



RUBICON
Resources Limited



ANNUAL REPORT 2015

ABN 38 115 857 988

CORPORATE DIRECTORY

Directors and Executive Management	Ian Macpherson <i>Executive Chairman</i>	Auditor	Butler Settineri (Audit) Pty Limited Unit 16, 1 st Floor 100 Railway Road Subiaco Western Australia 6008
	Richard Carcenac <i>Chief Executive Officer & Executive Director</i>		
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Principal Registered Office	Level 1, 37 Ord Street West Perth Western Australia 6005	Stock Exchange	The Company's shares are quoted on the Australian Stock Exchange. The Home Exchange is Perth.
	Po Box 534 West Perth Western Australia 6872	ASX Code	RBR - ordinary shares
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Dear Shareholders,

On behalf of the Board of Directors of Rubicon Resources Limited ("Rubicon" or "the Company"), I present the Company's Annual Report for 2015.

As I referred to in last year's address, in the latter part of the year the Company seized the opportunity to participate in the rapidly growing resources and construction industry sectors in Mozambique, South Eastern Africa. The alliance then referred to with PacMoz Lda (PacMoz) was subsequently formalised in March 2015 with the purchase of a 60% equity share in PacMoz. The transaction structure provided for consideration in a mix of equity and performance shares based on commercial milestones and, delivered the Company a call option and effective control over the balance 40% in PacMoz not purchased.

At the time of the engagement with PacMoz and its principals the Company's shares were trading below 0.5 cents per share, we had nominal cash and a difficult future.

Since that time we have been able to:

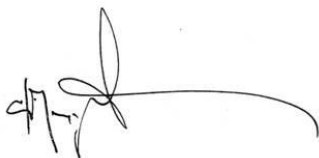
- significantly lift the capitalisation of Rubicon (\$0.9M to \$4.1M);
- raise circa \$1.35M in cash, including the recent entitlement issue;
- support the growth of PacMoz in its administration and licensing business;
- develop a business model in-country through strategic alliances in the fields of skills training and medical screening; and
- maintain our carried interest (via Joint Venture) in the Australian resource assets at nominal cost to the Company.

In short your Board and Management believe we have the building blocks to establish a significant asset and business presence in Mozambique, whilst maintaining the residual value in our resource tenement portfolio in Australia.

The real upside for Mozambique and in turn for all participants in the resources and energy and related services sectors will be Government approvals and Final Investment Decision (FID) by the global operators of the major concessions in the Country's on-shore/off-shore Rovuma basin gas reserves, located in the coastal north of the Country. In the interim there has been growing international investment in all aspects of infrastructure (Ports/Roads/Bridges) opening further opportunities for Rubicon-PacMoz.

We have a lot of work to do but are confident that our Management Team under the leadership of Executive Director Richard Carcenac, have both the skill sets and drive to succeed.

Richard has provided a detailed overview of our business strategy and planned operations in his review as follows. I look forward to further updating all attendees at the upcoming AGM and, as is customary, would like to close with a thank you to our recently retired Director Peter Eaton for his contribution since the IPO of the Company, our staff both here in Australia and in Mozambique and to our Shareholders, longstanding and new, for your support.



Ian Macpherson



Ian Macpherson, Richard Carcenac, Sam Middlemas and Ian Buchhorn



LETTER FROM THE CHIEF EXECUTIVE OFFICER

Dear Shareholders,

This is my first communication to you, our Shareholders, since becoming CEO in June 2015. I have had the good fortune to talk with a number of you since then, and the common question put to me was something along the lines of: "Are you planning to make changes to the business and its strategy and, if so, how will it add value to my shareholding?" I trust that this letter to you will serve to answer that (and other) questions, and that you will finish reading it with a renewed sense of excitement about the future of Rubicon Resources Limited.

Where we have come from...

As you of course know, Rubicon has been in existence for the past eight or so years as a mining exploration company. It is a tough, high risk sector, which has proven to be difficult for the company. However, we have a good portfolio of tenements in our possession which, due to joint venture partnerships, continue to provide longer-term upside without placing a financial burden on the Company.

These tenements are reviewed on an on-going basis to ensure that any opportunities are capitalised on as they present themselves. We also maintain a watching brief on new tenement opportunities and/or mining projects, specifically in our "backyard" geographies of Australia and Mozambique.

Update on Brunel:

The original Joint Venture structure proposed between Brunel and Rubicon was considered by both parties as necessary for the success of the Mozambican business model. As our individual strategies evolved, it became clear that this structure would become more restrictive than beneficial, while a simpler commercial relationship overcame these concerns without forfeiting the benefits originally envisaged. In Rubicon's case, this has removed all restrictions related to exclusivity and enabled us to expand our client base to include companies such as Competentia.

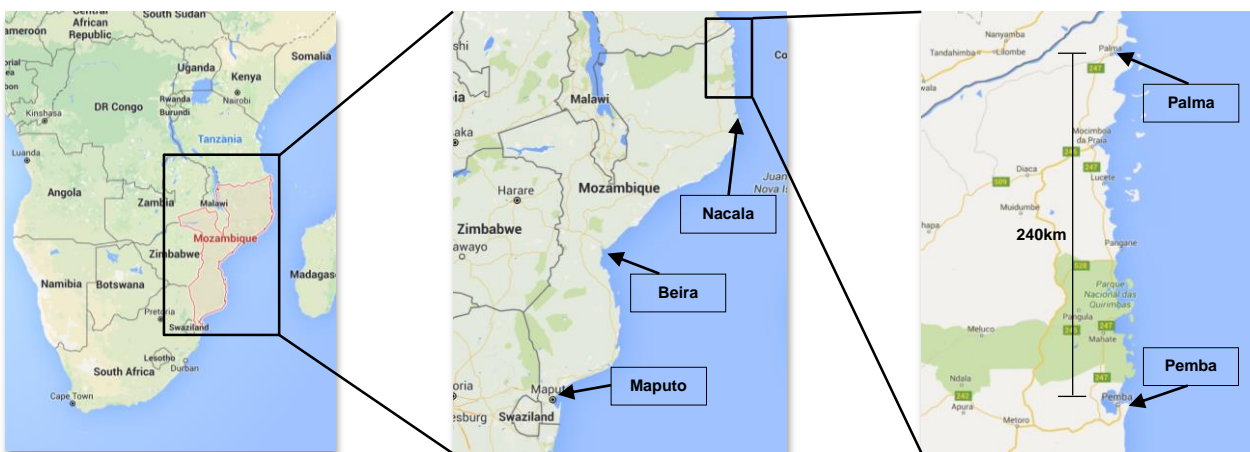
Where we are going to...

Our focus is shifting to the provision of services to the resources, construction and energy industries, specifically targeting Mozambique in south-eastern Africa.

Africa remains the last real geography of unexplored and untapped mineral wealth. It is, of course, well known to the mining industry and some areas have already been extensively explored. The continent of Africa (please forgive me for generalising here) also has its share of challenges, as any global competitiveness index will show. However, with careful consideration of the target country/market, a well thought-through strategy and deep local knowledge and expertise, the risks can be managed and the rewards maximised.

Mozambique is a country of exceptional untapped mineral and energy wealth, it has a stable but young democratic government, and a burning desire to lift its people from the clutches of poverty through sensible exploitation of its mineral wealth in partnership with private enterprise. The fiscal and legislative landscape is still evolving although, by most accounts, the government is adopting a constructive and reasonably pragmatic approach to developing these frameworks such that the country remains attractive to foreign investment while addressing key national issues.

Locality Maps





The country is larger than many people realise. By way of example, the distance by road from Maputo (the capital) to Pemba (the capital town of the resource-rich Cabo Delgado province in the north) is about 2400km, or roughly four days by car. The distance between Pemba and Palma, by road, is about 360km.

According to the World Bank, Mozambique's population in 2014 was 27.2 million (Australia's was 23.5 million), GNI per capita was US\$620 (Australia's was US\$64,680), and life expectancy was 50 (Australia's was 82). In 2008, 54.7% of the population lived in a state of poverty and, to this day, only about half of the population is literate and numerate. So, there is a large and willing workforce, about 300,000 additional people enter the job market each year, and there is very little opportunity for employment for the majority of them.

It is therefore no surprise that some of the top priorities of the government include economic growth (poverty reduction), education, access to medical support and job creation.

Mozambique is number ten on a World Bank list of the world's thirteen fastest-growing economies, with the report projecting an annual growth rate of around 7.3 percent per annum next year and in 2017, putting the country ahead of others such as Tanzania, Rwanda and China. The list of thirteen economies likely to grow most between 2015 and 2017 is mainly composed of African and Asian countries. All the countries on the World Bank's economic outlook report currently record an economic growth rate of at least seven percent a year. The acceleration in the exploitation of natural resources is key to economic growth in most of the countries, the report says.

Our **strategy in Mozambique** is "to provide skilled labour, both local and expatriate, to the workplace every day", but our primary focus will be on the local content part, with the expatriate content being dealt with (in the main) in partnership with established specialist labour brokers. While this statement appears relatively simple, we are not aware of any companies that have offered such a service before, assumedly due to the complexity of the individual work components that underpin its successful execution.

In the case of our operations in Mozambique, this strategy broadly entails recruiting local candidates (with social security and medical support, and HR services), medically screening them to ensure they are fit for work, psychometrically testing them so that we can optimise their training and ensure we align it with their career and skills potential, socialising them to western-style camp accommodation and, once suitable employment opportunities arise, accommodating them in camps (if required) near the workplace, all of which ensures they are properly nourished, suitably rested, clothed in the correct personal protective equipment, kept away from drugs and alcohol, and arrive on time for work at the start of each shift.

The various business units within Rubicon, while generally able to work independently, will also need to work hand-in-hand to deliver our end product of employable local labour who will be hired out under a labour-broking model.

