects the loss and share data used in the calculations of basic and diluted earnings/ (loss) per share:		
Earnings/ (loss) used in calculating basic and diluted earnings/ (loss) per share	**(1,824,278)**	(1,688,609)

	Number of Shares 2013	Number of Shares 2012
Weighted average number of ordinary shares used in calculating basic earnings/ (loss) per share:	**145,304,498**	143,476,629
Effect of dilutive securities		
Share options*	**-**	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings/ (loss) per share	**145,304,498**	143,476,629
Basic and Diluted loss per share (cents per share)	**1.26 cents**	1.18 cents

*Non-dilutive securities

As at balance date, 10,700,000 unlisted options (30 June 2012: 10,700,000) which represent potential ordinary shares were not dilutive as they would decrease the loss per share.

FOR THE YEAR ENDED 30 JUNE 2013

	2013 $	2012 $

21. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Cash and Cash Equivalents

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:	2013 $	2012 $
Cash on hand	**200**	200
Cash at bank	**165,547**	56,517
Deposits at call	**968,939**	2,427,345
	1,134,686	2,484,062

(b) Reconciliation of the loss from ordinary activities after income tax to the net cash flows used in operating activities

Loss from ordinary activities after income tax	**(1,824,278)**	(1,688,609)
Non-cash items:		
Depreciation	**6,281**	19,087
Exploration written-off	**1,297,996**	1,182,973
Profit on sale of motor vehicle	**-**	(5,000)
Change in operating assets and liabilities:		
Decrease (Increase) in prepayments	**(1,527)**	2,002
Decrease (Increase) in receivables	**7,723**	(731)
Increase in trade creditors and accruals	**(8,225)**	57
Increase in employee entitlements	**9,448**	(29,416)
Net cash outflows used in operating activities	**512,582**	(519,637)

(c) Stand-By Credit Facilities

As at 30 June 2013 the Consolidated Entity has a business credit card facility available totalling $20,000 of which $18,020 (2012 - $75) was utilised.

(d) Non-Cash Financing and Investing Activities

There were no-non cash financing or investing activities undertaken in the financial year.

FOR THE YEAR ENDED 30 JUNE 2013

22. FINANCIAL INSTRUMENTS

The Consolidated Entity's activities expose it to a variety of financial risks and market risks. The Consolidated Entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Consolidated Entity.

(a) Interest Rate Risk

The Consolidated Entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market, interest rates and the effective weighted average interest rates on those financial assets, is as follows:

2013

	Note	Weighted Average Effective Interest %	Funds Available at a Floating Interest Rate $	Fixed Interest Rate $	Assets/ (Liabilities) Non Interest Bearing $	Total $
Financial Assets						
Cash and cash equivalents	21(a)	2.41%	**1,093,294**	**41,192**	**200**	**1,134,686**
Other receivables	6	-	-	-	**2,943**	**2,943**
Total Financial Assets			**1,093,294**	**41,192**	**3,143**	**1,137,629**
Financial Liabilities						
Payables	11	-	-	-	**(47,943)**	**(47,943)**
Total Financial Liabilities			-	-	**(47,943)**	**(47,943)**
Net Financial Assets			**1,093,294**	**41,192**	**(44,800)**	**1,089,686**

2012

	Note	Weighted Average Effective Interest %	Funds Available at a Floating Interest Rate $	Fixed Interest Rate $	Assets/ (Liabilities) Non Interest Bearing $	Total $
Financial Assets						
Cash and cash equivalents	21(a)	4.27%	983,862	1,500,000	200	2,484,062
Other receivables	6	-	-	-	4,161	4,161
Total Financial Assets			983,862	1,500,000	4,361	2,488,223
Financial Liabilities						
Payables	11	-	-	-	(58,446)	(58,446)
Total Financial Liabilities			-	-	(58,446)	(58,446)
Net Financial Assets			983,862	1,500,000	(54,085)	2,429,777

(b) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date, is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and in the notes to the financial statements.

The Consolidated Entity does not have any material credit risk exposure to any single debtor or group of debtors, under financial instruments entered into by it.

