

Quarterly Report

for the period ending 31st December 2010

Highlights

Operations

- Re-assay of selected reverse circulation drilling samples at the Red Dale North prospect on the Peters Dam Joint Venture increase the grade of intercepts significantly. Better results are now:

28m @ 0.63g/t (incl. 2m @ 3.46g/t)
9m @ 1.33g/t (incl. 4m @ 2.32g/t)
5m @ 1.56g/t (incl. 3m @ 1.90g/t)
- Additional aircore drilling of 34 holes for 2,122 metres at Celia project. Results have defined substantial strike lengths of anomalous structure.
- Major airborne electromagnetic surveys completed at the Jackie Junction and Caesar Hill copper-nickel targets at the Warburton Joint Venture. Processing and interpretation is in progress.
- Dominion Mining Ltd has entered into an agreement to earn a 70% interest in Rubicon's Bentley tenement at the Warburton project through the expenditure of \$750,000 over five years.
- Significant effort was spent in project acquisition activities. Rubicon will increase its focus on acquisition and M&A activities going forward.

Corporate

- Mr Ian Macpherson commenced as non-Executive Chairman of Rubicon. Mr Macpherson has undertaken a placement of 12,500,000 shares at 4 cents per share, thereby raising \$500,000 and becoming Rubicon's largest shareholder.
- A Share Purchase Plan to raise up to \$1,000,000 at 4 cents per share was completed oversubscribed. A total of 25,000,000 million shares were issued accordingly.
- An additional 10,000,000 shares were issued to sophisticated investors at 4 cents per share, thereby raising an additional \$400,000.
- A total of \$1.9m was raised leaving Rubicon with cash of \$3.3m at the end of the quarter.

RUBICON RESOURCES LIMITED
(ABN 38 115 857 988)

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ASX Code: RBR
Issued Shares 142.3m
Issued Options 12.1m
Cash \$3.3m

Operations

The main exploration activities for the quarter comprised aircore drilling at Celia, a major airborne electro-magnetic survey at Warburton, continued data review on new tenements and tenement acquisition. Aircore drilling was completed on the Rocky Dam joint venture at Yindarlgooda.

Rubicon continued to review other exploration and mining opportunities throughout the quarter and has intensified its efforts in this area.

1.0 YINDARLGOODA PROJECT

The Yindarlgooda Project comprises approximately 940km² of tenure centred 55km east of Kalgoorlie on a felsic volcanic dome around Lake Yindarlgooda (Figure 1). The project area is subject to four separate joint ventures and Rubicon retains tenements in its own right.