What the above actually entails is as follows:

- Local candidates will be pre-screened for selection in Pemba. If successful, they will present themselves at the medical centre for a full pre-employment medical, which will determine their fitness for work, as well as undertake a baseline health assessment;
- The medically fit candidates will undertake a non-verbal aptitude test to determine their potential to be trained, and natural preferences;
- The candidates will then move into the camp accommodation on site. The units will house four residents per room, with a shared bathroom. The reason for adopting a residential approach to our training is that the candidates will need to be socialised to living in a camp environment, and we also need to be sure that they are suited to this lifestyle. Finally, it enables them to focus their attention on the training;
- They will be given training which will cover a range of aspects, from an industry overview, to (generic or specific) site induction, basic English, personal hygiene, health and safety, etc., and will be taught a useful skill;
- Upon completion, the trained candidates will finish the training and be ready to be deployed to the workplace.

Mozambique's resources industry is centred on energy (mainly gas and hydro), coal, graphite, minerals sands and gemstones. While the resources industry is generally facing tough market conditions, there is still a great deal of interest in graphite and gas (liquefied natural gas or LNG) in Mozambique, with the northern province of Cabo Delgado being the epicentre of future growth. The gas discoveries in Cabo Delgado's offshore Rovuma basin are vast, exceeding 200 trillion cubic feet (Tcf) of recoverable resources (Source: Government of Mozambique). The two key concession holders, Anadarko of the USA and ENI of Italy, state their recoverable resources as 75+ Tcf and 85 Tcf respectively. To put this in context, the Anadarko resources alone are enough to meet about 15 years of U.S. residential demand, Energy Information Administration data shows, and ENI's CEO said that ENI's massive gas discoveries in Mozambique, once developed, will be able to meet a hundred percent of Italy's gas needs for a period of thirty years.



The giant gas projects...

Anadarko's LNG project:

- Total capital investment of US\$15-24 billion;
- Onshore development of 12 Mtpa capacity in two trains of 6 Mtpa each;
- Potential to expand to 50 Mtpa;
- Secured 90% of the contracts needed to proceed with the project;
- Timing of final investment decision (FID) determined by the pace of the Mozambican government's legal and contractual framework development, and issue of permits;
- Engineering, procurement and construction (EP&C) consortium appointed in May 2015;
- High probability of project proceeding, despite current oil and gas prices;
- Early stage work already underway, and about US\$4 billion invested to date.

ENI's project:

- First phase to be a floating liquefied natural gas (FLNG) unit with 2.5 Mtpa capacity;
- FID expected late 2015 or early 2016;
- ENI statements claim the project is very attractive;
- Capex estimated at about US\$11 billion;
- Production start-up expected by end-2019;
- Onshore investment (phase 2) expected to be similar to Anadarko's LNG project, i.e. two trains of 5 or 6 Mtpa capacity each.

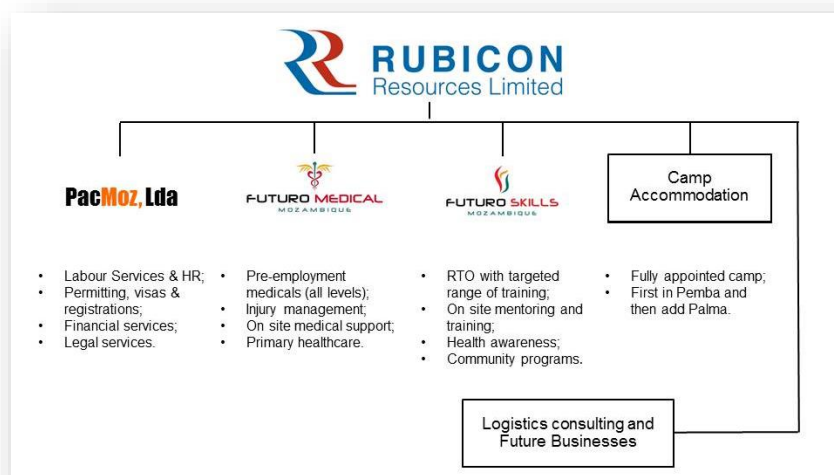
According to a recent study by Standard Bank, Mozambique LNG has the potential to create 15,000 direct jobs and 685,000 indirect jobs, generate approximately US\$39 billion for the Mozambican economy per annum, improve infrastructure, including air, roads and ports, and create significant opportunities for small- and medium-sized businesses. These people all need to receive periodic medical screening and health checks, as well as training.

Some of the infrastructure and resources investments planned or underway in northern Mozambique, other than the LNG projects covered above, include:

- Port of Nacala – a repair and modernisation project valued at about US\$300M is nearing completion;
- Pemba Port Logistical Base – the first phase of construction, which is budgeted at US\$150M, has begun. This will include the building of the logistical base and the installations for the production and assembly of the subsea equipment used in the hydrocarbon industry;
- Graphite mining – Triton Minerals (which has a strategic alliance with Rubicon), Syrah Resources and Metals of Africa are just three graphite miners progressing their mining projects in Cabo Delgado. The combined investment is estimated at over US\$200 million and will create hundreds of permanent jobs, and many more in the project phase;
- Cimpor's Mozambican subsidiary, Cimentos de Moçambique, announced in June 2015 that they have commenced the process of building a new integrated cement production plant in Nacala. This is a project with an estimated investment of around US\$250 million, and will create 500 jobs as well as add 1.5 million tonnes of cement production capacity from 2018;
- Significant upgrades to transportation infrastructure (primarily roads);
- Numerous hotel and property developments in the region.

All of these projects will need skilled/trained local employees, who are medically fit to work. There is enough work here to keep Rubicon busy until the gas projects start, so we are not particularly exposed or at risk from a timing perspective.

How can Rubicon Capitalise on the Opportunities in Mozambique?





Our strategy is entirely aligned with the Government's key priorities, and addresses several of the key challenges that our target customers have voiced. ENI's subsidiary Saipem (which is one of the contractors in Anadarko's LNG project consortium) listed the following key country challenges during a presentation at April 2015's Deepwater East and Southern Africa Congress 2015:

- Existing regulation on local content – this covers both the local employees versus expatriates quota, and the Mozambican content preference for goods and services which requires local procurement up to a 10% premium on imported items. PacMoz can assist in this area;
- Limited educational and training capacity in fabrication and construction trades. Addressed by Futuro Skills;
- Limited availability of skilled and bilingual (English) labour. Addressed by Rubicon's strategy in general;
- Lack of medical facilities in the north. Addressed by Futuro Medical;
- Economically developed areas are far from the project sites in the north. This requires significant investment in camp accommodation and support infrastructure, again aligned with Rubicon's strategy. It also creates enormous opportunities in logistics, which is something that Rubicon can assist our clients with, if not provide the service directly.

PacMoz:

When PacMoz was purchased in March 2015, it was already an established and cash positive business with offices in Maputo, Beira and Nacala. However, the real value of the Company is in the market intelligence, competitive advantage and growth potential that it offers us. PacMoz provides access to key information on every company that is registered in Mozambique, including the ownership structure, business licences, key activities and other corporate information. Due to our detailed involvement in immigration processes, we are able to reduce processing lead times to the absolute minimum.

Our network of offices across the country also ensures that we can engage with all stakeholders and government decision-makers at the local level, which gives us a competitive advantage over companies trying to conduct their activities from a single location such as the capital city, Maputo.

Futuro Skills:

Futuro Skills is in the process of becoming an Australian Registered Training Organisation (RTO). This serves two purposes:

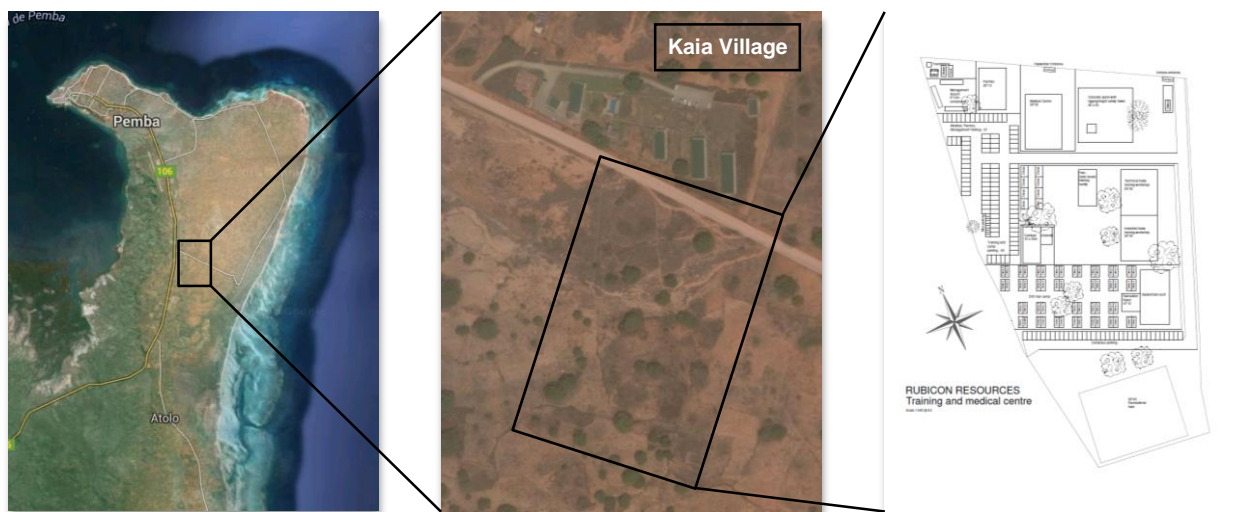
- It ensures that our business has the appropriate credentials, bolstering our position and credibility with clients, governments (and their funding agencies), non-governmental organisations (NGOs), and so on. Much like a company which holds ISO accreditation for a particular process, RTO accreditation indicates that our business operates to a certain standard, with the systems and processes to back it up;
- We will be able to offer Australian accredited training, both within Australia and abroad. Mozambique is of course our primary delivery location. This flexibility also provides us with greater opportunities in terms of revenue streams.