FOR THE YEAR ENDED 30 JUNE 2013

22. FINANCIAL INSTRUMENTS (Continued)

(c) Commodity Price Risk and Liquidity Risk

At the present state of the Consolidated Entity's operations it has minimal commodity price risk and limited liquidity risk due to the level of payables and cash reserves held. The Consolidated Entity's objective is to maintain a balance between continuity of exploration funding and flexibility through the use of available cash reserves.

(d) Net Fair Values

For assets and other liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form. The Consolidated Entity has no financial assets where the carrying amount exceeds net fair values at balance date.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

23. EMPLOYEE ENTITLEMENTS AND SUPERANNUATION COMMITMENTS

Employee Entitlements

The aggregate employee entitlement liability is disclosed in Note 12.

Directors, Officers, Employees and Other Permitted Persons Option Plan

Details of the Consolidated Entity's Directors, Officers, Employees and Other Permitted Persons Option Plan are disclosed in Note 16.

Superannuation Commitments

The Consolidated Entity contributes to individual employee accumulation superannuation plans at the statutory rate of the employees' wages and salaries, in accordance with statutory requirements, to provide benefits to employees on retirement, death or disability.

Accordingly no actuarial assessments of the plans are required.

Funds are available for the purposes of the plans to satisfy all benefits that would have been vested under the plans in the event of:

- Termination of the plans;
- Voluntary termination by all employees of their employment; and
- Compulsory termination by the employer of the employment of each employee;
- During the year employer contributions (including salary sacrifice amounts) to superannuation plans totalled $46,786 (2012: $64,624).

24. CONTINGENT LIABILITIES

There were no material contingent liabilities not provided for in the financial statements of the Consolidated Entity as at 30 June 2013 other than:

Native Title and Aboriginal Heritage

Native title claims have been made with respect to areas which include tenements in which the Consolidated Entity has an interest. The Consolidated Entity is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Consolidated Entity or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the Consolidated Entity has an interest.

25. 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 Consolidated Entity to affect substantially the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

FOR THE YEAR ENDED 30 JUNE 2013

26. PARENT COMPANY

(a) Financial Position

As at 30 June 2013

	2013 $	2012 $
Assets		
Total current assets	**1,076,425**	2,501,555
Total non-current assets	**1,786,040**	2,175,646
Total Assets	**2,862,465**	4,677,201
Liabilities		
Total current liabilities	**60,677**	61,733
Total non-current liabilities	**-**	-
Total Liabilities	**60,677**	61,733
Net Assets	**2,801,788**	4,615,468
Equity		
Issued capital	**14,831,596**	14,831,596
Reserves	**586,640**	586,640
Accumulated losses	**(12,616,448)**	(10,802,768)
Total Equity	**2,801,788**	4,615,468
Loss for the year	**1,813,681**	1,688,609
Other comprehensive income	**-**	-
Total comprehensive loss for the year	**1,813,681**	1,608,609

(b) Guarantees entered into by the Parent

Rubicon Resources Limited has not entered into a deed of cross guarantee with its wholly-owned subsidiary.

(c) Contingent liabilities of the Parent

Rubicon Resources Limited had no contingent liabilities at 30 June 2013 (2012 - Nil).

(d) Capital commitment of the Parent

Rubicon Resources Limited's capital commitments are disclosed in Note 18.

FOR THE YEAR ENDED 30 JUNE 2013

27. INTERESTS IN JOINT VENTURES

Interests in Joint Ventures

Rubicon has the following Joint Venture Interests:

Peters Dam Joint Venture (Silver Lake Resources Limited ("Silver Lake") 64.5%, Rubicon diluting)

The Peters Dam Joint Venture comprises approximately 200km^2 of Rubicon tenements in the southern Yindarlgooda project. Silver Lake has earned an initial 51% by spending $1.5m. Silver Lake manages the joint venture and is currently sole funding it with Rubicon being diluted. Rubicon can elect to contribute to the exploration program at six monthly intervals (one off right) to maintain its interest.

Queen Lapage Joint Venture (Silver Lake Resources Limited ("Silver Lake") 57%, Rubicon diluting)

The Queen Lapage Joint Venture comprises approximately 100km^2 of Rubicon tenements in the northern Yindarlgooda project. Silver Lake has earned an initial 51% by spending. Silver Lake manages the joint venture and is currently sole funding it with Rubicon being diluted.