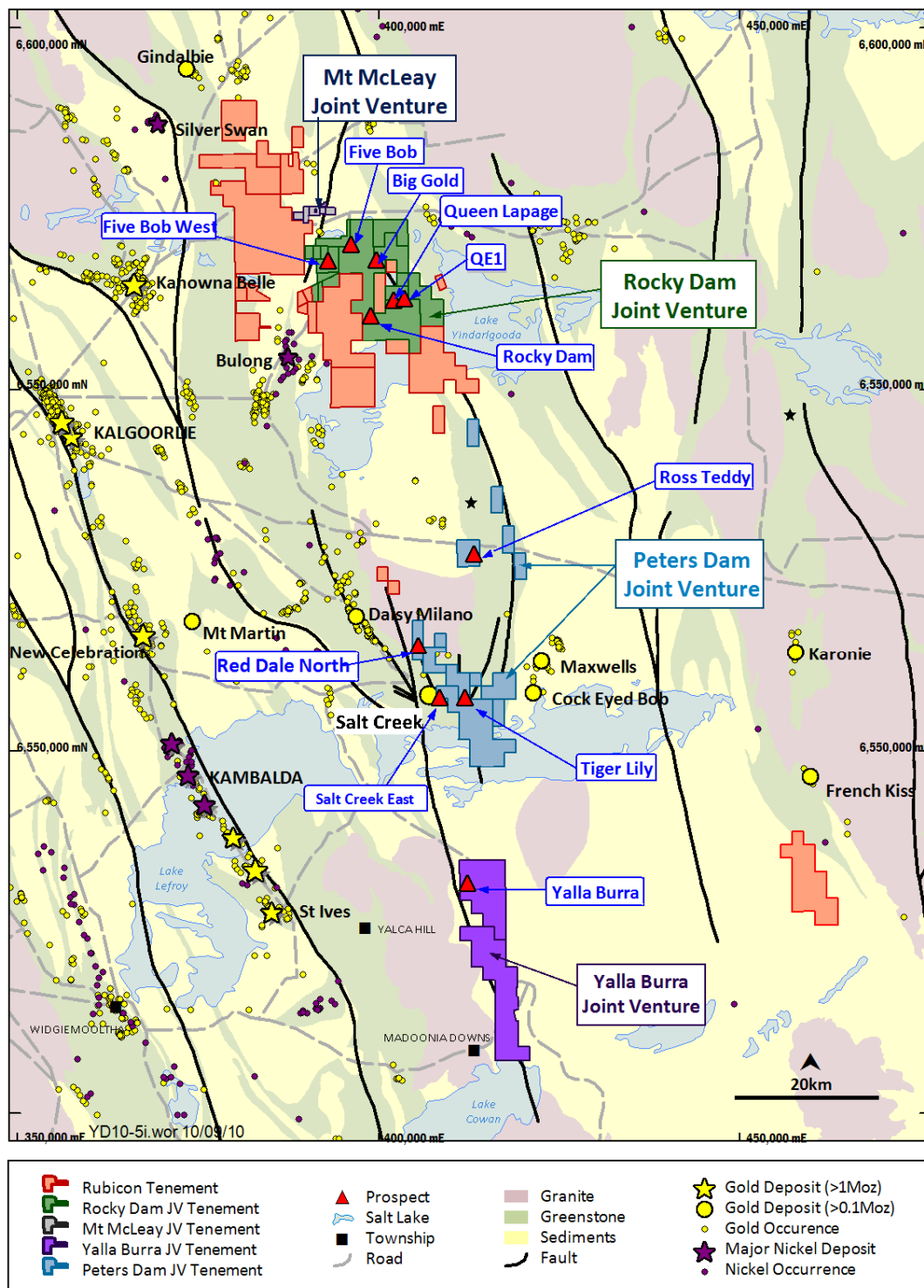


Figure 1 Yindarlgooda Project Overview

Exploration during the quarter has consisted of an aircore drilling program (10 holes for 608 metres) at the Rocky Dam Joint Venture and preparation for drilling and a gravity survey at the Peters Dam Joint Venture. There was no work reported from the Mt MacLeay and Yalla Burra Joint Ventures. Rubicon has continued to review previous exploration data for its 100% owned tenements prior to commencing exploration (Figure 1).

1.1 Peters Dam Joint Venture (Integra Mining Ltd earning 51 - 70%)

At the Peters Dam Joint Venture, Integra Mining Ltd reports that it has conducted Leachwell (cyanide leach) gold analysis on selected intercepts from the Red Dale North reverse circulation (RC) drilling completed and reported last quarter. The Leachwell results indicate significantly higher gold grades for virtually all samples tested (Table 1), thereby enhancing the potential of the prospect. Further drilling is planned by Integra to test the prospect.

Table 1 - Significant RC Drill Intercepts by Fire Assay & Leachwell Analysis, Red Dale North Prospect

Hole ID		From (m)	To (m)	Metres	Au (g/t) Fire Assay	From (m)	To (m)	Metres	Au (g/t) Leachwell Analysis
RDNRC001		19	37	18	0.16	19	37	18	0.16
		48	52	4	0.62	48	52	4	1.13
RDNRC002					NSV				NSV
RDNRC003		26	54	28	0.49	26	54	28	0.63
	incl.	27	29	2	2.32	27	29	2	3.46
	incl.	36	37	1	1.16	36	37	1	1.00
	incl.	49	51	2	1.65	49	51	2	2.23
RDNRC004		45	50	5	0.66	45	50	5	1.56
	incl.	47	49	2	1.05	47	50	3	1.90
RDNRC005		24	30	6	0.28	24	30	6	0.91
		43	52	9	0.96	43	52	9	1.33
	incl.	48	52	3	2.00	48	52	4	2.32
RDNRC006					NSV				NSV

*NB Only selected samples within the revised intercepts were re-assayed by the Leachwell technique. Revised assays highlighted

A heritage survey was completed over the Ross Teddy target where drilling is planned to test the sheared contact between the core felsic volcanics and the overlying mafic volcanics (Figure 1). The equivalent sheared contact on the western side of the Yindarlgooda Dome hosts significant gold occurrences, including Daisy Milano.

A gravity survey was completed over the Salt Creek East area (Figure 1) to define potential structural targets there.

1.2 Rocky Dam Joint Venture (St Barbara Ltd earning 51 - 70%)

St Barbara reported that it completed a 10 hole aircore drilling program for 608 metres on the Five Bob West prospect during the quarter (Figure 1). The program follows up arsenic-anomalous zones encountered in previous drilling. A best intercept of 4m @ 0.21g/t gold was reported.