Futuro Medical:

- This business will offer a comprehensive but job/risk-specific, medical and occupational health assessment service, with results available almost instantaneously;
- Almost the entire facility will be built in a modular fashion using converted containers. This ensures the facility is flexible and easy to maintain, and also able to be relocated cost effectively, should the need ever arise;
- Prospective candidates will be pre-screened and processed in Pemba town, during which we capture their personal particulars on our system and allocate a specific appointment at the medical centre. This interim step enables us to undertake the medicals in an orderly and efficient manner;
- Several of our target corporate clientele have shown interest in our medical screening and baseline health assessment capabilities. Understandably, they would like to inspect and audit our facilities once built, before entering into a contract with us.

Rubicon has secured access to a conveniently located 6 acre site in Pemba, the capital of Cabo Delgado province. The site will be developed during the 2016 financial year to include all the facilities we need to successfully execute our strategy, namely a medical centre, training facility, camp accommodation (with support infrastructure and recreational facilities) and related facilities infrastructure (security, parking, water and waste processing, communications). PacMoz will provide the full range of administrative-type support to the facility, and our medical and training partners will manage their specialist facilities.

Rubicon's Pemba Campus



How does Rubicon earn its revenue?

Current Mozambican labour laws (“Lei de trabalho” of 2011) set a local employment ratio, requiring companies to employ up to 19 locals for every expatriate they employ (the exact number varies from 9 to 19, depending on the size of the workforce). This local labour quota is negotiable to some extent for significant capital projects, but only if the investor can demonstrate a lack of local resources and submits a proposal for the development of local Mozambicans. We have heard of quota concessions for some recent resources projects being agreed at four locals for every expat, although concessions closer to 10 locals per expat are more readily achievable. However, this ability to negotiate concessions sits exclusively with the investor and not with any of their suppliers, contractors or service providers.

The demand for skilled labour already exceeds local availability, and this situation will dramatically worsen as the various investment projects begin and ramp up (such as mining projects, the LNG projects, infrastructure investments and upgrades, construction projects). At this stage, most multinationals are hoping that the problem will either go away, or that someone else will solve it. Our business model will do the latter, i.e. we will create a large and usefully employable local workforce, in the region where the demand is located, to be employed by the multinationals and which will facilitate the employment of the specialists/skilled expatriates they simply cannot find locally. This will earn us revenue as follows:

- PacMoz will generate valid expat work visas, for a fee;
- PacMoz will earn a return on the local workers, as a labour broker. Alternatively, we can earn a return via a recruitment or finder's fee for those local employees of ours that a client wishes to employ themselves.

Each of the business units will generate its unique revenue stream:

- PacMoz – doing all the things it currently does for its current and future clients, for a fee. PacMoz will also provide business administration services to the other business units in Mozambique (Futuro Medical, Futuro Skills, and the camp);
- Futuro Medical – as this business will be able to provide pre-employment medicals at all levels (from labourer to executive) as well as periodic (and legally mandated) health assessments for occupational illnesses, we anticipate selling these services widely to employers in the region. Our ability to provide real-time results sets us apart from the competition and is a competitive advantage, as the client would normally wait days or weeks to get the results (and at the risk of having contagious employees in the workplace). Futuro Medical will also offer site-based medical services on a limited scale to select clients;
- Futuro Skills – This business has very broad and exciting revenue prospects, from providing training in several countries around the world (low risk by deploying trainers to the clients' sites), to providing training both at our Pemba facility or at the client's site, to earning revenue from auspice agreements, to securing government funding for community or vocational training programmes. By way of an example, the government of Germany recently announced aid of €128M for development projects in Mozambique over the next two years as part of bilateral cooperation. Of that, €50M was earmarked for the education sector, mainly for the expansion of technical and vocational education. Significant additional funds have also been made available by other countries such as Canada and the UK, for vocational education and training projects in Mozambique. These additional funds are believed to exceed US\$50M;
- Camp accommodation – while not a profit centre in its own right, this will enable the other business units to provide their revenue-generating product;
- Other future business opportunities will be assessed as they present themselves.



Capex Requirements

Developing our site in Pemba will, of course, require capital. The site has been surveyed, design of the facilities is well advanced and nearing completion, and design of support infrastructure (power, water, sewage, drainage, access, communications and so on) is underway. A number of alternative approaches to the facility have been considered so as to maximise flexibility while minimising initial capital costs and ongoing maintenance costs (total cost of ownership calculations). Indications are that much of the infrastructure will be sourced from South Africa, prefabricated there and exported to Mozambique in a form that will minimise on-site work.

As has been indicated in previous ASX announcements, it remains our intention to complete the development of our Pemba facility during the current 2016 financial year.

Key risks that were considered by Rubicon for Mozambique:

- Location – Pemba is the lower risk option as it offers an immediate customer base which is not entirely dependent on the LNG project and its timing. However, in the longer term, Palma will be a better location for the LNG projects. Each of our business units has a different sensitivity to location and distance from customers.
- Oil and gas prices – they are at or near their lowest levels in years. How much will this impact on the FID of the LNG projects? Investments in capacity at this scale require a very long-term price view (around 50 years), so short term price movements have a limited impact on the decision. By all accounts, including press releases and direct feedback from our target clientele, the LNG projects are still viable and likely to proceed. By way of illustration, Anadarko is still significantly investing in early stage activities. The government of Mozambique and Anadarko recently signed a memorandum of understanding that sets out arrangements for resettlement of 5,000 residents in the Afungi Peninsula. The Afungi Peninsula, in the Palma district of Cabo Delgado province, has an area of 7,000 hectares where Anadarko plans to build an industrial park for LNG processing. Under the memorandum, Anadarko will pay US\$180M in compensation to communities to cover trees and other assets as well as for the construction of social infrastructure such as homes, schools, hospitals and even access roads.
- Timing – on the assumption that the projects will go ahead, when will they really start? How sensitive is our business model to timing? There are many other projects and activities (in infrastructure, mining and construction) taking place in northern Mozambique which are either entirely unrelated to the gas projects, or are required in preparation of the gas projects.
- Access to capital to develop our site in Pemba – Our business model has been well received by potential investors, and I trust that you will also see the value and continue to support the company.
- Access to good staff – in order for us to provide best-in-class service, we also need to employ top quality staff in a tough labour environment. Fortunately, we have a good base upon which to build.

In conclusion...

Rubicon's strategy is completely aligned with the goals of our host country Mozambique, and the needs of our target clients. Furthermore, Rubicon has:

- a wealth of in-country expertise and experience;
- an established, cash-positive business (PacMoz) which provides us with a competitive advantage in terms of corporate, human resources, finance/administration and legal matters in Mozambique. This includes early access to resources opportunities in Mozambique, which we monitor on an on-going basis;
- secured the services of experts in our vocational training and medical businesses, who will ensure we can offer a world-class product almost immediately;
- access to multiple, parallel, high margin revenue streams right across our business. This significantly reduces our revenue risks;
- a business model/strategy which is readily replicable in other geographies, so our growth options are multiple;
- a business model which is robust throughout the commodity price cycle; and
- a number of opportunities for new/additional businesses in Mozambique, which will be assessed and brought to shareholders as appropriate.

I hope that you have read this detailed letter with interest, that the passion which the Rubicon Management Team has for our business model is clear, and that your faith in the Company continues as you follow our progress.

A handwritten signature in black ink, appearing to read 'Richard Carcenac'.

Richard Carcenac
Chief Executive Officer



AUSTRALIAN JOINT VENTURE INTERESTS

Rubicon retains interests in the Peters Dam, Queen Lapage and Mt McLeay Joint Ventures at the Yindarlgooda Project located east of Kalgoorlie in Western Australia, and the Canobie Joint Venture in the Mt Isa district of Queensland.

Yindarlgooda Project

The Yindarlgooda Project comprises approximately 625km² of tenure centred 55km east of Kalgoorlie on a felsic volcanic dome around Lake Yindarlgooda (Figure 1). 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 large tenement holding in the area in its own right.

Peters Dam Joint Venture (Silver Lake Resources Limited 69% (Rubicon diluting))

In July 2009, Rubicon entered into the Peters Dam Joint Venture with Silver Lake (then Integra Mining Limited); on tenements adjacent to Silver Lake's Salt Creek gold deposit (Figure 1). 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.

No drilling or sampling work was conducted by Silver Lake during the reporting period due to a reduction in its exploration budget.

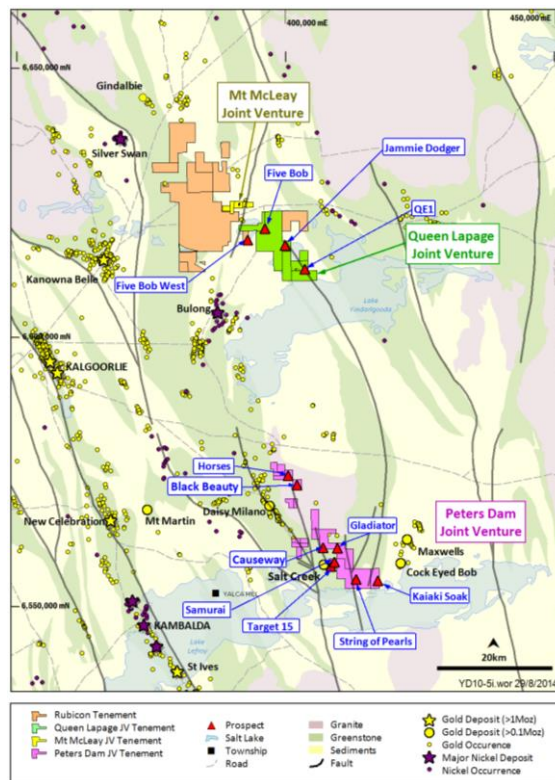


Figure 1 - Yindarlgooda Project – Tenements, Geology & Prospects

Queen Lapage Joint Venture (Silver Lake Resources Limited 60% (Rubicon diluting))

The Queen Lapage Joint Venture (QLJV) with Silver Lake covers five tenements of approximately 112km² located to the north of the Peters Dam Joint Venture (Figure 1).

Under the terms of the Agreement, Silver Lake has earned an initial 51% interest in the tenements through the expenditure of \$1.0 million. 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 chosen not to contribute to the exploration programs so far proposed and its interest has been diluted accordingly.