Mt McLeay Joint Venture Agreement (Brimstone Resources Limited ("Brimstone") 51% increasing to 70%)

The Mt McLeay Project covers Rubicon tenements to the northwest of the Rocky Dam Yindarlgooda tenements. Brimstone has earned an initial 51% by spending $300,000. Brimstone may earn an additional 19% by expenditure of an additional $500,000 over two years. Brimstone manages and sole funds the joint venture.

Bentley Joint Venture (Caravel Minerals Limited ("Caravel") earning 70%)

The Bentley Joint Venture comprises Rubicon tenements (E69/2578, 2656 and 2885) at the Warburton project. Caravel can earn 70% by spending $0.81m over 5 years. Caravel will manage the joint venture and sole fund it, with a minimum spend of $162,000 in the first year of operation of the joint venture, following granting of Native Title Access.

Caesar Hill Joint Venture (Traka Resources Limited ("Traka") earning 70%)

The Caesar Hill Joint Venture comprises Rubicon tenement E69/2253 at the Warburton project. Traka can earn 70% by spending $0.80m over 5 years. Traka will manage the joint venture and sole fund it, with a minimum spend of $150,000 in the current first year of operation of the joint venture

The joint ventures are not separate legal entity. They are contractual arrangements between the participants under the signed joint venture agreements.

The joint ventures do not hold any assets and accordingly the Consolidated Entity's share of exploration, evaluation and development expenditure is accounted for in accordance with the policy set out in note 1.

There are no capital commitments or contingent liabilities associated with any of the Consolidated Entity's joint venture arrangements.

DIRECTORS DECLARATION

In the opinion of the Directors of Rubicon Resources Limited ("the Consolidated Entity"):

(a) The financial statements and notes, set out on pages 11 to 31, are in accordance with the *Corporations Act 2001*, including:

 (i) Complying with Accounting Standards in Australia and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

 (ii) Giving a true and fair view of the financial position of the Consolidated Entity as at 30 June 2013 and of its performance, as represented by the results of its operations, for the financial year ended on that date.

(b) There are reasonable grounds to believe that Rubicon Resources Limited will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Managing Director and the Company Secretary for the financial year ended 30 June 2013.

This declaration is made in accordance with a resolution of the Directors.

Signed at Perth this 18th day of September 2013.

Ian Macpherson
Chairman

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RUBICON RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying consolidated financial report of Rubicon Resources Limited (the "Company") and its controlled entity, (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2013 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the consolidated financial report which gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the consolidated financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those 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 consolidated financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the consolidated entity's preparation of the consolidated financial report which gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the consolidated financial report.

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

Chartered Accountants

BUTLER SETTINERI

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Butler Settineri
(Audit) Pty Ltd
ACN 112 942 373

Registered Company Auditor
Number 289109

Liability limited by a scheme approved under Professional Standards Legislation

Independence

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

Auditor's Opinion

In our opinion, the consolidated financial report of Rubicon Resources Limited is in accordance with the Corporations Act 2001 including:

a) giving a true and fair view of the Group's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Report on the Remuneration Report

We have audited the Remuneration Report included on pages 15 to 17 of the directors' report for the year ended 30 June 2013.

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 2013 complies with section 300A of the Corporations Act 2001.

BUTLER SETTINERI (AUDIT) PTY LTD

LUCY P GARDNER
Director

Perth
Date: 18 September 2013

This Statement summarises 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 Board and Management - ASX Principle 1

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

In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body. The Board has the final responsibility for the successful operations of the Company. In addition the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.

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

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

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

The Board is responsible for evaluating and setting the strategic directions for the Company, establishing goals for management and monitoring the achievement of these goals. Following the resignation of the Managing Director in November 2011, the Chief Operating Officer Mr Andrew Ford is responsible to the Board for the day-to-day management of the Company with the support of the Executive Chairman.

The Board has sole responsibility for the following:

- Appointing and removing the Managing Director, the Chief Operating Officer 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.