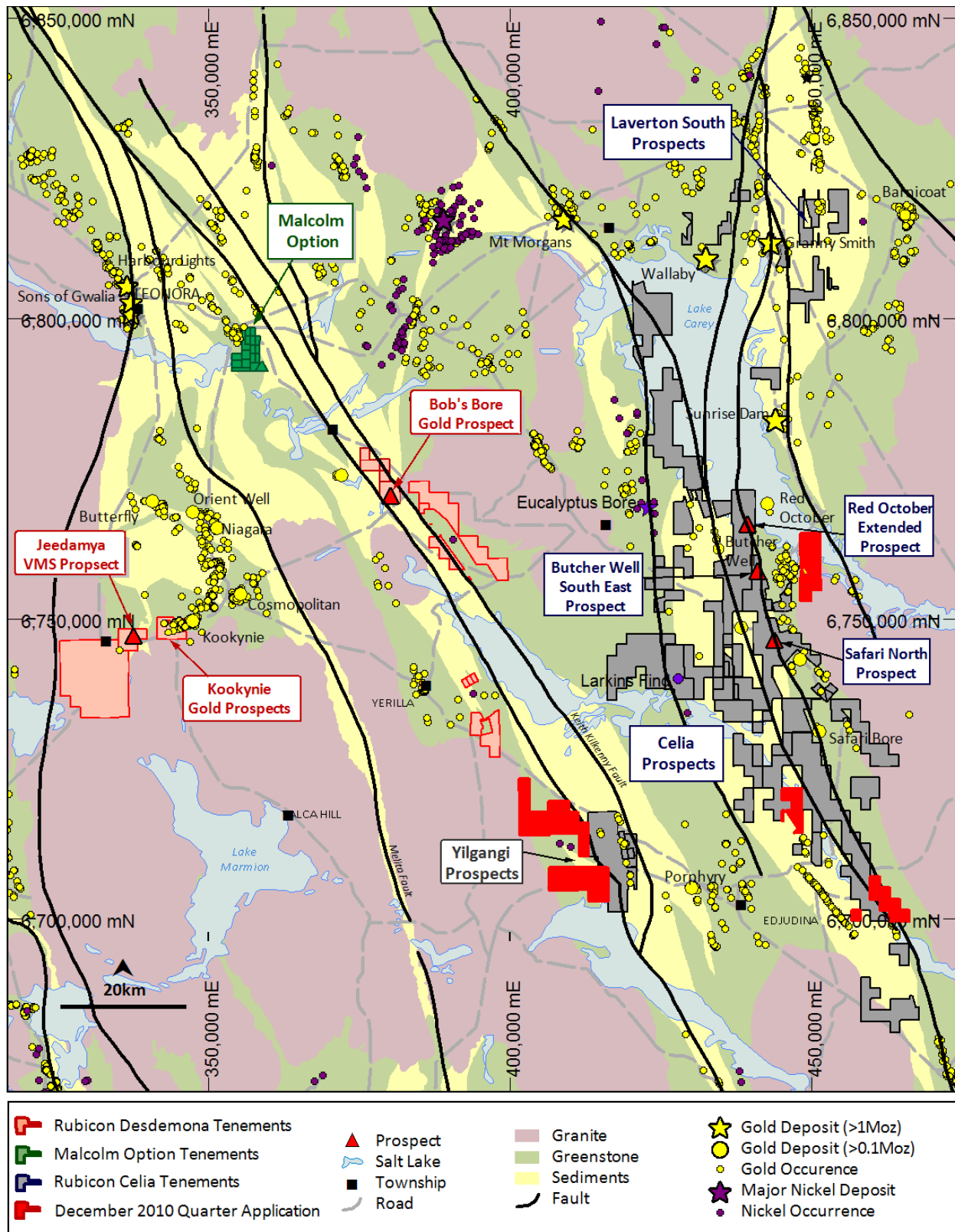
Following discussions by the joint venture partners, St Barbara has agreed to return certain joint venture tenements to Rubicon and has granted the right for Rubicon to explore for base metals and iron on all joint venture tenements. Originally, St Barbara had planned to explore for all commodities on the joint venture tenements, but following a change in strategy for the company, has restricted its exploration effort to gold only. The returned tenements are now shown as Rubicon tenements in Figure 1.

Rubicon has significant iron and base metal targets associated with the volcano-sedimentary at Rocky Dam and has previously completed electro-magnetic (EM) surveys under lake cover to the south of Rocky Dam (Figure 1), which produced anomalies that have not been tested. The same sequence is also considered prospective for iron mineralisation.

Rubicon intends to undertake active exploration in this area in early 2011.

2.0 CELIA

Rubicon has a ground holding of approximately 1,350km² in the Laverton Tectonic Zone, which hosts gold deposits including Sunrise Dam (+10m oz of gold), Wallaby (7.1m oz), Granny Smith (2.5m oz), Safari Bore (0.5m oz) and Red October (0.3m oz) (Figure 2).



CE10-04a Celia_Des_Overview_Dec10 Qtrly

Figure 2 Celia and Desdemona Project Overview

Gold Exploration

An aircore drilling program (128 holes for 6,327m) was undertaken in September/October 2010 and results reported on 9 November 2010. This drilling completed earlier proposed programs on newly granted tenure and infilled around gold anomalies identified in Rubicon drilling earlier in 2010. The results have confirmed the prospectivity of a number of structures for gold mineralisation, with gold anomalism recorded over significant strike lengths. Significant results are tabulated in Table 2 and represented on Figure 3.

Table 2 Celia Project Drilling - Significant Drill Results (previously reported) > 0.1g/t gold

Prospect	Hole ID	Northing (m)	Easting (m)	Depth (m)	From (m)	To (m)	Interval (m)	Gold Grade (g/t)
Safari North	RCAC0133	6750403	442511	66	62	66	4	0.44
	RCAC0143	6746199	443603	45	36	37	1	0.25
	RCAC0159	6745695	443657	50	46	50	4	0.26
Red October Extended	RCAC0166	6766010	439401	74	58	62	4	0.22
					66	70	4	0.13
Crimson Belle	RCAC0183	6769900	431005	41	28	32	4	1.57
Butcher Well Southeast	RCAC0204	6760498	439447	29	28	29	1	0.43
	RCAC0215	6759902	440006	89	0	4	4	0.20
	RCAC0216	6759910	439896	72	54	58	4	1.03
	RCAC0222	6759487	440296	81	66	70	4	0.13
	RCAC0244	6757097	440990	58	41	44	4	0.78
					57	58	1	0.11
	RCAC0248	6757105	440609	35	34	35	1	0.13
Butcher Well South	RCAC0259	6751995	438200	34	14	18	4	0.22

A second program (34 aircore/RAB holes for 2,122m) was completed to further infill the Butcher Well Southeast prospect and to drill beneath a previously reported intercept in RCAC063 (10m @ 1.85g/t gold) at Safari North. Results for this drilling are reported in Table 3 and shown in Figure 3.

