

Quarterly Report

For the period ending 31 December 2013

RUBICON RESOURCES LIMITED

(ABN 38 115 857 988)

ASX: RBR

Directors:

Ian Macpherson - Executive Chairman
Ian Buchhorn - Non-Executive
Peter Eaton - Non-Executive

Management:

Andrew Ford - Chief Operating Officer
Sam Middlemas - Company Secretary

Capital Structure:

Issued Shares: 160.3m
Issued Options: 21.7m
Market cap as at 31st December
2013:
\$1.60m

Cash at 31st December 2013:
A\$0.49m

Website:

www.rubiconresources.com.au

For further information, please
contact:

Ian Macpherson
Executive Chairman

Andrew Ford
Chief Operating Officer

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Highlights

- **Western Areas Limited commenced a drilling program over two targets within the Caesar Hill tenement area in December 2013.**
- **One hole was completed at each of the strongest two Caesar Hill EM anomalies; both holes encountered favourable geology but failed to explain the EM anomaly. The holes will be screened with additional geophysics to assist in constraining the anomalies.**
- **First stage of planned placement of 60 million shares to sophisticated investors as approved in 2013 AGM completed, additional tranches to completion anticipated in Q1 2014.**
- **Balya West Option not exercised as a result of exploration results.**
- **Turkey remains an area of high potential for new discoveries however current activities have been minimised pending resolution of operational and land access issues.**
- **Rubicon's five non-managed Joint Ventures in Australia continue to give exposure to exploration success in the highly prospective areas of the Eastern Goldfields, the Musgrave Block (both in Western Australia) and the Mount Isa Block (Queensland).**
- **In the meantime, the Company will focus on minimizing holding costs both in Turkey and Australia.**

1.0 CORPORATE

In December 2013, 12 million Fully Paid Ordinary Shares at 0.7 cents per share were issued to sophisticated investors as the initial portion of the placement of up to 60 million shares as approved by Shareholders at the AGM held on the 27th of November 2013. Additional placements are planned for Q1 2014.

2.0 AUSTRALIAN JOINT VENTURE INTERESTS

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

2.1 Warburton Project

Rubicon has title to approximately 760km² of tenure in the western part of the Musgrave Province, to the east of the Warburton Township (Figure 1). The area is subject to the Caesar Hill JV with Traka Resources Limited (Traka).

