



RUBICON

RUBICON MINERALS CORPORATION

Consolidated Interim Financial Statements

First Quarter ended March 31, 2011

Unaudited

RUBICON MINERALS CORPORATION

Consolidated Balance Sheets

Unaudited

(Expressed in Canadian Dollars)

	March 31	December 31	January 1
	2011	2010 (note 16)	2010 (note 16)
Assets			
Current assets			
Cash and cash equivalents (note 15)	\$ 21,004,191	\$ 11,967,867	\$ 2,377,399
Temporary investments (note 4)	26,494,573	52,413,576	125,418,231
Marketable securities (note 5)	145,013	68,408	66,532
Accounts receivable	1,960,046	2,111,463	1,108,511
Prepaid expenses and supplier advances	663,049	289,967	333,343
	50,266,872	66,851,281	129,304,016
Other investments (note 6)	1,796,761	1,248,472	1,127,819
Property plant and equipment (note 7)	7,760,017	5,031,532	987,245
Exploration and evaluation assets (note 8)	160,565,452	146,775,911	99,331,485
Reclamation deposits (note 9)	1,453,360	498,000	498,000
	\$ 221,842,462	\$ 220,405,196	\$ 231,248,565
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	\$ 9,294,405	\$ 7,199,256	\$ 4,038,999
Corporate income tax payable	7,150	7,150	-
	9,301,555	7,206,406	4,038,999
Non-current liabilities			
Deferred income taxes	263,370	205,180	155,635
Provision for closure and reclamation (note 10)	375,814	394,392	-
	9,940,739	7,805,978	4,194,634
Equity			
Share capital (note 11)	252,111,210	251,916,237	249,825,227
Share-based payment reserve	13,771,016	13,715,079	5,629,777
Accumulated other comprehensive income (loss)	644,434	93,854	(785,842)
Deficit	(54,624,937)	(53,125,952)	(27,615,231)
	211,901,723	212,599,218	227,053,931
	\$ 221,842,462	\$ 220,405,196	\$ 231,248,565

See accompanying notes to the consolidated financial statements
Commitments (note 13)

Approved by the Board of Directors and authorized for issue on June 1, 2011.

David Adamson

David Adamson, Director

Julian Kemp

Julian Kemp, CA, Director

RUBICON MINERALS CORPORATION

Consolidated Statements of Comprehensive Loss

Unaudited

(Expressed in *Canadian Dollars*)

	Three Months Ended March 31, 2011	Three Months Ended March 31, 2010 (note 16)
Expenses		
Consulting	\$ 54,285	\$ 16,394
Depreciation	13,090	5,583
General mineral exploration	6,075	40,022
Insurance	131,879	131,009
Investor relations	230,722	216,844
Office and rent	76,621	45,504
Part XII.6 flow-through tax	-	(404)
Professional fees (note 12)	643,379	130,191
Salaries	530,809	484,823
Share-based compensation (note 11)	67,277	1,929,147
Transfer agent and regulatory filing fees	74,536	51,762
Travel and accommodation	31,574	110,218
Loss before other items	(1,860,247)	(3,161,093)
Foreign exchange gains	98	514
Interest and other income	115,011	87,706
Option fees received in excess of property costs	313,915	121,823
Loss on sale of investments	(9,545)	(295,114)
Loss before taxes	(1,440,768)	(3,246,164)
Current income tax expense	-	(7,150)
Deferred income tax expense	(58,217)	(172,657)
Net loss for the period	(1,498,985)	(3,425,971)
Other comprehensive income		
Fair value adjustment, net of tax, on available for sale financial instruments:		
Temporary investments	32,788	(25,020)
Other investments and marketable securities	508,247	(65,574)
Realized losses on marketable securities and other investments reclassified to net income	9,545	295,114
Other comprehensive income for the period	550,580	204,520
Comprehensive loss	\$ (948,405)	\$ (3,221,451)
Basic and diluted loss per share	\$ (0.01)	\$ (0.02)
Weighted average number of common shares outstanding	214,328,630	213,282,764

See accompanying notes to the consolidated financial statements

RUBICON MINERALS CORPORATION

Consolidated Statements of Changes in Equity

Unaudited

(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Share-based Payments Reserve	Accumulated Other Comprehensive Income/Loss	Deficit	Total Equity
		\$	\$	\$	\$	\$
January 1, 2011	214,294,674	251,916,237	13,715,079	93,854	(53,125,952)	212,599,218
Exercise of options	44,000	152,538	-	-	-	152,538
Transfer to share capital on exercise of options	-	42,435	(42,435)	-	-	-
Share-based payments - administration	-	-	41,185	-	-	41,185
Share-based payments - property	-	-	57,187	-	-	57,187
Unrealized gain on available-for-sale investment	-	-	-	541,035	-	541,035
Realized loss on sale of available-for-sale investment	-	-	-	9,545	-	9,545
Net loss for the three months	-	-	-	-	(1,498,985)	(1,498,985)
March 31, 2011	214,338,674	252,111,210	13,771,016	644,434	(54,624,937)	211,901,723