Table 3 Celia Project Drilling (December 2010) >0.1g/t gold

Prospect	Hole ID	Northing	Easting	Depth (m)	From (m)	To (m)	Interval (m)	Gold Grade (g/t)
Butcher Well South East	RYRB0214	6760102	439712	72	64	68	4	0.12
	RCAC0266	6759901	439929	96	48	72	24	0.17
	RCAC0286	6756900	441000	64	60	64	4	0.34
Safari North	RCAC0291	6746088	443642	88	41	84	43	0.23
				incl.	46	48	2	0.83
				incl.	60	66	6	0.43
	RCAC0292	6746082	443575	68	21	23	2	0.34
					36	38	2	0.90
					52	55	3	0.36

At Butcher Well Southeast, drilling has extended gold anomalism over a strike length of 4.4km on the northern continuation of the Safari North shear system. RCAC216 recorded an intercept of 4m @ 1.03g/t gold. Scissor drilling beneath this hole (RCAC0266) indicated a low grade mineralised zone of approximately eight metres in true width and dipping moderately to the east.

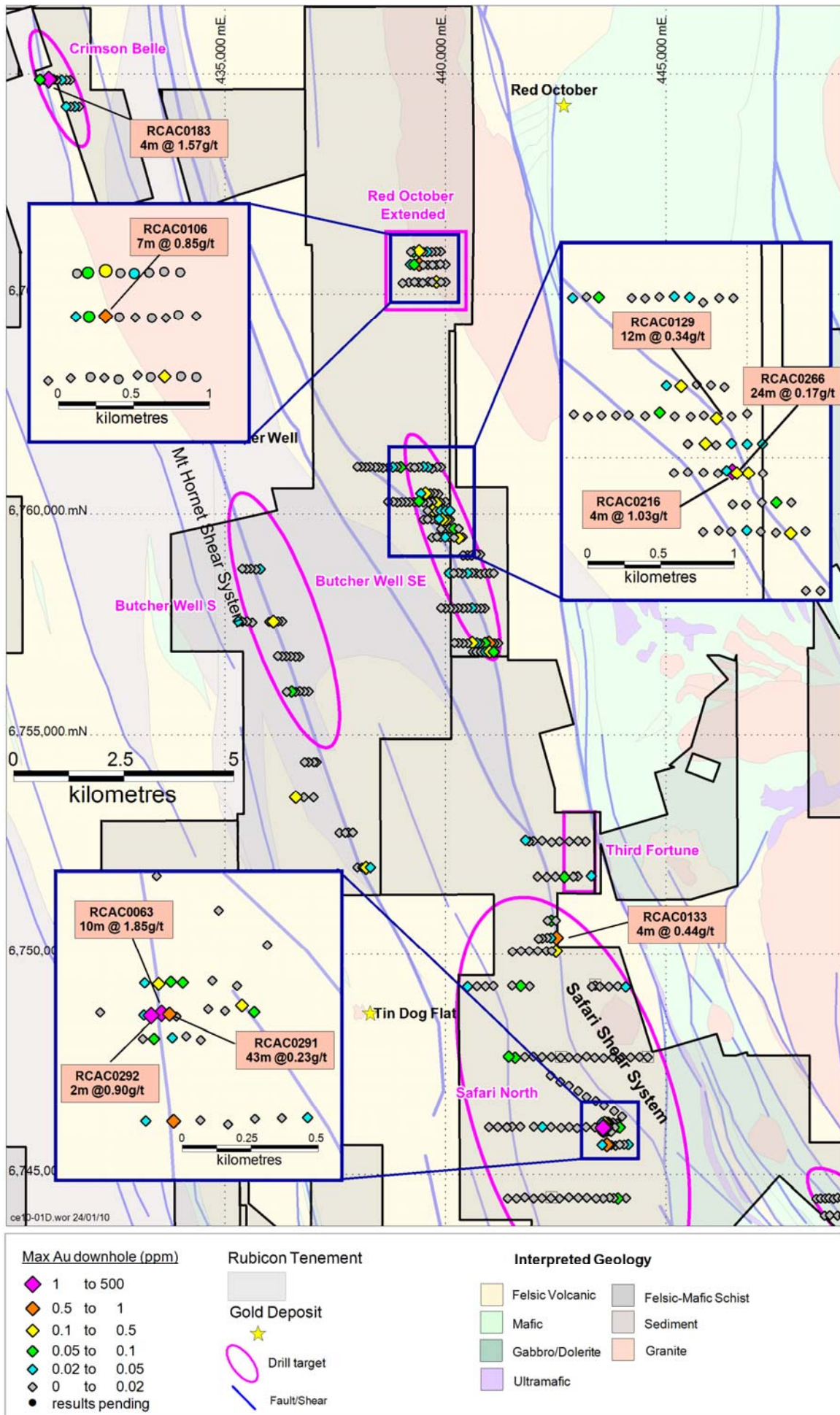


Figure 3 Aircore Drill Results at Celia

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Resources Limited

RCAC0148 RCAC0292 RCAC0663 RCAC0291 RCAC0147

Alluvial Cover

Base of Complete Oxidation

Intermediate Volcanic

50m

RCAC063_Scissor.cdr

Celia Project
Safari North Prospect
RCAC063 Follow-up Drilling
December 2010

Drilling 4km further north of RCAC063 also intersected further anomalism (4m @ 0.44g/t gold in RCAC0133) along the same mineralised trend.