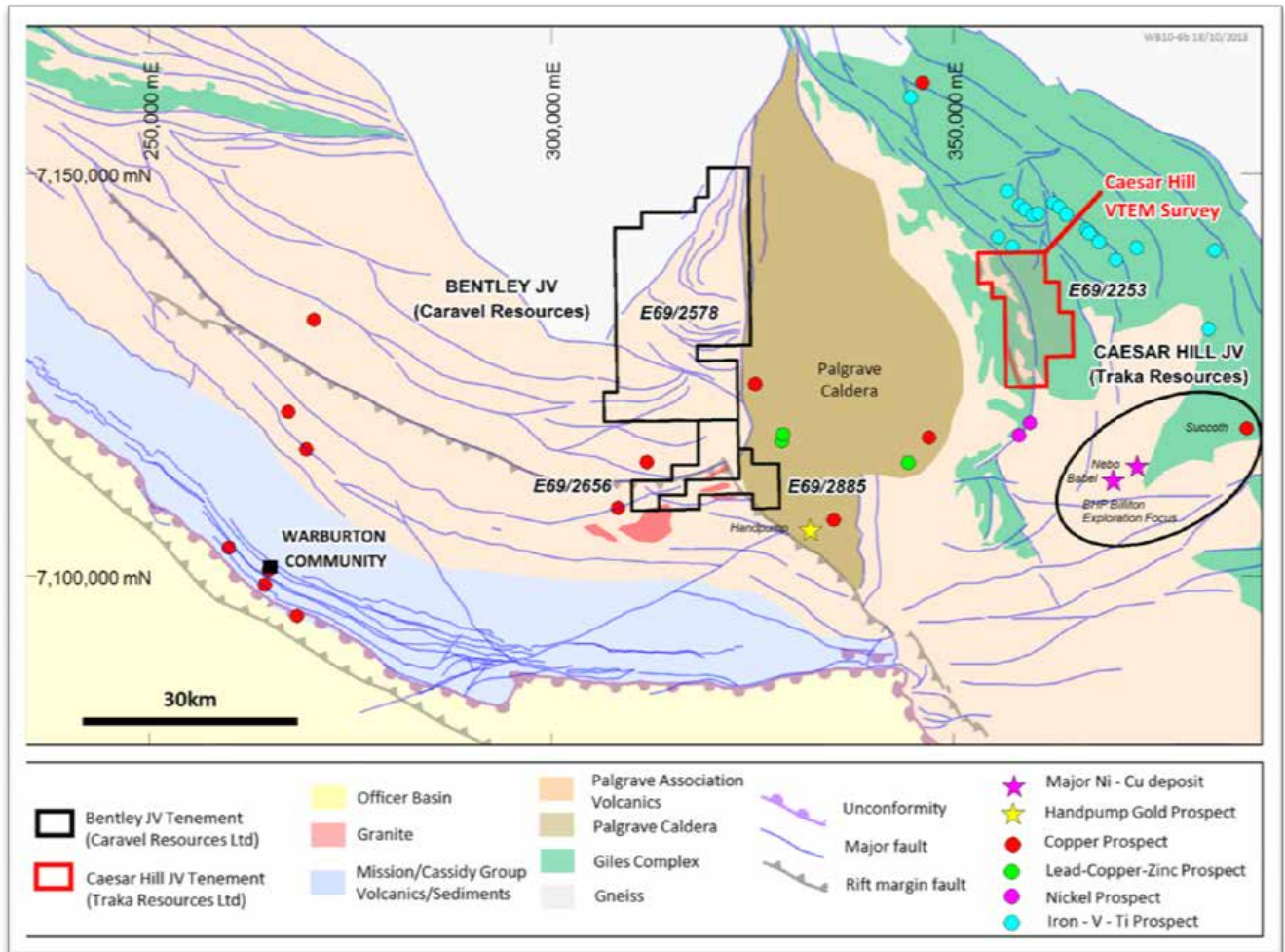


Figure 1 - Warburton Project, Tenements, JV's and Geology

Caesar Hill JV (Traka Resources Limited Earning 70%)

The Musgrave region of Western Australia is known to contain significant amounts of nickel, copper and platinum group elements (PGE's), principally within BHP-Billiton's giant Nebo-Babel and recently discovered Succoth deposits. The area also contains lesser known and smaller, but equally significant high-grade, nickel and copper deposits.

Under the terms of the Caesar Hill Letter Agreement, Traka has the right to earn a 70% interest in the Caesar Hill tenement through expenditure of \$650,000 over a five year period, commencing from 20 July 2013 following satisfaction of the minimum expenditure requirement of \$150,000.

In July 2013 Traka entered into a JV 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.

Exploration activities by Western Areas during the quarter included the completion of the surface electro-magnetic (EM) and airborne magnetic/radiometric surveys and the subsequent commencement of an RC drilling program. The geophysics generated a number of high priority targets located in favourable geological locations (within or adjacent to interpreted mafic intrusives), some with coincident nickel and copper geochemical anomalism (Figure 2).

Western Areas, reported in their 2013 December Quarterly Report that drill holes WMRC0001 and WMRC0002 were planned to test two high priority moving loop electromagnetic (MLEM) conductors at the Samaria Prospect (Figure 2, Table 1). Despite both holes encountering favourable geology, the holes failed to explain the source of the EM anomalism. Both holes will now be screened with down hole electromagnetic (DHEM) surveys and a limited amount of further MLEM to assist in constraining the complex EM anomalies.