	Number of Shares	Share Capital	Share-based Payments Reserve	Accumulated Other Comprehensive Income/Loss	Deficit	Total Equity
		\$	\$	\$	\$	\$
January 1, 2010	213,218,014	249,825,227	5,629,777	(785,842)	(27,615,231)	227,053,931
Exercise of options	132,500	171,375	-	-	-	171,375
Transfer to share capital on exercise of options	-	96,800	(96,800)	-	-	-
Share-based payments - administration	-	-	1,929,147	-	-	1,929,147
Share-based payments - property	-	-	1,109,089	-	-	1,109,089
Share issue obligation	-	-	245,500	-	-	245,500
Unrealized loss on available-for-sale investments	-	-	-	(90,594)	-	(90,594)
Realized loss on sale of available-for-sale investments	-	-	-	295,114	-	295,114
Net loss for the three months	-	-	-	-	(3,425,971)	(3,425,971)
March 31, 2010	213,350,514	250,093,402	8,816,713	(581,322)	(31,041,202)	227,287,591

See accompanying notes to the consolidated financial statements

RUBICON MINERALS CORPORATION

Consolidated Statements of Cash Flows

Unaudited

(Expressed in Canadian dollars)

	Three Months Ended March 31, 2011	Three Months Ended March 31, 2010 (note 16)
Cash provided by (used for):		
Operating activities		
Net loss for the period	\$ (1,498,985)	\$ (3,425,971)
Adjustments for:		
Depreciation	13,090	5,583
Share-based compensation	67,277	1,929,147
Loss on sale of investment	9,545	295,114
Interest and other income	(115,011)	(87,706)
Option receipts in excess of property costs	(167,441)	(34,397)
Current income tax	-	7,150
Deferred income tax	58,217	172,657
Changes in non-cash working capital:		
Accounts receivable and prepaid expenses	(192,264)	(251,475)
Accounts payable and accrued liabilities	(519,563)	37,907
Cash used in operating activities	(2,345,135)	(1,351,991)
Interest received	151,956	14,584
Net cash used in operating activities	(2,193,179)	(1,337,407)
Investing activities		
Temporary investments	25,885,445	19,129,109
Proceeds on sale of available-for-sale investments	50,792	99,836
Expenditures on property, plant and equipment	(2,845,435)	(535,994)
Exploration and evaluation expenditures	(11,058,479)	(12,828,355)
Recovery of property costs	-	14,619
Reclamation deposit	(955,360)	-
Net cash from investing activities	11,076,963	5,879,215
Financing activities		
Issuance of common shares, net of issue costs	152,540	171,375
Net cash from financing activities	152,540	171,375
Increase in cash and cash equivalents	9,036,324	4,713,183
Cash and cash equivalents, beginning of the period	11,967,867	2,377,399
Cash and cash equivalents, end of the period	\$ 21,004,191	\$ 7,090,582

See Supplemental cash flow and non-cash activities (note 15)

See accompanying notes to the consolidated financial statements

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Three months ended March 31, 2011

1) NATURE AND CONTINUANCE OF OPERATIONS

The Company is incorporated in British Columbia, Canada and has been primarily involved in the acquisition and exploration of mineral property interests in Canada and the United States. The address of the Company's corporate office and principal place of business is 1540-800 West Pender Street, Vancouver, BC, V6C 2V6.

At the date of these financial statements, the Company has not been able to identify a known body of commercial grade ore on any of its properties. The ability of the Company to recover the costs it has incurred to date on these properties is dependent upon the Company being able to identify a commercial ore body, to finance its exploration and development costs and to resolve any environmental, regulatory, or other constraints which may hinder the successful development of the property. Although the Company is unaware of any defects in its title to its mineral properties, no guarantee can be made that none exist.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business operations for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise financing and to commence profitable operations in the future.

2) SIGNIFICANT ACCOUNTING POLICIES

a) Basis of presentation and first-time adoption of International Financial Reporting Standards ("IFRS")

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") and International Financial Reporting Standards ("IFRS") 1, first time adoption of IFRS, as issued by the International Accounting Standards Board, and its interpretations. Accordingly, these condensed consolidated interim financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year end reporting purposes. Results for the period ended March 31, 2011, are not necessarily indicative of future results.