Drilling along the Mt Horner Shear System, which is host to the Butcher Well gold deposit (0.3m oz gold), returned 4m @ 0.22g/t gold in RCAC259 at Butcher Well South. Twenty kilometres to the north along the same structural system at Crimson Belle, RCAC0183 intersected 4m @ 1.57g/t gold.

As reported on 4th November, 2010, Rubicon Resources Limited tested previously defined EM anomalies at the Jeedamya volcanogenic massive sulphide (VMS) prospect with three deep reverse circulation (RC) drill holes (Figure 2). All results have now been received for this drilling.

The silica-pyrite-pyrrhotite altered zones exhibit consistently anomalous copper and zinc values of up to 0.5% zinc and 0.3% copper, but typically less than 0.1%. Best results of 9m @ 0.25% zinc and 16m @ 0.11% copper were recorded within the altered zone in RDRC033 (Figure 6), which was sited under a shallow hole drilled by a previous explorer.

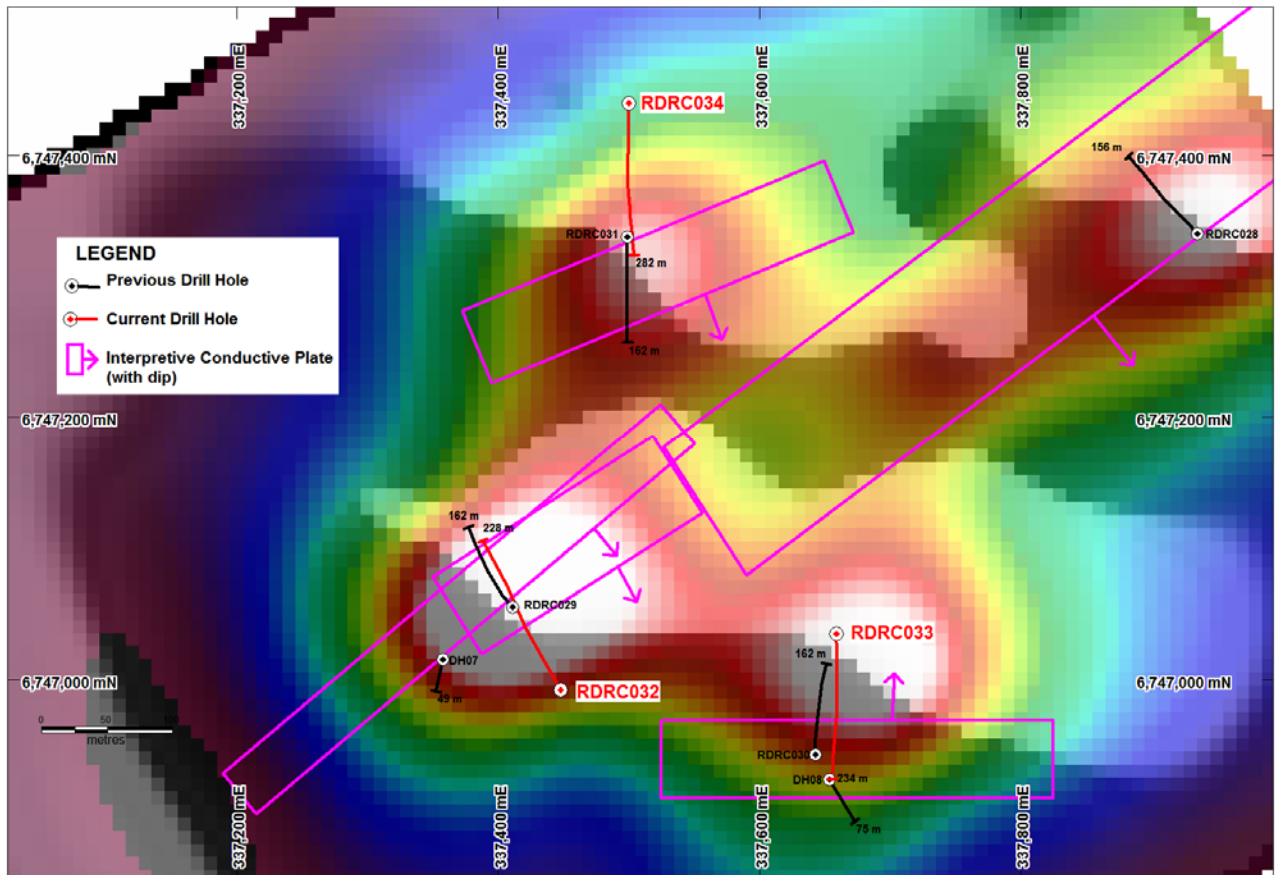


Figure 5 Jeedamya EM Conductors and Completed Drilling

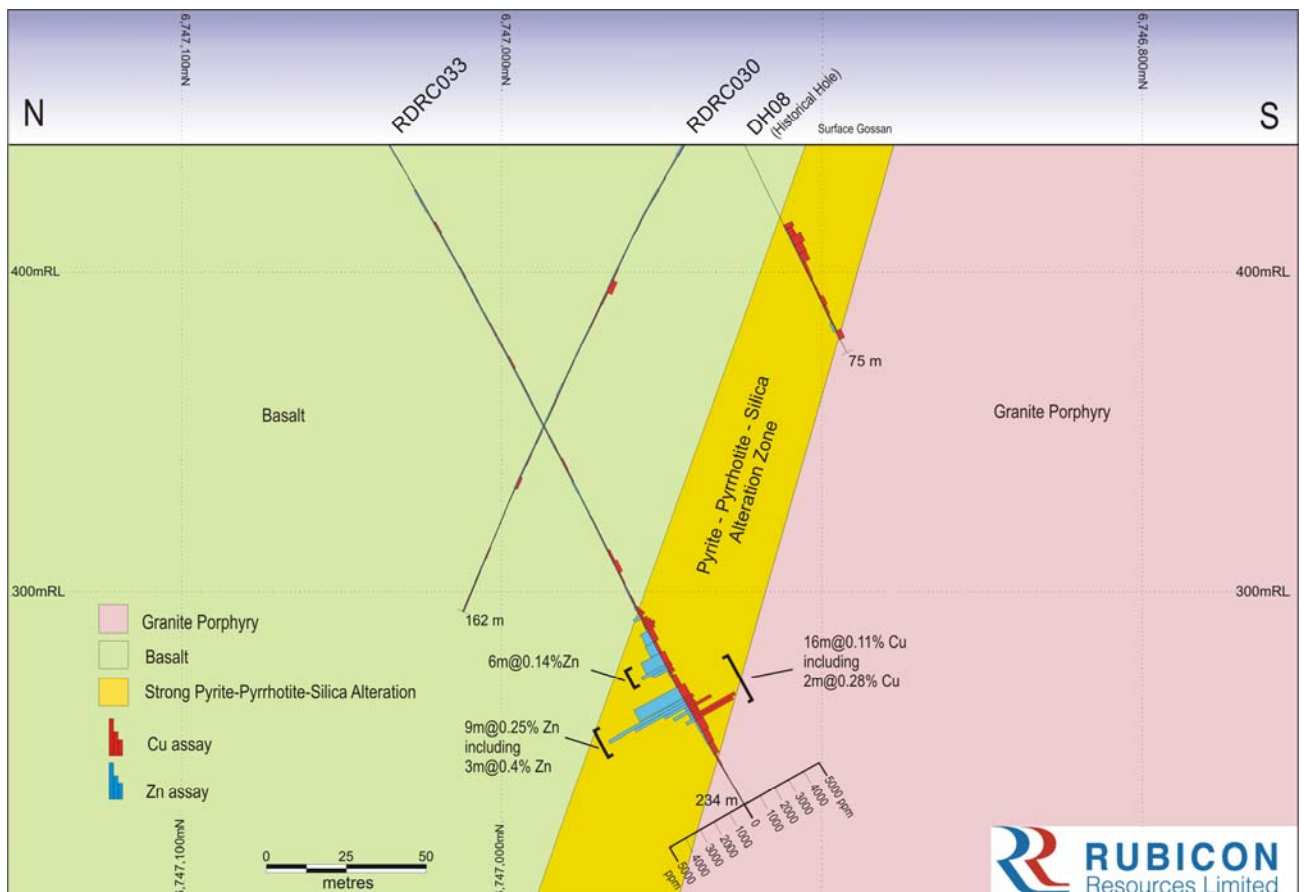


Figure 6 Cross Section through RDRC033, Jeedamya

The results are considered indicative of a VMS system, with the presence of semi-massive pyrrhotite anomalous in copper and zinc a feature of VMS alteration systems. Detailed field mapping will be undertaken in early 2011 and all results will be reviewed to determine the next stage of exploration, aimed at targeting a potential economic core to the system.