The QLJV tenure encompasses the QE1 gold deposit previously explored 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 reverse circulation (RC) drilling include 6m @ 6.33g/t, 6m @ 3.24g/t, 4m @ 3.79g/t, 8m @ 2.48g/t and 8m @ 2.81g/t gold and are associated with sulphidic quartz veins in weathered shales and banded iron formation.

The Jammie Dodger prospect was identified in 2012 where RC holes returned 4m @ 1.41g/t gold and 4m @ 2.93g/t gold. Planned aircore and RC drilling over the Jammie Dodger prospect was not completed due to a reduction in Silver Lake's exploration budget.



Mt McLeay Joint Venture (Brimstone Resources Limited 51%)

The Mt McLeay Project covered Rubicon tenements to the northwest of the Yindarlgooda tenements. Brimstone earned an initial 51% by spending \$300,000 and managed and sole funded the joint venture.

In July 2015 Rubicon entered into a Tenement Acquisition Agreement, where Rubicon agreed to sell its equity within the Mt McLeay JV to Mandara Resources Pty. Ltd (Mandara). Mandara agreed to pay Rubicon a deposit of \$25,000 with a second payment of \$75,000 to be paid to Rubicon on or before the 31 December 2015.

WARBURTON PROJECT

In November 2014 E69/2253, the last remaining tenement of the Warburton Project was surrendered after attempts to find a new JV partner were unsuccessful.

CANOBIE JOINT VENTURE (Exco Resources Limited earning 70%)

In March 2012, Rubicon entered into an option agreement with Exco Resources Limited (Exco) (subsequently 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 60km north of Cloncurry in northwest Queensland (Figure 2). In May 2013 Exco met its \$100,000 required minimum expenditure commitment and exercised its option to spend an additional \$900,000 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.

Exco reported the results of a Mobile Metal Ion (MMI) survey conducted in September 2014 which highlighted several areas requiring further MMI and geophysical follow-up. One target in particular hosts anomalous silver values and is coincident with a previously defined EM target. The prospect is only 40km from the Dugald River silver-lead zinc deposit.

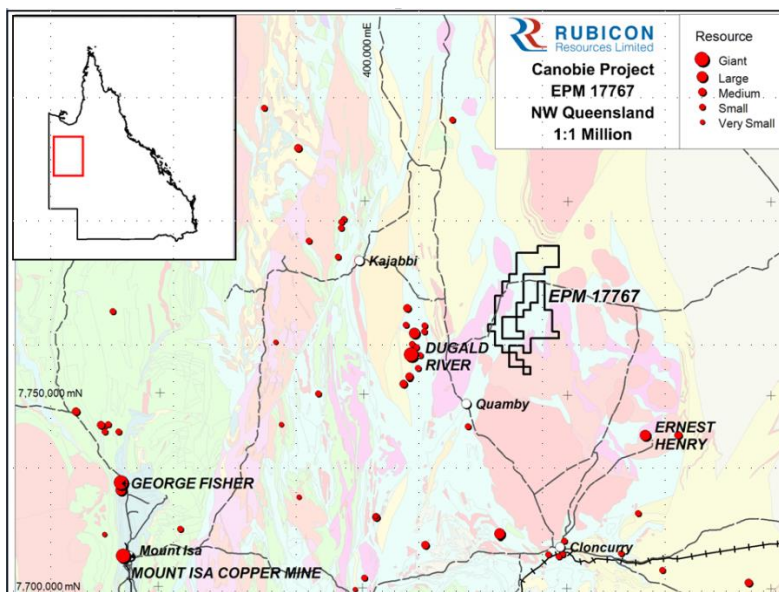


Figure 2 - Location of Canobie Tenement, Queensland

Competent Persons Statement

The information in this report that relates to Exploration is based on information compiled by Andrew Ford who is a Member of the Australasian Institute of Mining and Metallurgy. Andrew Ford is a full time employee of Rubicon Resources Limited and has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration, and to the exploration activity that is being undertaking 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". Andrew Ford has consented to the inclusion in this report of the matters based on his information in the form and context that it appears.



RUBICON
Resources Limited

**FINANCIAL REPORT FOR
THE YEAR ENDED
30 JUNE 2015**



The Directors present their report on Rubicon Resources Limited and the entity it controlled at the end of and during the year ended 30 June 2015.

DIRECTORS & 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) and a Non-Executive Director of Red 5 Limited (15 April 2014 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) and Nimrodel Resources Limited (17 July 2007 to 2 August 2011).

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.

Richard Carcenac – *B.Sc.Eng (Civil), MBA*
Chief Executive Officer and Executive Director
Appointed 16 June 2015

Mr Carcenac is a civil engineer with an MBA who has over 20 years experience working for international mining houses including Anglo American and BHP Billiton Limited in a variety of roles in Australia, South Africa, Switzerland and The Netherlands.

The majority of his career was spent in marketing and operations, and included board appointments at Ingwe Collieries Limited (the South African coal subsidiary of BHP Billiton Limited) and the Richards Bay Coal Terminal Company Limited. Mr Carcenac's most recent position was as General Manager of BHP Billiton Worsley Alumina's Boddington Bauxite Mine in Western Australia.

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

Mr Buchhorn is a Minerals Economist and Geologist with more than 30 years experience. He was the founding Managing Director of Heron Resources Limited for a period of 11 years until early 2007 and 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 is a Director of Heron Resources Limited (17 February 1995 to present) and Golden Cross Resources Limited (3 March 2014 to present).

Peter Eaton – *B.Sc. (Hons), MAusIMM*
 Non-Executive Director – resigned from the board on 16 June 2015.

**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 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 mainly of mineral exploration and development, primarily in Western Australia, with a change brought about following the acquisition of PacMoz Lda (refer to the review of operations and activities below).

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 2015 of \$952,340 compared to an operating loss after income tax of \$2,004,349 for the Year ended 30 June 2014.

While Rubicon has realigned its focus on Mozambique with its investment in subsidiary PacMoz Lda in late March, its strategy remains: the further growth of its sustainable cash flow business base; establishing itself as a leading service provider to the resources, construction and oil & gas sectors; and leveraging its position with a watching brief on mineral resource opportunities.

PacMoz, with its broad suite of business support services and strong local network of contacts, is providing access to cash flow generating activities and the opportunity to assess and acquire quality resource assets. Rubicon has been rapidly expanding PacMoz's customer base, which now includes major international customers operating in or servicing the oil & gas and resources sector, along with an Australian company active in the growing graphite industry.

Rubicon continues to hold its mineral exploration assets which are focussed on gold and copper exploration in Western Australia via joint ventures.

Rubicon's major projects are as follows:

- 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.
- The Canobie project in Northwest Queensland where Exco Resources Limited is earning an interest in Rubicon tenure.

Corporate and Financial Position

As at 30 June 2015 the Consolidated Entity had cash reserves of \$0.16 million (2014 - \$0.21 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 Chief Executive Officer 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 Chief Executive Officer 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

	2015 Cents	2014 Cents
Basic loss per share	(0.43)	(1.24)
Diluted loss per share	(0.43)	(1.24)

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.

OPTIONS OVER UNISSUED CAPITAL

Unlisted Options

During the financial year and to the date of this report there were no new options issued to Directors or staff. On 13 January 2014, 2,200,000 unlisted options exercisable at 14 cents lapsed, and on 31 October 2014, 6,000,000 unlisted options exercisable at 10 cents, 1,500,000 unlisted options exercisable at 15 cents and 1,000,000 unlisted options exercisable at 20 cents all lapsed. All options were issued for Nil consideration.

Since 30 June 2015 and up until the date of this report there have been no further options issued, although the newly appointed Chief Executive Officer has been offered a package of 15,000,000 performance rights that will be issued following shareholder approval at the Annual General Meeting in November 2015.

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

<i>Number of Options on Issue</i>	<i>Exercise Price</i>	<i>Expiry Date</i>
11,000,000	2 cents each	30 June 2017

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 except for the following:

Completion of an entitlements issue of 59.8 million shares at 1.2 cents per share during August 2015 to raise \$717,000 (before costs).



LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Rubicon's strategy has been covered elsewhere in this Annual Report.

In addition to continuing to support PacMoz as it grows its customer base and refines its services offering, Rubicon in Mozambique will differentiate itself from the competition by addressing the challenges of local content. Specifically, Rubicon will establish facilities in Mozambique to medically screen local candidates for fitness to work (operating as Futuro Medical), train them (via Futuro Skills) to be gainfully employed in the target industries and, where appropriate once employment has been secured, house them in camp accommodation to ensure they present for work in a fit state (well rested, fed, dressed in PPE and transported to site).

Futuro Medical will target further revenues via the provision of these medical services to third party clients, and Futuro Skills will offer training services to clients both at Rubicon's Mozambican facility and at the clients' sites, as well as offer a range of community-interest training programmes.

PacMoz Lda was acquired by Rubicon in March 2015. PacMoz offers a broad suite of business support services including company registrations, permits and licences, Human Resources services (immigration, expatriate visas, recruitment, labour contracts and payroll), legal and financial services. These capabilities enable PacMoz to be the foundation upon which further Mozambican business units will be built, i.e. the medical centre, training facility, and camp accommodation.

The medical centre (Futuro Medical) will be run by a doctor who has extensive experience in the resources, oil & gas (onshore and offshore) and marine industries. The services currently planned will include pre-employment and periodic medical assessments that are risk-based and aligned to job requirements for all levels of employee (labourers through to executives), monitoring of the full range of occupational health issues, managing workplace injuries, and delivering primary health services (such as vaccinations). Futuro Medical will also offer on-site medical support to select clients.

The training centre (Futuro Skills) will offer training aligned to Australian standards (consistent with world's best practice) both at the client's workplace and at Rubicon's Pemba facility. The managers/operators of the training centre are experienced training and development professionals from the Australian vocational training sector, with significant experience in the oil & gas and resources sectors in emerging economies.

