

Quarterly Report

For the Period Ended 30 September 2015

RUBICON RESOURCES LIMITED

(ABN 38 115 857 988)

ASX: RBR

Directors

Ian Macpherson - Executive Chairman
Richard Carcenac - Executive Director
Ian Buchhorn - Non-Executive Director

Sam Middlemas - Company Secretary

Capital Structure

Issued Shares: 318.0M

Issued Options: 11M

Performance Shares: 60M

Market Cap at 29 October 2015: \$4.2M

Websites:

www.rubiconresources.com.au

www.futuroskills.com

For further information, please
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Chief Executive Officer

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Summary

- The company's plans for the integrated medical and training facility in Pemba, Mozambique, remain on track. Construction works are to begin this calendar year, with operations to commence by mid-2016.
- PacMoz continues to grow and remains cash-positive. Futuro Skills, Rubicon's training business, has a small specialist team in place and is rapidly developing the capabilities of this new business. Futuro Medical's talks with its preferred medical partner are progressing to plan.
- In northern Mozambique, capital investment in energy, resources and infrastructure projects continues.
- A rights issue was initiated in July, with the aim of raising up to \$763,238 (before costs) through the issue of about 63.6M shares at 1.2 cents each. Approximately 62% of the target was achieved on closing the rights issue, although 100% of the shortfall has subsequently been placed with investors.

Rubicon Resources Limited published its 2015 Annual Report recently. The "Letter from the Chief Executive Officer" provides a very detailed explanation of the company's strategy and how Rubicon intends to capitalise on the opportunities in Mozambique, while the "Australian Joint Venture Interests" and "Tenement Schedule September 2015 Quarter" papers detail Rubicon's mineral resources positions. These pages, extracted from the Annual Report, are included in this Quarterly Report.



EXTRACT FROM ANNUAL REPORT 2015

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.

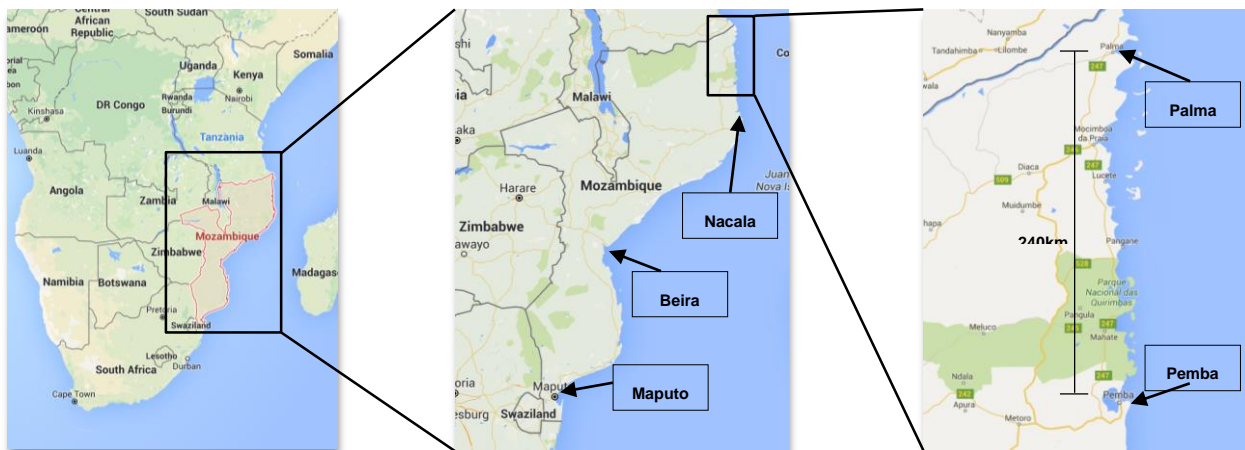
Where we are going to...

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.