4.0 WARBURTON (100% Tenure and Vale Australia EA Pty Ltd earning 51% - 75%)

The Warburton Project comprises approximately 2,000km² of exploration licences within the western Musgrave Province (Figure 7). Rubicon now has two joint ventures with Vale S.A. and Dominion Mining Ltd, as well as 100% owned tenements. The project has potential for the discovery of world class stratabound sediment-hosted copper (eg. Mt Isa and Michigan Copper belt), magmatic nickel-copper (eg. Babel/Nebo, Voisey's Bay) and felsic-hosted gold mineralisation.

4.1 Warburton Joint Venture (Vale Australia EA Pty Ltd earning 51% - 75%)

During the quarter, work was restricted to flying two VTEM (Versatile Time Domain Electromagnetic) surveys over the Jackie Junction and Caesar Hill prospects (Figure 7).

Jackie Junction is a copper-nickel-platinum group metal (PGM) mineralisation target, located north of Warburton that is associated with dyke-sill complexes in the footwall of the interpreted Giles Complex equivalent. Analogous examples are the Babel and Nebo deposits located approximately 80km to the southeast of Jackie Junction (Figure 7). Recent aircore drilling verified the presence of suitable gabbroic-norite rocks, with some boxwork after chalcopyrite and rare remnant chalcopyrite and heazlewoodite (sulphur-poor nickel sulphide) under shallow cover conditions. The VTEM survey covered an area of approximately 200km².