Rubicon will maintain its focus on the resources sector and plans to use cash flow from the PacMoz activities to rebuild its capital base and use PacMoz's expertise and experience in Mozambique to seek advanced resource project opportunities.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Consolidated Entity holds various exploration licences to regulate its exploration activities in Australia. These licences include conditions and regulations with respect to the rehabilitation of areas disturbed during the course of its exploration activities. So far as the Directors are aware there has been no known breach of the 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	22,327,987	5,000,000
Richard Carcenac	Chief Executive Officer and Executive Director Appointed on 16 June 2015	9,681,210	-
Ian Buchhorn	Non-Executive Director Appointed on 19 August 2005	18,574,724	-



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	8	8
R Carcenac (appointed 16 June 2015)	-	-
I Buchhorn	8	8
P Eaton (resigned 16 June 2015)	8	8

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.

The remuneration policy in regard to setting the terms and conditions for the Chief Executive Officer 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 9.5% per annum and do not receive any other retirement benefits. 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.



REMUNERATION REPORT (Continued)

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 of the 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.

Structure

Remuneration consists of the following key elements:

- Fixed remuneration; and
- Issuance of unlisted options or performance rights.

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.

Service Agreement

Mr Richard Carcenac was appointed Chief Executive Officer and an Executive Director on 16 June 2015. A summary of his employment contract is as follows:

- Term of agreement – Ongoing, subject to termination and notice periods;
- Base Salary, \$250,000 including superannuation;
- The following performance rights have been proposed subject to shareholders approval at the 2015 Annual General Meeting;
 - 7,500,000 Class A performance rights subject to meeting specific performance criteria achieved within 24 months;
 - 7,500,000 Class B performance rights subject to meeting specific performance criteria achieved within 36 months; and
- Termination of employment by either party requires three month's written notice.

Mr Andrew Ford was appointed Chief Operating Officer from 11 November 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	Total
	Base Salary/Fees \$	Motor Vehicle/Bonus \$	Superannuation Contributions \$	Options \$	
2014/2015					
Directors					
I Macpherson – Executive Chairman (i)	80,000	-	3,386	-	83,386
R Carcenac – Chief Executive Officer (ii)	9,512	-	903	-	10,415
P Eaton – Non-Executive (iii)	19,167	-	1,821	-	20,988
I Buchhorn – Non-Executive	25,000	-	-	-	25,000
Executives					
S Middlemas - Company Secretary (iv)	64,000	-	-	-	64,000
A Ford – Chief Operating Officer	106,413	-	10,109	-	116,522



REMUNERATION REPORT (Continued)

	Primary	Post-Employment	Equity Compensation		
2013/2014	Base Salary/Fees	Motor Vehicle/Bonus	Superannuation Contributions	Options	Total
	\$	\$	\$	\$	\$
Directors					
I Macpherson – Executive Chairman (i)	110,544	-	4,984	27,050	142,578
P Eaton – Non-Executive (iii)	35,000	-	3,237	-	38,237
I Buchhorn – Non-Executive	43,750	-	-	-	43,750
Executives					
S Middlemas - Company Secretary (iv)	46,120	-	-	-	46,120
A Ford – Chief Operating Officer	184,625	-	17,078	21,633	223,336

- (i) Mr Macpherson was appointed Executive Chairman from 1 December 2011 when he assumed additional executive duties which were compensated by a consultancy arrangement at \$5,000 per month, reduced to \$3,333 per month from 1 July 2014.
- (ii) Mr Carcenac was appointed Chief Executive Officer and Executive Director on 16 June 2015. Prior to this he was employed via his private company Dreamlink Pty Ltd as a consultant between 1 October 2014 until 16 June 2015 earning fees of \$166,000.
- (iii) Mr Eaton resigned from his position as a Non-Executive Director on 16 June 2015.
- (iv) All fees for providing Company Secretarial services were paid to Sparkling Investments Pty Ltd.

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 2015.

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

The terms and conditions of each grant of options affecting remuneration in this or future reporting periods are as follows:

	Granted	Terms & Conditions for each Grant				
		Date of Grant	Date of Vesting	Option Value (\$)	Exercise Price (\$)	Expiry Date
Ian Macpherson	5,000,000	20 Nov 2013	20 Nov 2013	0.0054	0.02	30 Jun 2017
Andrew Ford	3,000,000	10 Sep 2013	10 Sep 2013	0.0072	0.02	30 Jun 2017
Other Staff	3,000,000	10 Sep 2013	10 Sep 2013	0.0072	0.02	30 Jun 2017

There were no amounts payable on the issue of the options, and there are no performance conditions attached. All options previously issued are now fully vested and are exercisable at any time. 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.

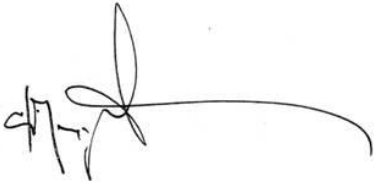
PROCEEDINGS ON BEHALF OF THE CONSOLIDATED ENTITY

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.

REMUNERATION REPORT (Continued)**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 practices have been disclosed in Appendix 4G in accordance with ASX listing rule 4.7.3 at the same time as the annual report is lodged with the ASX. Further information about the Company's corporate governance practices is set out on the Company's website at www.rubiconresources.com.au. In accordance with the recommendations of the ASX, information published on the website includes codes of conduct and other policies and procedures relating to the Board and its responsibilities.

DATED at Perth this 30th day of September 2015
Signed in accordance with a resolution of the Directors



Ian Macpherson
Executive Chairman

Competent Persons Statement

The information in this report that relates to Exploration is based on information compiled by Andrew Ford who is a Member of the Australasian Institute of Mining and Metallurgy. Andrew Ford is a full time employee of Rubicon Resources Limited and has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration, and to the exploration activity that is being undertaking 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". Andrew Ford has consented to the inclusion in this report of the matters based on his information in the form and context that it appears.



BUTLER SETTINERI

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of Rubicon Resources Limited and its controlled entities for the year ended 30 June 2015, 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 entities it controlled during the year.

BUTLER SETTINERI (AUDIT) PTY LTD



MARIUS VAN DER MERWE CA
Director

Perth
Date: 30 September 2015

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For the year ended 30 June 2015

THE CONSOLIDATED ENTITY

	<u>NOTES</u>	<u>2015</u>	<u>2014</u>
		\$	\$
Other income	2	<u>189,572</u>	<u>12,184</u>
Employee expenses		286,179	330,273
Non-Executive Directors' fees		122,706	197,515
Insurance expenses		15,878	19,348
Consolidated Entity Consultants fees		231,378	46,120
Corporate expenses		53,396	50,640
Depreciation	3	8,440	5,235
Rent		45,343	109,074
Employee costs recharged to capitalised exploration		(196,552)	(331,033)
Expense of share-based payments	3	-	70,316
Exploration Written off	3	467,149	1,432,417
Other expenses		<u>91,751</u>	<u>86,628</u>
Loss before income tax		936,096	2,004,349
Income tax	5	<u>16,245</u>	-
Net loss attributable to members of the Consolidated Entity	15	952,341	2,004,349
Other Comprehensive Loss net of tax		<u>-</u>	<u>-</u>
Total Comprehensive Loss		<u>952,341</u>	<u>2,004,349</u>
Basic earnings/(loss) per share (cents per share)	21	(0.43) cents	(1.24) cents
Diluted earnings/(loss) per share (cents per share)	21	(0.43) cents	(1.24) cents

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

As at 30 June 2015

	<u>NOTES</u>	<u>2015</u>	<u>2014</u>
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	22(a)	163,900	205,915
Other receivables	6	252,154	2,220
Other assets	7	-	13,517
TOTAL CURRENT ASSETS		416,054	221,652
NON-CURRENT ASSETS			
Plant and equipment and motor vehicles	8	56,972	17,808
Intangibles	10	372,600	-
Capitalised mineral exploration expenditure	11	657,901	904,200
TOTAL NON-CURRENT ASSETS		1,087,473	922,008
TOTAL ASSETS		1,503,527	1,143,660
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	473,029	32,521
Provisions	13	7,769	482
TOTAL CURRENT LIABILITIES		480,798	33,003
TOTAL LIABILITIES		480,798	33,003
NET ASSETS		1,022,729	1,110,657
EQUITY			
Contributed equity	14(a)	15,933,284	15,085,096
Reserves	16	651,581	656,956
Accumulated losses	15	(15,583,736)	(14,631,395)
Equity attributable to equity holders in the Company		1,001,129	1,110,657
Non Controlling Interests		21,600	-
TOTAL EQUITY		1,022,729	1,110,657

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



For the year ended 30 June 2015

	Notes	Contributed Equity	Share Based Payment Reserve	Foreign Currency Translation Reserve	Losses	Total
BALANCE AT 1 JULY 2013		14,831,596	586,640	-	(12,627,046)	2,791,190
TOTAL COMPREHENSIVE INCOME TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					(2,004,349)	(2,004,349)
Shares issued during the year		253,500	-			253,500
Directors and Employees options		-	70,316			70,316
BALANCE AT 30 JUNE 2014		15,085,096	656,956	-	(14,631,395)	1,110,657
TOTAL COMPREHENSIVE INCOME TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS					(952,341)	(952,341)
Shares issued during the year	14(b)	848,188	-			848,188
Exchange related movements		-	-	(5,375)		(5,375)
BALANCE AT 30 JUNE 2015		15,933,284	656,956	(5,375)	(15,583,736)	1,001,129

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 2015

	<u>NOTES</u>	<u>2015</u>	<u>2014</u>
		\$	\$
Cash flows from operating activities			
Receipts from customers		114,043	-
Interest received		4,383	12,184
Payments to suppliers and employees (inclusive of goods and services tax)		(639,856)	(534,176)
Net cash used in operating activities	22(b)	<u>(521,430)</u>	<u>(521,992)</u>
Cash flows from investing activities			
Payments for exploration and evaluation		(220,850)	(660,279)
Proceeds (Payments) for plant and equipment and motor vehicles		7,625	-
Net cash used in investing activities		<u>(213,225)</u>	<u>(660,279)</u>
Cash flows from financing activities			
Proceeds from loan		50,000	-
Proceeds from the issue of shares (net of fees)		443,545	253,500
Net cash provided by financing activities		<u>493,545</u>	<u>253,500</u>
Net increase (decrease) in cash held		(241,110)	(928,771)
Cash at the beginning of the financial year		205,915	1,134,686
Exchange rate movements		(12,195)	-
Funds received from subsidiary purchase		211,290	-
Cash at the end of the financial year	22(a)	<u><u>163,900</u></u>	<u><u>205,915</u></u>

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 2015**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 \$952,341 (2014: \$2,004,350) and a net cash outflow from operating activities of \$521,430 (2014: \$521,992).