These are the Company's first IFRS condensed consolidated interim financial statements for part of the period covered by the first IFRS consolidated annual financial statements to be presented in accordance with IFRS for the year ending December 31, 2011. Previously, the Company prepared its consolidated annual and consolidated interim financial statements in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments classified as available-for-sale, which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in preparing the opening balance sheet at January 1, 2010 (note 16) for purposes of transition to IFRS. The accounting policies have been applied consistently by the Company and its subsidiaries

b) Foreign Currency translation

The functional and reporting currency of the Company and its subsidiaries is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. Monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at each reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are re-translated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Foreign currency translation differences are recognized in profit or loss, except for differences on the re-translation of available-for-sale instruments which are recognized in other comprehensive income.

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Three months ended March 31, 2011

2) SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries. The principal subsidiaries of the Company and their place of operations at March 31, 2011 were as follows:

Name of Subsidiary	Place of Operation	Proportion of Ownership Interest	Principal Activity
691403 B.C. Ltd.	British Columbia, Canada	100%	Holding company
1304850 Ontario Inc.	Ontario, Canada	100%	Mineral property staking and sale
Rubicon Alaska Holdings Inc.	Alaska, United States	100%	Mineral exploration
Rubicon Alaska Corp.	Alaska, United States	100%	Property holding company
Rubicon Minerals Nevada Inc.	British Columbia, Canada	100%	Holding company
Rubicon Nevada Corp.	Nevada, United States	100%	Mineral exploration

All material intercompany transactions and balances are eliminated on consolidation.

d) Use of judgments and estimates

The preparation of financial statements requires management to make estimates that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated interim financial statements and the reported amounts of revenues and expenses during the reporting period. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant areas requiring the use of estimates and assumptions relate to the review of asset carrying values and determination of impairment charges of assets and available-for-sale investments, valuation of share-based payments, recoverability of deferred income tax assets, and provision for closure and reclamation among others. Actual results could differ from those estimates.

e) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, deposits in banks and highly liquid investments having terms to maturity of 90 days or less when acquired.

f) Property plant and equipment

Property, plant and equipment is carried at cost, less accumulated depreciation and net accumulated impairment losses. Cost comprises the fair value of consideration given to acquire or construct an asset and includes the direct charges associated with bringing the asset to the location and condition necessary for putting it into use along with the future cost of dismantling and removing the asset. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (components) of property, plant and equipment.

Assets under construction are depreciated when they are substantially complete and available for their intended use, over their estimated useful lives.

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Three months ended March 31, 2011

2) SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Plant and equipment associated with mining operations is depreciated over the estimated useful lives of the assets either on a unit-of-production basis or declining balance basis at rates of 5% to 50% per annum, as appropriate. All other equipment is amortized over the estimated useful life of the assets using the declining balance method at rates of 5% to 50% per annum, as appropriate. Depreciation methods and useful lives are reviewed at each reporting date and adjusted as required.

g) Exploration and Evaluation

Exploration expenditures relate to the initial search for deposits with economic potential and to detailed assessments of deposits or other projects that have been identified as having economic potential.

Expenditures on mineral exploration or evaluation incurred in respect of a property before the acquisition of a mineral interest are expensed, as incurred, to general mineral exploration. Once a license to explore an area has been secured, expenditures on exploration and evaluation activities are capitalized to exploration and evaluation assets and classified as a non-current asset.

Mineral property acquisition costs are included in exploration and evaluation and include any cash consideration and advance royalties paid, and the fair market value of shares issued, if any, on the acquisition of the mineral property interest. Properties acquired under option agreements, whereby payments are made at the sole discretion of the Company, are recorded in the accounts when the payments are made.

Exploration expenditures relate to the initial search for deposits with economic potential and to detailed assessments of deposits or other projects that have been identified as having economic potential.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest, as described in note 2(h). To the extent that exploration expenditure is not expected to be recovered, it is charged to the results of operations.

Once an economically viable reserve has been determined for an area and the decision to proceed with development has been approved by the board of directors, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified to property, plant and equipment.

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any impairment provisions are written off.

h) Impairment

At each reporting period, management reviews all assets for indicators of impairment. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction. In assessing value in use, the estimated future cash flows are discounted to their present value. If the recoverable amount of the asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for that period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which that asset belongs.

Past impairments are also considered at each reporting period and where there is an indication that an impairment loss may have decreased, the recoverable amount is calculated as outlined above to determine the extent of the recovery. If the recoverable amount of the asset is more than its carrying amount, the carrying amount of the asset is increased to its recoverable amount and

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Three months ended March 31, 2011

2) SIGNIFICANT ACCOUNTING POLICIES *(continued)*

the impairment loss is reversed in the profit or loss for that period. The increased carrying amount due to reversal will not be more than what the depreciated historical cost would have been if the impairment had not been recognized.

i) Reclamation deposits

The Company maintains cash deposits, or letters of credit secured by cash deposits, as required by regulatory bodies as assurance for the funding of reclamation costs. These funds are restricted to that purpose and are not available to the Company until the reclamation obligations have been fulfilled. Reclamation deposits are designated as available for sale, are recorded at fair value and are classified as non-current assets.