1. BOARD OF DIRECTORS (Continued)

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 Chief Operating Officer 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, with the support of the Executive Chairman. In carrying out his responsibilities the Chief Operating Officer 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 Chief Operating Officer and implement the running of the general operations and financial business of the Company, in accordance with the delegated authority of the Board.

At the end of 2011, the Managing Director left the Company for personal reasons to live overseas, and the role of the Managing Director has been split between the Executive Chairman and the Chief Operating Officer. The former Managing Director's services have been retained as a Non-Executive Director.

1.2 Composition of the Board - ASX Principle 2

To add value to the Company, the Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties. The names of the Directors and their qualifications and experience are disclosed in the Directors' Report. Directors are appointed based on the specific professional qualifications, corporate experience, resource industry knowledge and experience, public company management experience, technical and operational skills required by the Company at this time.

The Board comprised one Executive (Executive Chairman) 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 off offer.

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

At present the Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the expense of the appointment of additional independent Non-Executive Directors. The existing Directors provide the necessary diversity of qualifications, skill and experience and bring quality and independent judgement to all relevant issues.

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

The Board acknowledges that a greater proportion of independent Non-Executive Directors is desirable over the longer term and will be 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. BOARD OF DIRECTORS (Continued)

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 or Chief Operating Officer as well as reviewing the performance of the Managing Director or Chief Operating Officer 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 or Chief Operating Officer 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. BOARD OF DIRECTORS (Continued)

1.4.4 Independent Professional Advice

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

1.4.5 Related Party Transactions

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

1.4.6 Trading in the Company Shares

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

'Inside information' is information that:

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

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

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

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

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

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

1.4.7 Attestations by Executive Chairman and Company Secretary

In accordance with the Board's policy, the Executive Chairman or 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. BOARD COMMITTEES (Continued)

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 8

The Company does not have a remuneration committee. While this is a departure from ASX Corporate Governance Council Recommendation 8.1, it provides a more efficient mechanism based on the size and complexity of the Company.

The responsibilities of the Board in its entirety include setting policies for senior officers' remuneration, setting the terms and conditions of employment for the Managing Director and Chief Operating Officer, 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 and Chief Operating Officer's performance, including, setting with the Managing Director or Chief Operating Officer 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 or Chief Operating Officer 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 or Chief Operating Officer – 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; and
- Have an obligation, at all times, to comply with the spirit, as well as the letter of the law and with the principles of this Code.

3.2 Code of Ethics and Conduct - ASX Principle 3

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

All Directors and employees are expected to:

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

3. ETHICAL STANDARDS (Continued)

3.2 Code of Ethics and Conduct - ASX Principle 3 (Continued)

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

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

Responsibilities to Shareholders and the Financial Community Generally

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

Employment Practices

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

Responsibilities to the Community

As part of the community the Company:

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

The Company supports the Indigenous Community:

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

Responsibility to the Individual

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

Conflicts of Interest

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

How the Company Monitors and Ensures Compliance with its Code

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

Disciplinary measures may be imposed for violating the Code.

4. DISCLOSURE OF INFORMATION

4.1 Continuous Disclosure to ASX - ASX Principle 5

The continuous disclosure policy requires all Executives and Directors to inform the Executive Chairman and the Chief Operating Officer 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 Executive Chairman 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.

4.3 Diversity Policy - *ASX Principle 3*

The Company has implemented a Diversity Policy which is committed to an inclusive workplace that embraces and promotes diversity. Diversity may result from a range of factors including gender, age ethnicity and cultural backgrounds.

All Directors and employees are expected to:

- Ensure diversity is incorporated into behaviours and practises of the Company;
- Facilitate equal employment opportunities based on job requirements;
- Value and maintain professionalism; and
- Create an inclusive workplace culture.

4. DISCLOSURE OF INFORMATION (Continued)

4.3 Diversity Policy - *ASX Principle 3 (Continued)*

The Board has not established measurable objectives for achieving gender diversity at this stage of the Company's development due to the size and nature of the Company's activities. The Policy focusses on identifying and removing any barriers to diversity to create a workplace culture of inclusion and equal opportunities. The proportion of women employees in the whole organisation is 25%, women in senior executive positions 0% and women on the Board 0%.