At 30 June 2015 the Group had cash assets of \$163,900 (2014: \$205,914) and working capital of \$64,744 (2014: \$188,649).

Although the above are indicative of a material uncertainty, following the entitlements issue during August 2015 to raise \$717,000 (before costs), the directors have prepared cash flow forecasts that indicate that the consolidated entity will have sufficient cash flows to cover its activities for a period of 12 months from the date of this report. Based on this information, 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.

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.



For the year ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 28.

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.

(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.



For the year ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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.

(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.



For the year ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 profit/(loss) divided by the weighted average number of shares. Diluted EPS are calculated as the net profit/(loss) divided by the weighted average number of shares and dilutive potential shares.

(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.



For the year ended 30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 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 2015 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 2015 half year and 2016 full year accounts.



For the year ended 30 June 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
2. OTHER INCOME		
Interest	2,774	12,184
Other income	186,798	-
	<u>189,572</u>	<u>12,184</u>
3. EXPENSES		
Contributions to employees superannuation plans	17,719	36,604
Depreciation - plant and equipment	8,440	5,235
Exploration written off	467,149	1,432,417
Share based payment expense	-	70,316
Provision for employee entitlements	3,478	(12,253)
	<u>16,995</u>	<u>16,335</u>
4. AUDITORS' REMUNERATION		
Audit – Butler Settineri (Audit) Pty Limited		
Audit and review of the financial statements	<u>16,995</u>	<u>16,335</u>

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 (2014 - \$Nil).

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

	<u>2015</u>	<u>2014</u>
	\$	\$
Loss from continuing operations	<u>(952,340)</u>	(2,004,349)
Tax at the tax rate of 30% (2014: 30%)	(285,702)	(601,305)
Tax effect of amounts which are deductible in calculating taxable income:		
Non-deductible expenses	-	21,163
Other allowable expenditure	9,523	(4,023)
Deferred tax asset not brought to account	<u>259,934</u>	584,165
Income tax expense	<u>16,245</u>	-

(b) Tax losses

Unused tax losses for which no deferred tax asset has been recognised	<u>9,554,488</u>	8,810,109
Potential tax benefit at 30%	<u>2,866,346</u>	2,643,033



For the year ended 30 June 2015

5. INCOME TAX (continued)

(c) Unbooked Deferred Tax Assets and Liabilities

Unbooked deferred tax assets comprise:

Provisions/Accruals/Other	4,787	290
Tax losses available for offset against future taxable income	<u>3,000,534</u>	3,016,900
	<u>3,005,321</u>	<u>3,017,190</u>

Unbooked deferred tax liabilities comprise:

Capitalised mineral exploration and evaluation expenditure	<u>3,005,321</u>	<u>3,017,190</u>
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(d) Franking credits balance

The Consolidated Entity has no franking credits available as at 30 June 2015 (2014: \$Nil).

6. OTHER RECEIVABLES

Current

Trade receivables	246,962	-
Other receivables	<u>5,192</u>	2,220
	<u>252,154</u>	<u>2,220</u>

7. OTHER ASSETS

Current

Prepayments	<u>-</u>	<u>13,517</u>
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8. PLANT AND EQUIPMENT AND MOTOR VEHICLES

Plant and office equipment

At cost	233,352	179,622
Accumulated depreciation	<u>(187,331)</u>	<u>(171,814)</u>
	<u>46,021</u>	<u>7,808</u>

Motor vehicles

At cost	12,873	53,831
Accumulated depreciation	<u>(1,922)</u>	<u>(43,831)</u>
	<u>10,951</u>	<u>10,000</u>
	<u>56,972</u>	<u>17,808</u>

Reconciliation

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

Plant and office equipment

Carrying amount at beginning of the year	7,808	13,043
Additions	2,375	-
PacMoz subsidiary addition	43,313	-
Depreciation	<u>(7,475)</u>	<u>(5,235)</u>
Carrying amount at the end of the year	<u>46,021</u>	<u>7,808</u>



For the year ended 30 June 2015

	2015	2014
	\$	\$
8. PLANT AND EQUIPMENT AND MOTOR VEHICLES (continued)		
Motor vehicles		
Carrying amount at beginning of the year	10,000	10,000
Disposals	(10,000)	-
PacMoz subsidiary addition	11,916	-
Depreciation	(965)	-
Carrying amount at the end of the year	<u>10,951</u>	<u>10,000</u>

9. INVESTMENTS

Non-Current

During the year Rubicon Resources Limited disposed of its investment in Rubicon Madencilik A.S. which was incorporated in 2013 for \$Nil value (2014 \$Nil). On 25 March 2015, Rubicon purchased a 60% interest in the Mozambican Company PacMoz Lda for an amount of 22,500,000 Fully Paid ordinary shares in Rubicon and 30,000,000 A Class Performance Shares and 30,000,000 B Class Performance Shares (refer note 14) with a total combined value of \$405,000.

Particulars in relation to the controlled entity

Rubicon Resources Limited is the parent entity.

Name of Controlled entity	Class of Shares	Equity Holding	
		2015	2014
PacMoz Lda ⁽¹⁾	Ordinary	60%	0%
Rubicon Madencilik A.S. ⁽²⁾	Ordinary	0%	100%

(1) Rubicon purchased 60% of the issued capital of PacMoz Lda on 25 March 2015 through the issue of shares.

(2) On 1 April 2013 Rubicon Madencilik A.S. was incorporated in Turkey as a wholly-owned controlled entity of the Company – this was disposed on for \$Nil on 14 August 2014.

Acquisition of controlled entity

On 25 March Rubicon acquired 60% of the voting interests in the Mozambican Company PacMoz Lda. The acquisition was undertaken through the issue of 22,500,000 fully paid ordinary shares (share price at the date of acquisition 1.8 cents per share), and 30,000,000 Class A Performance Shares and 30,000,000 Class B Performance shares (refer note 14). BDO Corporate Finance was engaged to value the Performance Shares and have determined that the probability of the hurdle conditions being achieved to be less than 50% and have therefore deemed the value of the Performance Shares to be \$Nil. So the acquisition value has been set at the deemed value of the fully paid ordinary shares of \$405,000. Revenue from PacMoz for the three month period since the purchase consolidated into the Group accounts totalled \$172,117 and net profit of \$37,999 after tax.

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

	\$
Cash and cash equivalents	211,290
Receivables	166,120
Plant and Equipment	58,434
Payables	(298,602)
Provisions	(3,934)
Loans	(79,308)
Total Identifiable net assets acquired	<u>54,000</u>
Value of 60% of assets acquired	32,400
Price Paid for acquisition	405,000
Goodwill on acquisition	<u>372,600</u>

For the year ended 30 June 2015



	<u>2015</u>	<u>2014</u>
	\$	\$
10. INTANGIBLES		
Cost brought forward	-	-
Goodwill on Acquisition of PacMoz Lda	<u>372,600</u>	-

(refer Note 9 above for details)

The carrying value of the goodwill for PacMoz was subject to impairment testing in accordance with the accounting standards. A valuation was undertaken using a discounted cashflow model based on current cashflows with a proposed growth rate of 15% and a discount rate of 12% and it was determined there was no impairments required. The carrying value of the intangible is expected to be finite and will be evaluated on a six month basis in the future.

11. CAPITALISED MINERAL EXPLORATION EXPENDITURE

Non-Current

In the exploration phase

Cost brought forward	904,200	1,676,337
Add: Expenditure incurred during the year (at cost)	220,850	660,280
Less sale of project	-	-
Exploration expenditure written off	<u>(467,149)</u>	<u>(1,432,417)</u>
	<u>657,901</u>	<u>904,200</u>

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.

12. TRADE AND OTHER PAYABLES

Current (Unsecured)

Trade creditors	290,697	5,541
Other creditors and accruals	132,332	26,980
Loan from Director related entity	<u>50,000</u>	-
	<u>473,029</u>	<u>32,521</u>

Included within trade and other creditors and accruals is an amount of \$Nil (2014-\$325) relating to exploration expenditure.

13. PROVISIONS

Current

Employee entitlements	<u>7,769</u>	<u>482</u>
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14. CONTRIBUTED EQUITY

(a) Ordinary Shares

248,304,498 (2014: 181,304,498) fully paid ordinary shares	<u>15,933,284</u>	<u>15,085,096</u>
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For the year ended 30 June 2015



14. CONTRIBUTED EQUITY (continued)

(b) Share Movements during the Year

	2015		2014	
	Number of Shares	\$	Number of Shares	\$
Beginning of the financial year	181,304,498	15,085,096	145,304,498	14,831,596
<i>New share issues during the year</i>				
Shares issued to Staff 1 cents/share	-	-	3,000,000	30,000
Placements during the year (1)	44,500,000	485,000	33,000,000	231,000
Shares issued in PacMoz purchase (2)	22,500,000	405,000	-	-
Less costs of share issues		(41,812)		(7,500)
	248,304,498	15,933,284	181,304,498	15,085,096

Notes:

(1)

- Private Placement of 27,000,000 Fully Paid Ordinary shares made to sophisticated Investors at an issue price of 0.5 cents per share to raise \$135,000 on 27 August 2014.
- Private Placement of 12,500,000 Fully Paid Ordinary shares made to sophisticated Investors at an issue price of 2.0 cents per share to raise \$250,000 on 22 December 2014.
- Private Placement of 5,000,000 Fully Paid Ordinary shares made to sophisticated Investors at an issue price of 2.0 cents per share to raise \$100,000 on 12 March 2015.