The second VTEM survey was flown over an area of 135km² on the eastern half of the Caesar Hill tenement (Figure 7), where basal Giles Complex rocks have been previously mapped. There has been no ground work undertaken on the Caesar Hill tenement to date and there has been no Native Title agreements signed for the tenement. The results of the VTEM survey will dictate whether an access agreement is negotiated.

Final data has only recently been received for these surveys and is currently being processed and interpreted by Vale geophysicists.

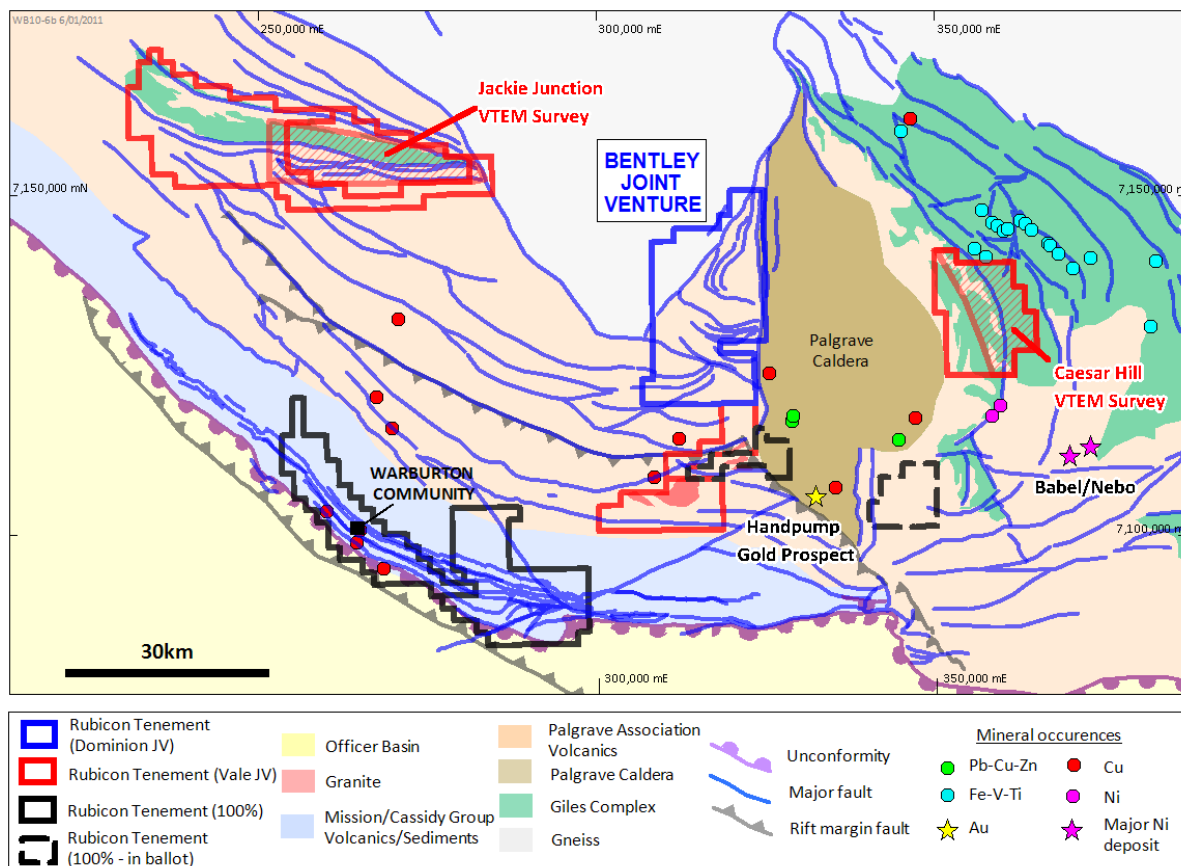


Figure 7 - Warburton Project, Tenements and Geology

4.2 Bentley Joint Venture (Dominion Mining Ltd earning 70%)

On 19 January, 2011, Rubicon announced that it had signed a letter agreement with Quadrio Resources Pty Ltd (a wholly owned subsidiary of Dominion Mining Limited) ("Dominion") to enter into a joint venture agreement on Exploration License 69/2578 (the Bentley tenement) at Rubicon's Warburton Project.

The basic terms of the joint venture agreement are as follows:

- Dominion has the right to earn a 70% interest in the Bentley tenement through expenditure of \$750,000 over a five year period, commencing from the later date of signing of a formal joint venture agreement, granting of the Tenement or signing of a Land Access Agreement
- Dominion will spend a minimum of \$140,000 (net of Land Access Agreement costs) within 12 months from the commencement date.
- Once Dominion has met the Earn In, Rubicon has the election to contribute to the Tenement expenditure at its respective interest, or dilute using an industry standard dilution formula.
- The joint venture is contingent on signing an acceptable Land Access Agreement with the relevant Land Council and its Traditional Owners on terms acceptable to Dominion.

Rubicon has an existing joint venture with Dominion at Yalla Burra in the Yindarlgoooda project area. Dominion is a focused exploration and mining company and intends to principally explore for gold in the tenement as part of a larger project area, following the recent discovery of the Handpump gold mineralisation in the area by a third party. The Bentley tenement has a structural setting and similar rock types to those at Handpump.

