

Exploration Update

New Canobie Joint Venture and Kapuas Hulu Progress

- Rubicon has entered into an option agreement with Exco Resources Limited (Exco) at the base metal and gold prospective Canobie Project in Queensland.
- In Indonesia, a soil sampling program has been completed on the high priority Pelaik-Selunga Prospects at the Kapuas Hulu gold project, West Kalimantan.
- Planning for diamond drilling will commence once assay results are received.

Canobie Joint Venture

Rubicon Resources Limited ("Rubicon") is pleased to announce that it has signed an option to enter into a joint venture agreement with Exco over the 245km² Canobie tenement (EPM17767), located 60 kilometres north of Cloncurry in North Queensland (Figure 1). The Canobie tenement was recently held under moratorium by the Queensland Government and awarded to Rubicon through a competitive tender process. The tenement is situated between Exco's Hazel Creek and Cloncurry Project which cover over 2,600km² of prospective Mt Isa Block Eastern Succession Proterozoic Stratigraphy. Exco is uniquely placed to add value through strong local knowledge and a proven track record of discovery.

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

- Exco has agreed to spend \$100,000 exploring the Canobie Project within 12 months (the Option Period).
- Exco can then elect to exercise the option and commit to spending an additional \$0.9 million over three years to earn 70% equity in the project.
- Once Exco has met the Earn In, Rubicon has the election to contribute to the Tenement expenditure at its respective interest, or dilute using an industry standard dilution formula.

Exco has completed a helicopter-borne magnetic survey over the southern part of EPM17767, and subject to landowner and native title obligations has immediate drill targets set to be tested in the near term. The EPM falls within a major structural corridor and large portions are covered by relatively thin younger sediments that mask the basement geology.

Kapuas Hulu Joint Venture, Kalimantan, Indonesia

At the Kapuas Hulu project a soil sample program has been completed on the Pelaik-Selunga prospects within Block I of the IUP, located in West Kalimantan, Indonesia (Figure 2).

Approximately 600 samples were collected on Block I and a further first pass program of 80 samples will commence shortly over the Empuluh target on Block II. Once the assay results on Block I have been reviewed some limited infill sampling and mapping will be conducted to finalise areas for drill testing.

Corporate Strategy

The Canobie option agreement continues Rubicon's policy of divesting its Australian projects to companies that have an aggressive and proven exploration track record in the local area (Peters Dam and Queen Lepage JV's - Integra Mining Limited; Mt McLeay JV - Brimstone Resources Limited, Caesar Hill JV - Traka Resources Limited and Bentley JV - Kingsgate Consolidated Limited). This allows Rubicon to focus on acquisitions in less explored areas, both in Australia and overseas whilst preserving cash and maintaining significant upside should a new discovery be made.