(2) On 25 March 2015, Rubicon finalised the purchase of a 60% interest in PacMoz Lda through the issue of 22,500,000 fully paid ordinary shares at a deemed share price at the time of the issue of 1.8 cents per share equating to \$405,000. The Company also issued 30,000,000 Class A performance shares and 30,000,000 Class B performance shares which have a number of hurdles rates to be achieved prior to each Performance share converting into one Fully Paid Ordinary Share (refer (d) below).

(c) Unlisted Options

There were no unlisted options issued in 2015 (2014 – 11,000,000), and 8,500,000 unlisted options lapsed during the year (2014 – 2,200,000) as a result of time expiry. As a consequence the number of Unlisted options on issue at 30 June 2015 and at the date of this report were 11,000,000 (2014 – 19,500,000). There were no other options issued to staff under the Rubicon Share Option Plan (refer Note 15).

(d) Performance Shares

On 25 March 2015, the Company issued the following Performance Shares as part of the purchase of a 60% interest in PacMoz Lda.

1. 30,000,000 Tranche A Performance Shares convertible into 30,000,000 Fully Paid Ordinary Shares upon the achievement by PacMoz of either:

- 250,000 gold ounce JORC compliant resource or equivalent mineral on a resource asset:
 - owned by PacMoz as at the date of the issue of the Performance Shares; or
 - acquired by the Company in connection with the Company's analysis of the Mozambique IP made available to the Company as at the date of issue of the Performance Shares; or
- combined turnover/gross income of the PacMoz Group in a 12 month period or fiscal period of at least \$1,250,000 based on the PacMoz accounts with the net profit after tax not less than 15% of the turnover/gross income.

2. 30,000,000 Tranche B Performance Shares convertible into 30,000,000 Fully Paid Ordinary Shares upon the achievement by PacMoz of either:

- 500,000 gold ounce JORC compliant resource or equivalent mineral on a resource asset:
 - owned by PacMoz as at the date of the issue of the Performance Shares; or
 - acquired by the Company in connection with the Company's analysis of the Mozambique IP made available to the Company as at the date of issue of the Performance Shares; or
- combined turnover/gross income of the PacMoz Group in a 12 month period or fiscal period of at least \$2,000,000 based on the PacMoz accounts with the net profit after tax not less than 15% of the turnover/gross income.



For the year ended 30 June 2015

14. CONTRIBUTED EQUITY (continued)

(e) Share Based Payments

The expense recognised in the income statement in relation to share-based payments is disclosed in Note 3. The average remaining contractual life for the share options outstanding as at 30 June 2015 is 2 years (2014: between 0.4 and 3 years). The exercise price for options outstanding at the end of the year was 2 cents (2014: between 2 cents and 20 cents). The fair value of options granted during the year was \$Nil (2014 - \$70,316).

The fair value of the equity-settled share options granted is estimated as at the date of grant using a Black-Scholes model taking into account the terms and conditions upon which the options were granted.

The following table lists the inputs to the model used for the options issued during the year ended 30 June 2014:

Date of Issue	10 Sept 2013	20 Nov 2013
Number of Options	6,000,000	5,000,000
Volatility (%)	130%	130%
Risk-free interest rate (%)	3.42%	3.42%
Expected life of option (years)	3.83	3.58
Exercise price (cents)	2	2
Share price at grant date (cents)	0.10	0.08
Value per option (cents)	0.0721	0.0541

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

(f) 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.

(g) 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 were as follows:

	<u>2015</u>	<u>2014</u>
	\$	\$
Cash and cash equivalents	163,900	205,915
Trade and other receivables	252,154	2,220
Other assets	-	13,517
Trade and other payables	(473,029)	(32,521)
Provisions	(7,769)	(482)
Working capital position	<u>(64,744)</u>	<u>188,649</u>



For the year ended 30 June 2015

15. ACCUMULATED LOSSES

Accumulated losses at the beginning of the year	14,631,395	12,627,046
Net loss attributable to members	<u>952,341</u>	<u>2,004,349</u>
Accumulated losses at the end of the year	<u>15,583,736</u>	<u>14,631,395</u>

16. RESERVES

Reserves

Share Option Reserve	656,956	656,956
Foreign Currency Translation Reserve	<u>(5,375)</u>	<u>-</u>
Total Reserves	<u>651,581</u>	<u>656,956</u>

As represented by:

Share Option Reserve

Balance at the beginning of the year	656,956	586,640
Add: Amounts expensed in current year	<u>-</u>	<u>70,316</u>
Balance at the end of the year	<u>656,956</u>	<u>656,956</u>

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.

Foreign Currency Translation Reserve

Balance at the beginning of the year	-	-
Add/(Subtract) movements during the current year	<u>(5,375)</u>	<u>-</u>
Balance at the end of the year	<u>(5,375)</u>	<u>-</u>

Foreign Currency Translation reserve

The foreign currency translation reserve comprises movements in the foreign currency translation of self-sustaining foreign entities being consolidated.

17. 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.



For the year ended 30 June 2015

18. 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 the only transaction with a director, was an entity related to Ian Macpherson, which loaned the Company \$50,000 on normal commercial terms (unsecured, interest rate of 5%, repayable within 12 months). The loan will be repaid from the proceeds of the entitlements issue. There were no other transactions with Directors or Executives in the current year (2014 - \$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:

2014/2015	Ordinary Shares			Unlisted Options		
	1 July 2014	Purchases	Disposals	30 June 2015	30 June 2015	30 June 2014
Mr I Macpherson	17,542,389		-	17,542,389	5,000,000	7,500,000
Mr R Carcenac	-	7,500,000	-	7,500,000	-	-
Mr P Eaton ⁽¹⁾	1,475,000	-	(1,475,000)	-	-	4,000,000
Mr I Buchhorn	14,859,777		-	14,859,777	-	2,000,000
Mr R Middlemas	3,256,368	-	-	3,256,268	-	-
Mr A Ford	400,000	-	-	400,000	3,000,000	3,000,000
2013/2014	1 July 2013	Purchases	Disposals	30 June 2014	30 June 2014	30 June 2013
Mr I Macpherson	17,542,389		-	17,542,389	7,500,000	2,500,000
Mr P Eaton	1,475,000	-	-	1,475,000	4,000,000	4,000,000
Mr I Buchhorn	8,859,777	6,000,000	-	14,859,777	2,000,000	2,000,000
Mr R Middlemas	2,756,368	499,900	-	3,256,268	-	1,000,000
Mr A Ford	-	400,000	-	400,000	3,000,000	1,000,000

(1) Deemed disposal when left the board

19. 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 \$82,880 (2014: \$242,880). These obligations are also subject to variations by farm-out arrangements or sale of the relevant tenements.

(b) Operating Lease Commitments

There were no operating lease commitments as at 30 June 2015 (2014 - \$Nil).

(c) Capital Commitments

The Consolidated Entity had no capital commitments at 30 June 2015 (2014 - \$Nil).

20. SEGMENT INFORMATION

The Consolidated Entity has operated predominantly in one segment involved in the mineral exploration and development industry in Australia. Following the purchase of PacMoz in March 2015 there are two geographic segments being Australia and Mozambique and these are treated as distinct segments. Detailed information on the segments is as follows:

Year ended 30/6/2015	<u>Australia</u>	<u>Mozambique</u>	<u>Total</u>
	\$	\$	\$
Revenue	17,455	172,117	189,572
Operating Profit (Loss) before tax	(990,340)	54,244	(936,096)
Tax	0	(16,245)	(16,245)
Net Profit (Loss) after tax	(990,340)	37,999	(952,341)
Segment Assets	1,142,369	361,158	1,503,527
Segment Liabilities	186,290	294,508	480,798



For the year ended 30 June 2015

21. EARNINGS/ (LOSS) PER SHARE	<u>2015</u>	<u>2014</u>
	\$	\$
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	<u>(952,340)</u>	(2,004,349)
	<u>Number of Shares</u>	<u>Number of Shares</u>
	<u>2015</u>	<u>2014</u>
Weighted average number of ordinary shares used in calculating basic earnings/ (loss) per share:	218,034,635	161,304,498
<i>Effect of dilutive securities</i>		
Share options*	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings/ (loss) per share	<u>218,034,635</u>	<u>161,304,498</u>
Basic and diluted loss per share (cents per share)	0.43 cents	1.24 cents

*Non-dilutive securities

As at balance date, 11,000,000 unlisted options (30 June 2014: 19,500,000) which represent potential ordinary shares were not dilutive as they would decrease the loss per share.

22. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Cash and Cash Equivalents

	<u>2015</u>	<u>2014</u>
	\$	\$
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:		
Cash on hand	5,551	200
Cash at bank	137,344	16,840
Deposits at call	21,005	188,875
	<u>163,900</u>	<u>205,915</u>

(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	(952,341)	(2,004,349)
<i>Non-cash items:</i>		
Depreciation	8,296	5,235
Exploration written-off	467,149	1,432,418
Exchange Movement	(2,431)	
Expense of share-based payments	-	70,316
<i>Change in operating assets and liabilities:</i>		
Decrease (Increase) in prepayments	13,517	1,342
Decrease (Increase) in receivables	(93,398)	721
Increase in trade creditors and accruals	34,112	(15,422)
Increase in employee entitlements	3,666	(12,253)
Net cash outflows used in operating activities	<u>521,430</u>	<u>521,992</u>

(c) Stand-By Credit Facilities

As at 30 June 2015 the Consolidated Entity has a business credit card facility available totalling \$20,000 of which \$5,080 (2014 - \$501) was utilised.

(d) Non Cash Financing and Investing Activities

There were an amount of 22,500,000 new Fully Paid Ordinary Shares and 60,000,000 Performance Shares issued to purchase the interest in PacMoz Lda at a deemed value of \$405,000 (refer Note 14).