5.0 OTHER PROJECTS

At the Wyloo Channel Iron project, an adjacent tenement (E08/2228) was applied for.

New tenements were applied for at Wallareenya (iron and tantalum tenements near the Wodgina Tantalum Mine), Sandstone (iron tenements east of Sandstone) and Ghost Rocks (gold and nickel tenement northwest of Menzies).

There was no work undertaken at the Errolls, Paddy Well, Rainy Rocks or Erlistoun projects.

Corporate

During the quarter, a successful Share Purchase Plan ("SPP") was completed to raise \$1,000,000 at a price of \$0.04 per share. The offering was over-subscribed and 25,000,000 Rubicon shares were issued accordingly.

Mr Ian Macpherson joined the Board of Rubicon as Non-Executive Chairman. Mr Macpherson is a Chartered Accountant with over thirty years experience in finance, principally in the provision of corporate and financial advice to the mining and mineral exploration industry. Mr Macpherson took up a placement of 12,500,000 ordinary shares in Rubicon at 4 cents per share, raising \$500,000. The placement was approved by shareholders at the Annual General Meeting in November this year. Mr Macpherson is now Rubicon's largest shareholder with an 8.8% holding in the company.

An additional 10,000,000 shares were issued to sophisticated investors, thereby raising an additional \$400,000.

Following the various capital raisings, Rubicon now has 142,304,498 shares and 12,100,000 unlisted options on issue. The Company has cash reserves as at 31 December 2010 of approximately \$3.3 million.

Competent Persons Statement

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

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Rubicon Resources Limited

ABN

38 115 857 988

Quarter ended ("current quarter")

31 December 2010

Consolidated statement of cash flows

	Dec 2010 quarter \$A'000	Year to date (6 Mths) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(1,065)	(1,642)
(b) development	-	-
(c) production	-	-
(d) administration	(146)	(260)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	32	61
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
- Joint Venture Contributions	457	582
Net Operating Cash Flows	(722)	(1,259)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(722)	(1,259)

+ See chapter 19 for defined terms.

Appendix 5B**Rubicon Resources Limited – December 2010 quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(722)	(1,259)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares (net of costs)	1,900	1,900
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	1,900	1,900
	Net increase (decrease) in cash held	1,178	641
1.20	Cash at beginning of quarter/year to date	2,103	2,640
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,281	3,281

Payments to directors of the entity and associates of the directors**Payments to related entities of the entity and associates of the related entities**

	Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2
1.24	Aggregate amount of loans to the parties included in item 1.10

1.25 Explanation necessary for an understanding of the transactions

N/a

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/a

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/a

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	Nil
3.2	Credit standby arrangements	Nil

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	-
4.3 Production	-
4.4 Administration	150
Total	450

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	900	125
5.2 Deposits at call	2,381	1,978
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	3,281	2,103

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E31/925 E31/937-938 E31/941 E39/1557-1558	Celia project - withdrawn in favour of new Rubicon applications	100%	0%
	E25/445	Yindarlgooda project - withdrawn in favour of new Rubicon applications	100%	0%
	E40/200	Desdemona project - surrendered	100%	0%
	E69/2577	Warburton project - surrendered	100%	0%
	E52/2598	Channar project -lost at ballot	0%	0%
	E47/2412	Bellary Springs - lost at ballot	0%	0%
6.2 Interests in mining tenements acquired or increased	E31/956-959 E31/963-964 E38/2560 E39/1619	Celia project - new tenement applications; partly overlying existing Rubicon applications	0%	100%
	E69/1602	Celia project - tenement application in ballot	0%	0%
	E08/2228	Wyloo project - application	0%	100%
	E29/808	Ghost Rocks - application	0%	100%
	E57/865, 867, 870	Sandstone projects - applications	0%	100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1 Preference⁺securities <i>(description)</i>	-	-		
7.2 Changes during quarter	-	-		
7.3 +Ordinary securities	142,304,498	142,304,498		
7.4 Changes during quarter				
(a) Increases through issues	47,500,000	47,500,000		
(b) Decreases through returns of capital, buy-backs	-	-		
7.5 +Convertible debt securities <i>(description)</i>	-	-		
7.6 Changes during quarter	-	-		
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
Director Options	6,000,000	-		31 Oct 2014
Director Options	1,500,000	-	10 cents	31 Oct 2014
Director Options	1,000,000	-	15 cents	31 Oct 2014
Intersuisse Options	1,000,000	-	20 cents	31 Dec 2011
Employee Options	2,600,000	-	25 cents	13 Jan 2014
			14 cents	
7.8 Issued during quarter				
Director Options	6,000,000	-	10 cents	31 Oct 2014
Director Options	1,500,000	-	15 cents	31 Oct 2014
Director Options	1,000,000	-	20 cents	31 Oct 2014
7.9 Exercised during quarter	-	-		
7.10 Expired/Lapsed during quarter				
Employee Options (RBRAK)	2,900,000	-	25 cents	7 Nov 2010
Employee Options (RBRAM)	1,300,000	-	30 cents	7 Nov 2010
Employee Options (RBRAO)	1,300,000	-	40 cents	7 Nov 2010
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



RS Middlemas
Company Secretary

Date: 26 January 2011

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.