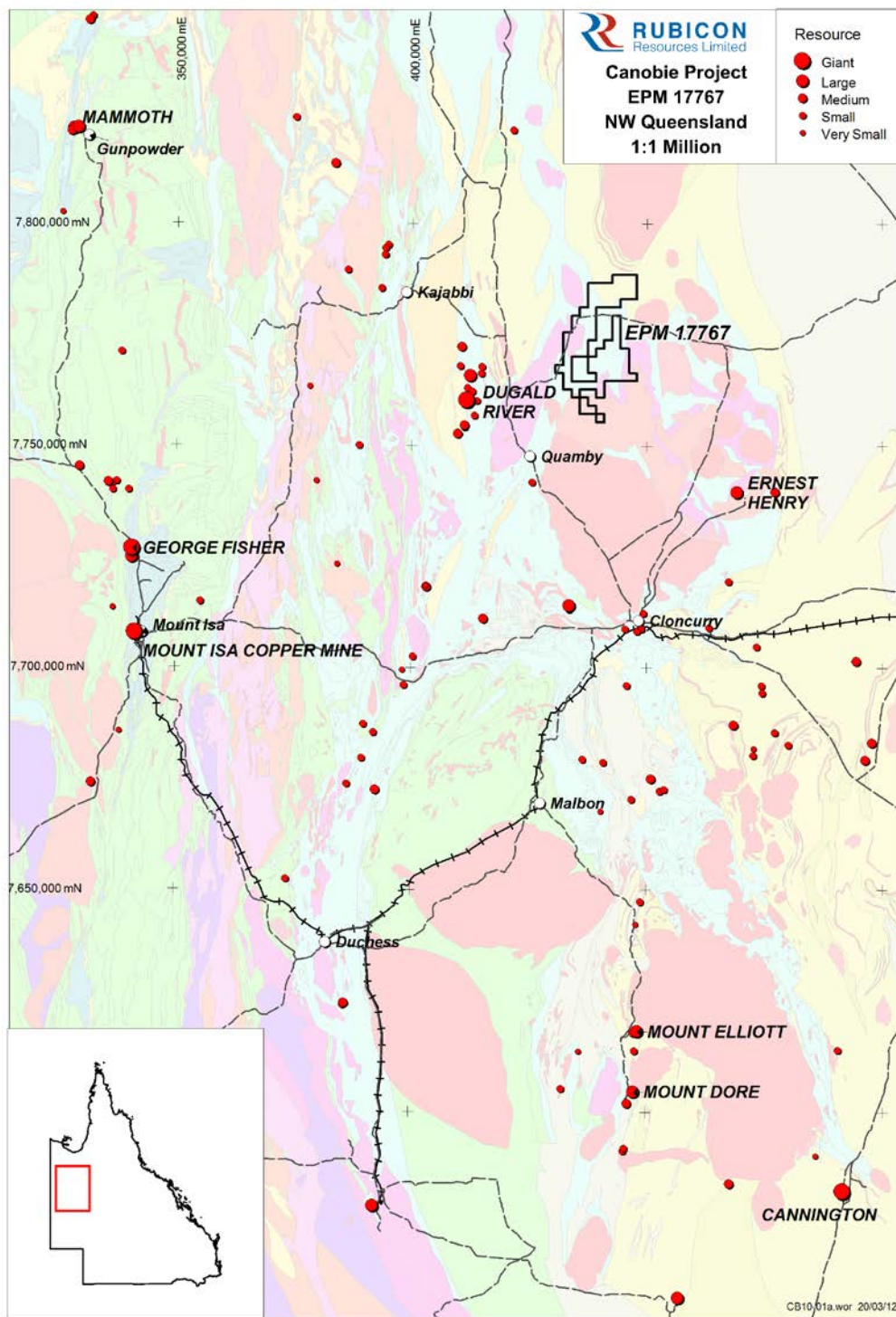


Figure 1 Canobie Project Location and Geology

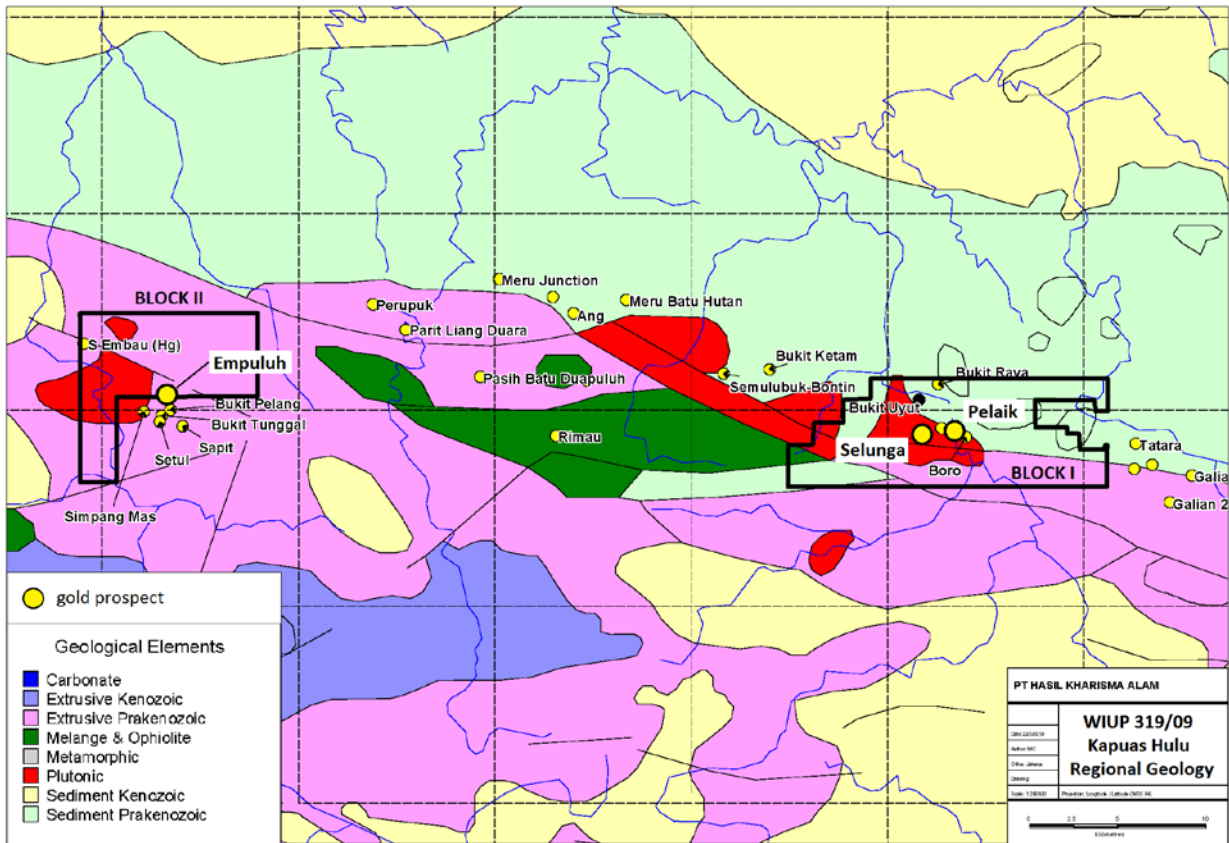


Figure 2 Kapuas Hulu Regional Geology

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