For the year ended 30 June 2015

23. 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:

2015

	Notes	Weighted Average Effective Interest %	Funds Available at a Floating Interest Rate \$	Fixed Interest Rate \$	Assets/ (Liabilities) Non Interest Bearing \$	Total \$
<u>Financial Assets</u>						
Cash and cash equivalents	22(a)	2.0%	21,005	137,344	5,551	163,900
Other receivables	6	-	-	-	252,154	252,154
Total Financial Assets			21,005	137,344	257,705	416,054
<u>Financial Liabilities</u>						
Payables	11	-	-	-	(473,029)	(473,029)
Total Financial Liabilities			-	-	(473,029)	(473,029)
Net Financial Assets			21,005	137,344	(215,324)	(56,975)

2014

<u>Financial Assets</u>						
Cash and cash equivalents	22(a)	2.41%	153,475	41,550	10,890	205,915
Other receivables	6	-	-	-	2,220	2,220
Total Financial Assets			153,475	41,550	13,110	208,135
<u>Financial Liabilities</u>						
Payables	11	-	-	-	(32,521)	(32,521)
Total Financial Liabilities			-	-	(32,521)	(32,521)
Net Financial Assets			153,475	41,550	(19,411)	175,614

(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 2015

23. 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.

24. EMPLOYEE ENTITLEMENTS AND SUPERANNUATION COMMITMENTS

Employee Entitlements

The aggregate employee entitlement liability is disclosed in Note 13.

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 17.

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 totaled \$17,719 (2014: \$28,383).

25. CONTINGENT LIABILITIES

There were no material contingent liabilities not provided for in the financial statements of the Consolidated Entity as at 30 June 2015 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.

PacMoz loans from Vendors

As part of the purchase of a 60% interest in PacMoz Lda, an amount of \$200,000 of vendor loans which were created against internally generated goodwill were reversed on consolidation. The Vendors of PacMoz have agreed in the purchase agreement to write off the loans upon completion of the transaction including the exercise of the option to purchase the balance of 40% of PacMoz and the conversion of the Performance Shares by the end of two years. The loans will not be called in PacMoz Lda during this time and no interest is payable. In the event that the option is not exercised the Board believes that it will be due to the expected growth of PacMoz not being achieved and in this event it is unlikely that the investment in PacMoz will be maintained, and the group will never be liable for the loans.



For the year ended 30 June 2015

26. 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 except for as follows:

- Completion of an entitlements issue of 59.8 million shares at 1.2 cents per share during August 2015 to raise \$717,000 (before costs).

27. PARENT COMPANY

(a) Financial Position

As at 30 June 2015

	<u>2015</u> \$	<u>2014</u> \$
Assets		
Total current assets	87,116	219,220
Total non-current assets	1,005,523	909,225
Total Assets	<u>1,142,369</u>	<u>1,128,445</u>
Liabilities		
Total current liabilities	186,290	33,003
Total non-current liabilities	-	-
Total Liabilities	<u>186,290</u>	<u>33,003</u>
Net Assets	<u>956,079</u>	<u>1,095,442</u>
Equity		
Issued capital	15,933,641	15,085,096
Reserves	656,956	656,956
Accumulated losses	(15,634,517)	(14,646,610)
Total Equity	<u>956,079</u>	<u>1,095,442</u>
Loss for the year	987,908	2,030,163
Other comprehensive income	-	-
Total comprehensive loss for the year	<u>987,908</u>	<u>2,030,163</u>

(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 2015 (2014 - Nil).

(d) Capital commitment of the Parent

Rubicon Resources Limited's capital commitments are disclosed in Note 19.



For the year ended 30 June 2015

28. 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") 69%, Rubicon diluting)

The Peters Dam Joint Venture comprises approximately 200km² 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") 60%, Rubicon diluting)

The Queen Lapage Joint Venture comprises approximately 100km² of Rubicon tenements in the northern Yindarlgooda project. Silver Lake has earned an initial 51% by spending \$1.0M. Silver Lake manages the joint venture and is currently sole funding it with Rubicon being diluted.

Mt McLeay Joint Venture Agreement (Brimstone Resources Limited 61%)

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 manages and sole funds the joint venture.

In July 2015 Brimstone agreed to purchase Rubicon's Joint Venture equity for a cash consideration of \$100,000, subject to a final decision following initial exploration work. A non-refundable deposit of \$25,000 was received during August 2015, and the balance of \$75,000 is payable prior to 31 December 2015 if the transaction proceeds. Brimstone will manage the tenements until the cash payment has been paid.

The joint ventures are not separate legal entities. They are contractual arrangements between the participants under the signed JV 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.

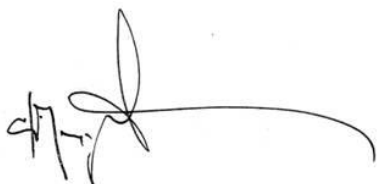
In the opinion of the Directors of Rubicon Resources Limited ("the Consolidated Entity"):

- (a) the financial statements and notes, set out on pages 11 to 32, 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 2015 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 2015.

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

Signed at Perth this 30th day of September 2015



Ian Macpherson
Executive Chairman



BUTLER SETTINERI

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 entities, (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2015 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.

Independence

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

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Auditor's Opinion

In our opinion, the consolidated financial report of Rubicon Resources Limited and its controlled entities 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 2015 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Material Uncertainty Regarding Going Concern

Without qualifying our opinion above, we wish to draw your attention to the following matter. As a result of matters referred to in note 1(a) of the financial statements "Going Concern", the consolidated entity's ability to continue as a going concern is dependent upon obtaining additional funds through the equity markets. This indicates the existence of a material uncertainty that may cast significant doubt on the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included on pages 7 to 8 of the directors' report for the year ended 30 June 2015.

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 and its controlled entities for the year ended 30 June 2015 complies with section 300A of the Corporations Act 2001.

BUTLER SETTINERI (AUDIT) PTY LTD

A handwritten signature in black ink, appearing to read 'Marius van der Merwe'.

MARIUS VAN DER MERWE CA
Director

Perth
Date: 30 September 2015



SUB-PROJECT	TENEMENT ID	EQUITY %	DATE GRANTED
YINDARLGOODA			
Yindarlgooda	E27/00430	100	25-Jan-2011
Yindarlgooda	E27/00431	100	Pending
Yindarlgooda	E27/00443	100	04-Jul-11
Yindarlgooda	E27/00449	100	12-Sep-2012
Yindarlgooda	E27/00454	100	Pending
Yindarlgooda	E27/00456	100	Pending
Yindarlgooda	P27/01949	100	22-Sep-2008
Peter Dam JV	E26/00153	31	6-May-2011
Peter Dam JV	E26/00154	31	6-May-2011
Peter Dam JV	E15/00869	31	21-Dec-2005
Peter Dam JV	E25/00307	31	21-Jun-2005
Peter Dam JV	E25/00376	31	30-Jan-2009
Peter Dam JV	E25/00433	31	22-Nov-2010
Peter Dam JV	E25/00434	31	22-Nov-2010
Peter Dam JV	P26/03819	31	15-Jun-2011
Peter Dam JV	P26/03820	31	15-Jun-2011
Peter Dam JV	P26/03821	31	15-Jun-2011

SUB-PROJECT	TENEMENT ID	EQUITY %	DATE GRANTED
YINDARLGOODA (CONTINUED)			
Mt McLeay JV	P27/01711	39	28-May-2008
Mt McLeay JV	P27/01748	39	28-May-2008
Mt McLeay JV	P27/01749	39	28-May-2008
Mt McLeay JV	P27/01990	39	11-Dec-2009
Mt McLeay JV	P27/01954	39	19-Feb-2009
Mt McLeay JV	P27/01979	39	29-Oct-2009
Mt McLeay JV	P27/02006	39	29-Jun-2010
Queen Lapage JV	E25/00455	40	25-Mar-2011
Queen Lapage JV	E25/00273	40	23-Mar-2006
Queen Lapage JV	E25/00326	40	1-Nov-2006
Queen Lapage JV	E27/00291	40	28-Apr-2006
JEEDAMYA			
Kookynie	E40/00293	100	4-May-2011
CANOBIE			
Canobie JV	EPM177767	100	9-May-2012
CANOBIE			
Canobie JV	EPM177767	100	9-May-2012



Pursuant to the Listing Requirements of the Australian Stock Exchange Limited, the shareholder information set out below was applicable as at 13 October 2015.

A. Distribution of Equity Securities

Analysis of numbers of shareholders by size of holding:

Distribution	Number of Shareholders	Number of Shares
1 – 1,000	102	19,651
1,001 – 5,000	72	166,252
5,001 – 10,000	48	361,871
10,001 – 100,000	379	18,055,608
More than 215,000	238	295,638,944
Totals	839	314,242,326

There were 318 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
A Emerton & Associates	40,646,218	12.93%
I Macpherson & Associates	22,327,987	7.10%
Colin Ikin	21,000,000	6.68%
IJ Buchhorn & related entities	18,574,721	5.92%

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
Emerton Athol	35,000,000	11.14%
HSBC Custody Nom Aust Ltd	28,265,293	8.99%
Ikin Colin Robert	21,000,000	6.68%
Hazurn PL	9,819,883	3.12%
FATS PL	9,375,000	2.98%
Kurana PL	6,981,728	2.22%
FATS PL	6,702,987	2.13%
Kurana PL	6,328,172	2.01%
FATS PL	6,250,000	1.99%
Carcenac RAE & TJ	6,250,000	1.99%
Triton Minerals Ltd	5,555,555	1.77%
Amaresense PL	4,807,374	1.53%
Prince Raymond John	4,500,000	1.43%
Citicorp Nom PL	4,303,301	1.37%
CVRD Aust EA PL	4,000,000	1.27%
Adaptive Mgmt PL	4,000,000	1.27%
Carcenac Tania Jane	3,320,000	1.06%
Middlemas RS & Wolseley J	3,232,215	1.03%
Carcenac RAE & TJ	3,125,000	0.99%
Barker Bruce G & WA	3,007,192	0.96%
	175,823,700	55.93%

D. Unquoted Options

Options	Number of Options
Unlisted options exercisable at 2 cents each by 30 June 2017	11,000,000
	11,000,000

E. Voting Rights

In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll each share shall have one vote

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