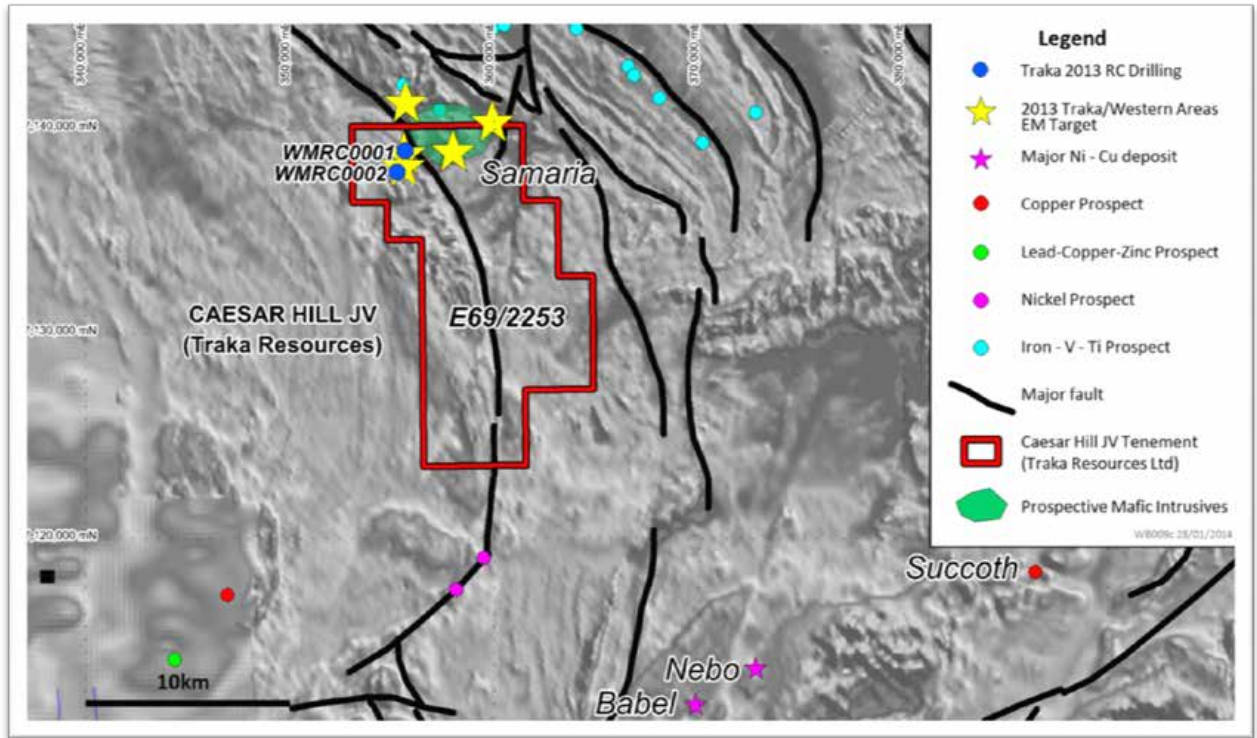


Figure 2 - Ground EM targets defined by Western Areas on the Caesar Hill JV

Hole ID	Prospect	Easting	Northing	RL	Azimuth	Dip	Total Depth (m)	Projection	Date Drilled
WMRC0001	Samaria	355 617	7 138 929	543	315	-60	250	GDA94MGA Z52	10/12/13
WMRC0002	Samaria	355 219	7 137 900	547	194	-60	250	GDA94MGA Z52	14/12/13

Table 1- Details of RC drilling completed by Western Areas in December 2013 on the Caesar Hill JV

Bentley JV (Caravel Minerals Limited Earning 70%)

Caravel Minerals Limited (Caravel) advised Rubicon in October 2013 that they were withdrawing from the Bentley JV due to budgetary pressures. Rubicon attempted to find new JV partners however this was unsuccessful and Rubicon elected to surrender the granted tenements E69/2656 and E69/2885 and withdraw application E69/2578 in November (Figure 1).