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 Chief Operating Officer supported by the Executive Chairman and Company Secretary having ultimate responsibility to the Board for the risk management and control framework.

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

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

5.2 Integrity of Financial Reporting - ASX Principle 7

The Company's Executive Chairman 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 internal preparation of the Half Yearly audit review and the Financial Year audit includes preparing the Financial Statements and accompanying explanatory notes, conducting a series of routine reviews and financial tests and reviewing the carrying value of all assets. The Company auditor is required to attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

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

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.

SUB-PROJECT	TENEMENT ID	NATURE OF INTEREST	DATE GRANTED
Yindarlgooda			
Yindarlgooda	E25/355	1	10-Nov-2009
Taurus	E25/392	1	29-Dec-2009
Mt Monger	E25/422	1	24-May-2010
Yindarlgooda	E25/456	1	8-Jun-2011
Yindarlgooda	E27/425	1	8-Sep-2010
Yindarlgooda	E27/430	1	25-Jan-2011
Yindarlgooda	E27/431	1	Pending
Yindarlgooda	E27/443	1	04-Jul-2011
Yindarlgooda	E27/449	1	12-Sep-2012
Yindarlgooda	E27/454	1	Pending
Yindarlgooda	E27/456	1	Pending
Yindarlgooda	P27/1949	1	22-Sep-2008
Peter Dam JV	E26/153	2	6-May-2011
Peter Dam JV	E26/154	2	6-May-2011
Peter Dam JV	E15/869	2	21-Dec-2005
Peter Dam JV	E25/307	2	21-Jun-2005
Peter Dam JV	E25/376	2	30-Jan-2009
Peter Dam JV	E25/390	2	10-Nov-2009
Peter Dam JV	E25/391	2	10-Nov-2009
Peter Dam JV	E25/433	2	22-Nov-2010
Peter Dam JV	E25/434	2	22-Nov-2010
Peter Dam JV	E25/475	2	1-Nov-2012
Peter Dam JV	P25/2185	2	04-Jul-2011
Peter Dam JV	P25/2186	2	04-Jul-2011
Peter Dam JV	P25/2187	2	04-Jul-2011
Peter Dam JV	P25/2188	2	04-Jul-2011
Peter Dam JV	P26/3813	2	15-Jun-2011
Peter Dam JV	P26/3814	2	15-Jun-2011
Peter Dam JV	P26/3815	2	15-Jun-2011
Peter Dam JV	P26/3816	2	15-Jun-2011
Peter Dam JV	P26/3817	2	15-Jun-2011
Peter Dam JV	P26/3818	2	15-Jun-2011
Peter Dam JV	P26/3819	2	15-Jun-2011

SUB-PROJECT	TENEMENT ID	NATURE OF INTEREST	DATE GRANTED
Yindarlgooda Project (Continued)			
Peter Dam JV	P26/3820	2	15-Jun-2011
Peter Dam JV	P26/3821	2	15-Jun-2011
Peter Dam JV	P26/3822	2	15-Jun-2011
Peter Dam JV	P26/3823	2	15-Jun-2011
Peter Dam JV	P26/3824	2	15-Jun-2011
Peter Dam JV	E25/379	2	22-Dec-2009
Peter Dam JV	E25/488	2	13-Sep-2013
Peter Dam JV	E25/489	2	13-Sep-2013
Peter Dam JV	E25/490	2	13-Sep-2013
Peter Dam JV	E25/491	2	13-Sep-2013
Mt McLeay JV	P27/1711	2a	28-May-2008
Mt McLeay JV	P27/1748	2a	28-May-2008
Mt McLeay JV	P27/1749	2a	28-May-2008
Mt McLeay JV	P27/1990	2a	11-Dec-2009
Mt McLeay JV	P27/1954	2a	19-Feb-2009
Mt McLeay JV	P27/1979	2a	29-Oct-2009
Mt McLeay JV	P27/2006	2a	29-Jun-2010
Queen Lapage JV	E25/455	2b	25-Mar-2011
Queen Lapage JV	E27/426	2b	8-Sep-2010
Queen Lapage JV	E25/273	2b	23-Mar-2006
Queen Lapage JV	E25/326	2b	1-Nov-2006
Queen Lapage JV	E27/291	2b	28-Apr-2006
Jeedamya			
Kookynie	E40/195	1	20-Apr-2006
Kookynie	E40/293	1	4-May-2011
Warburton			
Caesar Hill JV	E69/2253	2c	19-Jul-07
Bentley JV	E69/2578	2c	Pending
Bentley JV	E69/2656	2c	3-Nov-2010
Bentley JV	E69/2885	2c	13-Jun-2012
Bentley JV	E69/2886	2c	Pending
Canobie			
Canobie JV	EPM177767	2c	Pending