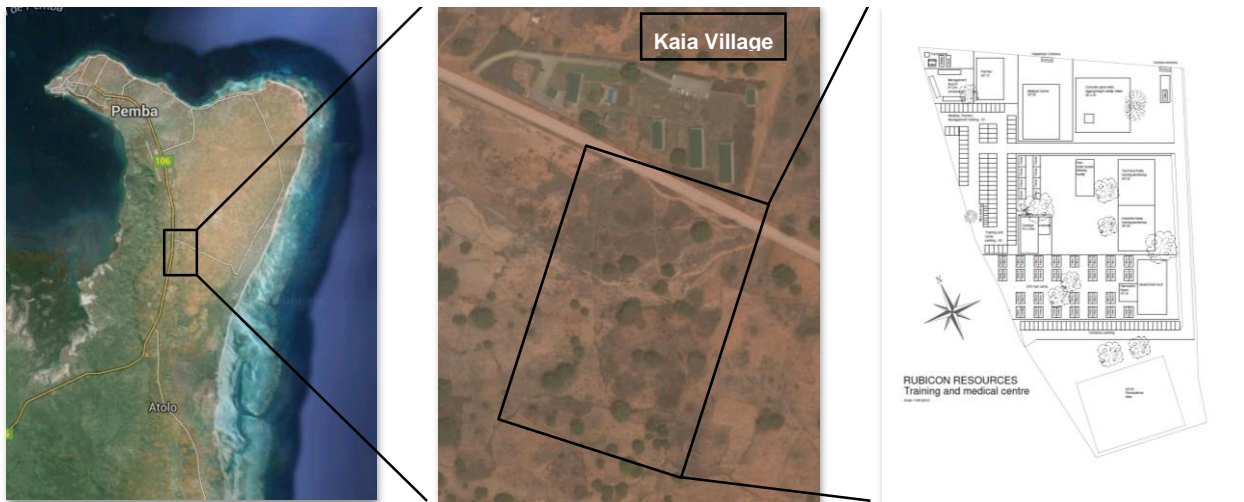
Futuro Medical:

- 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.

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.

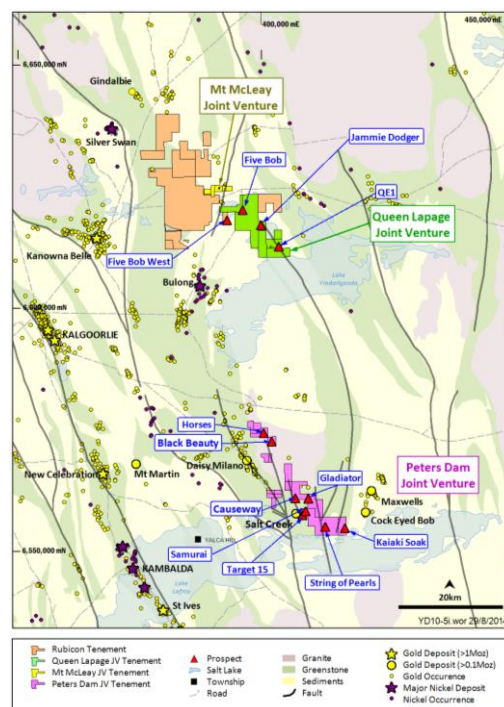


Figure 1 - Yindarlgooda Project – Tenements, Geology & Prospects

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.