2.2 Yindarlgooda Projects

The Yindarlgooda Project comprises approximately 753km² of tenure centred 55km east of Kalgoorlie on a felsic volcanic dome around Lake Yindarlgooda. The project area is subject to the Peters Dam and Queen Lapage JVs with Silver Lake Resources Limited (Silver Lake) and the Mt McLeay JV with Brimstone Resources Limited (Brimstone). Rubicon also retains a substantial tenement holding in its own right (Figure 3).

Queen Lapage JV (Silver Lake Resources Limited 59%, Rubicon Diluting)

No drilling or sampling was conducted.

Peters Dam JV (Silver Lake Resources Limited 67%, Rubicon Diluting)

No drilling or sampling was conducted.

Mt McLeay JV (Brimstone Resources Limited 51%, Rubicon Diluting)

No drilling or sampling was conducted.

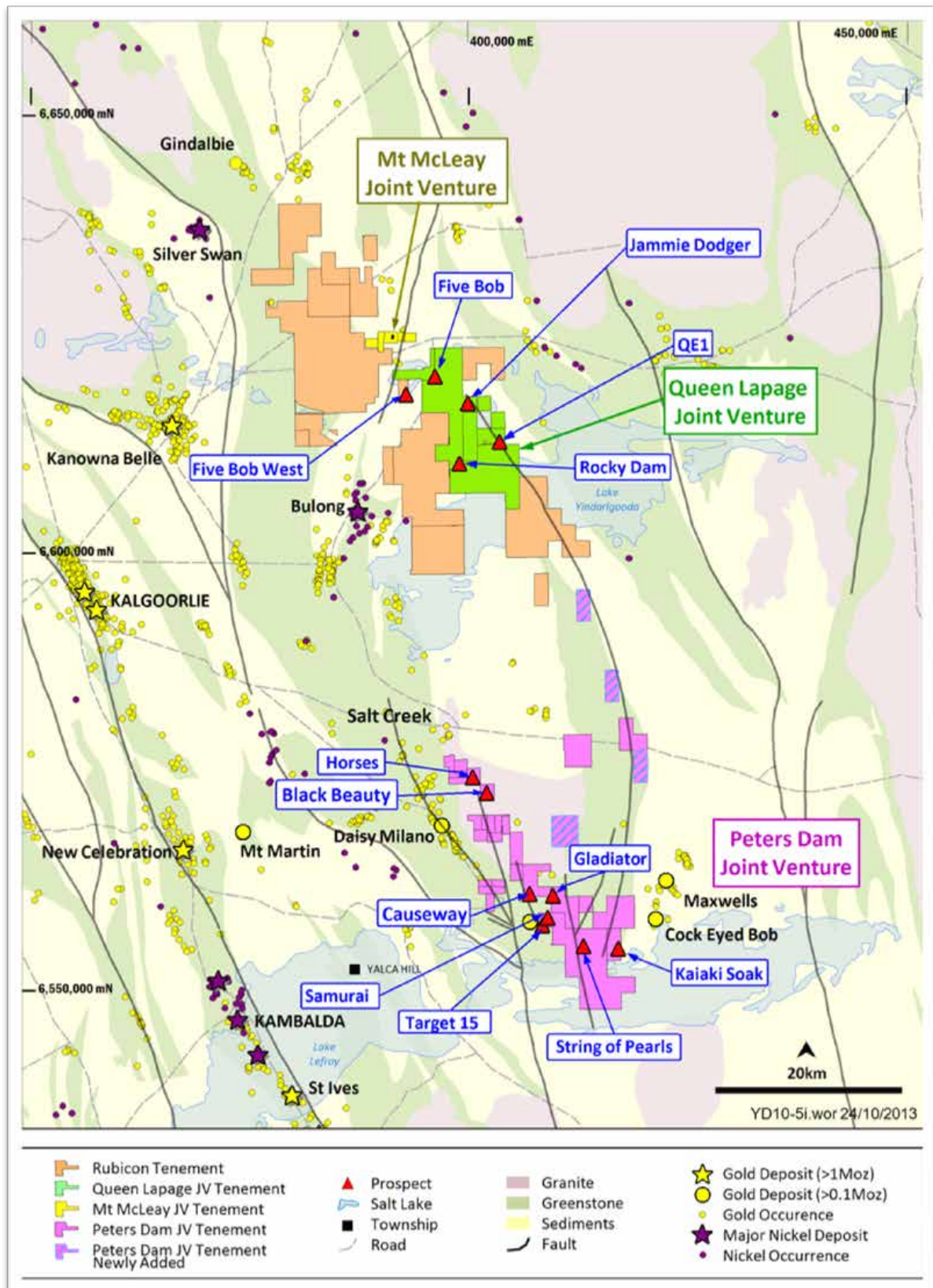


Figure 3 - Yindarlgooda Project Overview

2.3 Canobie Project

Canobie JV (Exco Resources Limited Earning 70%)