Tenement schedule current as of 17th October 2013

1. Tenements 100% owned by Rubicon Resources Limited
2. Tenements 36% (as of 30 June 2013) owned by Rubicon Resources Limited, subject to joint venture

2a. Tenements 49% (as of 30 June 2013) owned by Rubicon Resources Limited, subject to joint venture
2b. Tenements 43% (as of 30 June 2013) owned by Rubicon Resources Limited, subject to joint venture
2c. Tenements 100% owned by Rubicon Resources Limited, subject to joint venture

Pursuant to the Listing Requirements of the Australian Stock Exchange Limited, the shareholder information set out below was applicable as at 17 October 2013.

A. Distribution of Equity Securities

Analysis of numbers of shareholders by size of holding:

Distribution	*Number of Shareholders*	*Number of Shares*
1 – 1,000	108	21,095
1,001 – 5,000	76	183,758
5,001 – 10,000	54	419,747
10,001 – 100,000	428	20,280,799
More than 215,000	215	127,399,099
Totals	**881**	**148,304,498**

There were 537 holders of less than a marketable parcel of ordinary shares.

B. Substantial Shareholders

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

Shareholder Name	Issued Ordinary Shares	
	Number of Shares	*Percentage of Shares*
I Macpherson & Associates	17,542,389	11.83%
IJ Buchhorn and related entities	8,859,777	5.97%

C. Twenty Largest Shareholders

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

Shareholder Name	Listed Ordinary Shares	
	Number	*Percentage Quoted*
FATS PL (MACIB Super A/C)	10,042,389	6.77%
FATS PL (MACIB FAM A/C)	7,500,000	5.06%
Kurana Pty Ltd (Buchhorn Unit Fund)	5,062,537	3.41%
CVRD Australia EA Pty Ltd	4,000,000	2.70%
Ahmet Metin Oktay	3,000,000	2.02%
Citicorp Nom PL	2,994,395	2.02%
Prince Raymond John (RJ Prince Retire)	2,750,000	1.85%
PIAT Corp PL	2,440,845	1.65%
VALE Aust EA PL	2,423,995	1.63%
Barker, Bruce G & WA (Barker Retmnt Fund)	2,405,753	1.62%
Masen Properties Pty Ltd	2,010,000	1.36%
Hazurn PL (Buchhorn S/F A/C)	1,855,906	1.25%
Middlemas RS & Wolseley (Middlemas S/F A/C)	1,732,215	1.17%
Kumar, Asok & Renu (Asok Kumar Fam S/F)	1,725,000	1.17%
Sinclair, MG & AC (M&A Sinclair S/F)	1,521,240	1.03%
Kavalex PL	1,500,000	1.01%
Dupuy, Oliver R & JE (Enerjee S/F A/C)	1,475,000	0.99%
Eaton, Peter Charles	1,475,000	0.99%
Hopetoun Nom PL	1,438,485	0.97%
Fryco Inv PL (S/F A/C)	1,320,027	0.89%
	58,672,787	**39.56%**

D. Unquoted Options

Options	Number of Options
Unlisted options exercisable at 2 cents each by 30 June 2017	6,000,000
Unlisted options exercisable at 10 cents each by 31 October 2014	6,000,000
Unlisted options exercisable at 15 cents each by 31 October 2014	1,500,000
Unlisted options exercisable at 20 cents each by 31 October 2014	1,000,000
Unlisted options exercisable at 14 cents each by 13 January 2014	2,200,000
	16,700,000

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.