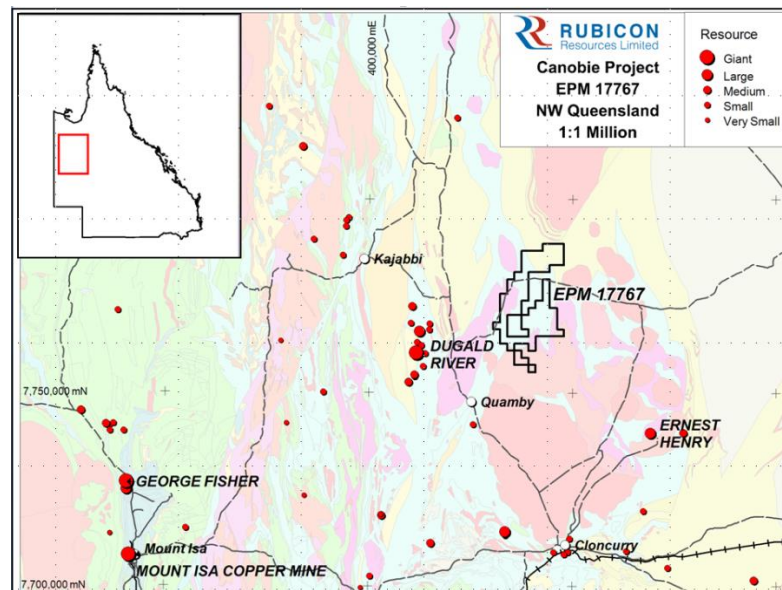


Figure 2 - Location of Canobie Tenement, Queensland

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 consultant to 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.



Tenement Schedule September 2015 Quarter

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

Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

Rubicon Resources Limited

ABN

38 115 857 988

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Sept 2015 quarter \$A'000	Year to date (3 Mths) \$A'000
1.1 Receipts from product sales and related debtors	1,021	1,021
1.2 Payments for (a) exploration and evaluation	(14)	(14)
(b) development	-	-
(c) production	-	-
(d) administration	(336)	(336)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Mozambique operating outflows	(1,039)	(1,039)
Net Operating Cash Flows	(367)	(367)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	25	25
1.10 Loans to other entities	(24)	(24)
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	1	1
1.13 Total operating and investing cash flows (carried forward)	(366)	(366)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(366)	(366)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares (net of costs)	823	823
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	823	823
	Net increase (decrease) in cash held	457	457
1.20	Cash at beginning of quarter/year to date	158	158
1.21	Exchange rate adjustments to item 1.20		-
1.22	Cash at end of quarter	615	615

Payments to directors of the entity and associates of the directors

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	115
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

N/a

Non-cash financing and investing activities

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

N/a

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

N/a

Financing facilities available

Add notes as necessary for an understanding of the position.

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

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	15
4.2	Development	-
4.3	Production	-
4.4	Administration	150
Total		165

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	19	60
5.2	Deposits at call	536	22
5.3	Bank overdraft	-	-
5.4	Other (provide details) – PacMoz subsidiary	60	76
Total: cash at end of quarter (item 1.22)		615	158

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E27/425	Relinquished	100%	0%
	P25/2187	Relinquished	33%	0%
	P25/2188	Relinquished	33%	0%
	P26/3813	Relinquished	33%	0%
	P26/3814	Relinquished	33%	0%
	P26/3818	Relinquished	33%	0%
	P26/3822	Relinquished	33%	0%
	P26/3823	Relinquished	33%	0%
	P26/3824	Relinquished	33%	0%
6.2 Interests in mining tenements acquired or increased	Nil			

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

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

	Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1 Preference⁺securities (<i>description</i>)	-	-		
7.2 Changes during quarter	-	-		
7.3 +Ordinary securities	314,242,326	314,242,326		
7.4 Changes during quarter				
(a) Increases through issues	65,937,828	65,937,828		
(b) Decreases through returns of capital, buy-backs	-	-		
7.5 +Convertible debt securities (<i>description</i>)	-	-		
7.6 Changes during quarter	-	-		
7.7 Options (<i>description and conversion factor</i>)			<i>Exercise price</i>	<i>Expiry date</i>
Employee Options	6,000,000	-	2 cents	30 June 2017
Director Options	5,000,000	-	2 cents	30 June 2017
7.8 Issued during quarter	-	-		
7.9 Exercised during quarter	-	-		
7.10 Expired/Lapsed during quarter	-	-		
7.11 Debentures (<i>totals only</i>)	-	-		
7.12 Unsecured notes (<i>totals only</i>)	-	-		

+ See chapter 19 for defined terms.

Compliance statement

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



RS Middlemas
Company Secretary

Date: 30 October 2015

Notes

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

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