No drilling or sampling was conducted

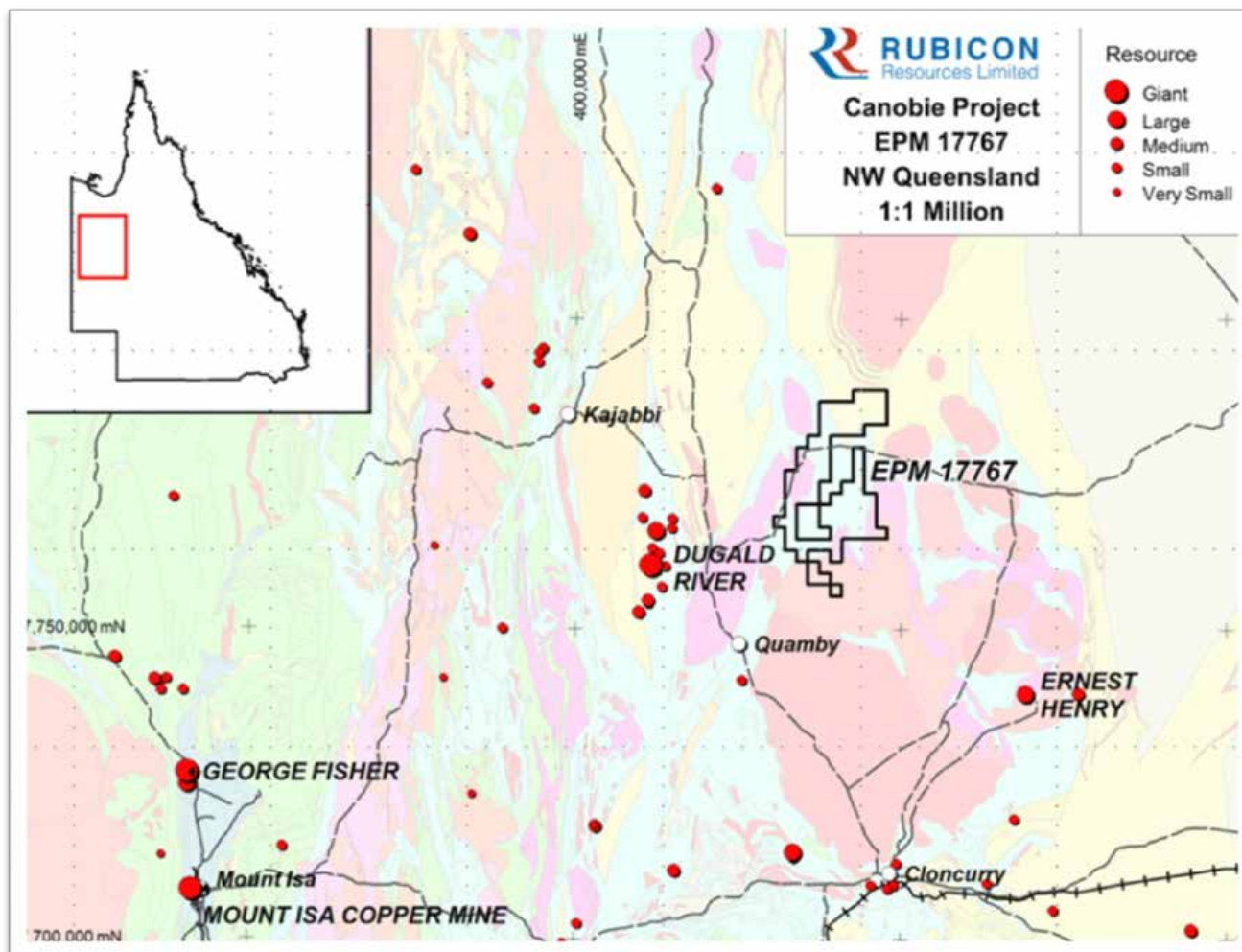


Figure 4 - Canobie Project Location and Geology

3.0 TURKEY OPERATIONS

In December, the Option to acquire the Balya West Exploration Licence in Turkey was not exercised due to the project failing to meet prescribed exploration hurdles. Additionally, the current governmental delays and uncertainty with respect to mining access and title issues impacted on the Rubicon Resources Limited (Rubicon) decision.

Exploration activities conducted by Rubicon at Balya West since June 2013 downgraded the potential for the project to host economic gold mineralisation and payment of the US\$185,000 Option exercise fee to acquire the licence could not be justified.

In addition, a decision by the Turkish Government to freeze licence transfers in September 2013 coupled with delays in granting permission for drilling within forestry land and the inability to acquire new licences also had an impact on our Turkish activities. Rubicon still believes that the Country has excellent potential

for new discoveries of gold and base metal deposits and resolution of the ancillary issues in the near future will realise new opportunities.

Rubicon will continue to review projects within Turkey as well as other prospective areas as opportunities arise.

Competent Persons Statement

The information in this report that relates to Exploration Results on Rubicon managed projects is based on information compiled by Mr Andrew Ford of Rubicon Resources Ltd, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and is a full time employee of Rubicon Resources Limited.

Mr Ford has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr Ford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.'

This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this report that relates to Exploration Results for the Caesar Hill JV is based on information compiled by Mr Charles Wilkinson of Western Areas Ltd, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and is a full time employee of Western Areas Limited.

Mr Wilkinson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Mr Wilkinson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.'

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 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Dec 2013 quarter \$A'000	Year to date (6 Mths) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration and evaluation	(156)	(410)
(b) development	-	-
(c) production	-	-
(d) administration	(164)	(325)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(317)	(726)
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)	(317)	(726)

+ See chapter 19 for defined terms.

Appendix 5B

Rubicon Resources Limited – December 2013 quarterly report

1.13	Total operating and investing cash flows (brought forward)	(317)	(726)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares (net of costs)	84	84
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	84	84
Net increase (decrease) in cash held			
		(233)	(642)
1.20	Cash at beginning of quarter/year to date	726	1,135
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	493	493

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	55
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	Nil
3.2	Credit standby arrangements	Nil	Nil

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	100
4.2	Development	-
4.3	Production	-
4.4	Administration	150
Total		250

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	64	133
5.2	Deposits at call	429	593
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		493	726

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	E69/2656	Warburton surrendered	100%	0%
		E69/2885	Warburton surrendered	100%	0%
		ELA69/2578	Warburton withdrawn	100%	0%
6.2	Interests in mining tenements acquired or increased	Nil	Nil		

+ 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	160,304,498	160,304,498		
7.4 Changes during quarter				
(a) Increases through issues	12,000,000	12,000,000		
(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>
Employee Options	6,000,000	-	2 cents	30 June 2017
Director Options	5,000,000	-	2 cents	30 June 2017
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
Employee Options	2,200,000	-	14 cents	13 Jan 2014
7.8 Issued during quarter				
Director Options	5,000,000	-	2 cents	30 Jun 2017
7.9 Exercised during quarter	-	-		
7.10 Expired/Lapsed during quarter	-	-		
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: 30 January 2014

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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