j) Provision for closure and reclamation

Provisions for closure and reclamation obligations are recognized when a legal or constructive obligation arises. The liability is recognized at the present value of management's best estimate of the closure and reclamation obligation. The estimate is discounted to the present value using a discount rate specific to the obligation. When the liability is initially recorded the Company capitalizes the cost by increasing the carrying amount of the related long-lived assets. Over time the liability is accreted to its present value each period, and the capitalized cost is amortized on the same basis as the related asset. Upon settlement of the liability, the Company may incur a gain or loss.

k) Income taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred income tax assets also result from unused loss carry forwards, resource related pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

l) Flow-through Shares

Resource expenditure deductions for income tax purposes related to exploration activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian income tax legislation. The increase to share capital when flow-through shares are issued is measured based on the current market price of the Company's common shares. The incremental proceeds are recorded as a liability. When the qualifying exploration expenditures are incurred and renunciation of the tax benefits to the investors has occurred, or is likely to occur, a credit to future income tax expense is recognized.

m) Share capital

The Company records proceeds from share issuances net of issue costs. Common shares issued for consideration other than cash, are valued based on their market value at the date the agreement to issue shares was concluded.

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Three months ended March 31, 2011

2) SIGNIFICANT ACCOUNTING POLICIES *(continued)*

n) Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at recognition.

i. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are initially recognized at fair value with changes in fair value recorded through income.

ii. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets or non-current assets based on their maturity date. Loans and receivables are carried at amortized cost less any impairment. Loans and receivables are comprised of trade and other receivables.

iii. Available-for-sale financial assets

Available-for-sale (AFS) financial assets are non-derivatives that are either designated as available-for-sale or not classified in any of the other financial asset categories. Changes in the fair value of AFS financial assets are recognized as other comprehensive income and classified as a component of equity. AFS assets include cash and cash equivalents, temporary investments, marketable securities and other investments consisting of shares of other entities.

Management assesses the carrying value of AFS financial assets at each reporting period and any impairment charges are also recognized in profit or loss. When financial assets classified as available-for-sale are sold, the accumulated fair value adjustments recognized in other comprehensive income are included in profit or loss.

Financial liabilities

The Company's financial liabilities are classified as borrowings and other financial liabilities.

Borrowings and other financial liabilities are non-derivatives and are recognized initially at fair value, net of transaction costs incurred and are subsequently stated at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in the income statement over the period to maturity using the effective interest method.

Borrowings and other financial liabilities are classified as current or non-current based on their maturity date. Financial liabilities include accounts payable and accrued liabilities.

o) Share-based payments

The Company's Stock Option Plan allows employees and consultants to acquire shares of the Company (Note 11). Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued and are recorded at the date the goods or services are received. If it is determined the fair value of the goods or services cannot be reliably measured, the fair value of the share-based payment is measured using the Black-Scholes option pricing model. The fair value of the share based payment is recognized as an expense or exploration and evaluation asset with a

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Three months ended March 31, 2011

2) SIGNIFICANT ACCOUNTING POLICIES *(continued)*

corresponding increase in reserves. Consideration received on the exercise of stock options is recorded as share capital and the related reserves amount is transferred to share capital.

p) Loss per share

Basic loss per share is calculated by dividing the loss available to common shareholders by the weighted average number of common shares outstanding in the period. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. Where the effects of including all outstanding options and warrants would be anti-dilutive, no dilution is calculated and the diluted loss per share is presented as the same as basic loss per share.

3) CHANGES IN ACCOUNTING STANDARDS

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for accounting periods beginning on or after January 1, 2012.

IFRS 9, Financial Instruments, Classification and Measurement, is effective for the Company's annual reporting period beginning January 1, 2013. The Company anticipates that the adoption of this standard will have no material impact except for additional disclosures.

4) TEMPORARY INVESTMENTS

Temporary investments consist of Government of Canada treasury bills maturing at various dates in 2011, with an aggregate carrying value and market value of \$26,494,573 at March 31, 2011 (December 31, 2010 - \$52,413,576, January 1, 2010 - \$125,418,231) and effective interest rates ranging from 0.71% to 0.92%. Market value is determined from broker quotations.

5) MARKETABLE SECURITIES

Marketable securities consist of investments in public company shares and have an aggregate carrying value and fair value of \$145,013 at March 31, 2011 (December 31, 2010 - \$68,408, January 1, 2010 - \$66,532). Market values were based on quoted prices in an active market.

6) OTHER INVESTMENTS

Other Investments consist of long-term investments in public company shares and have an aggregate carrying value and fair value of \$1,796,761 at March 31, 2011 (December 31, 2010 - \$1,248,472, January 1, 2010 - \$1,127,819). Market values were based on quoted prices in an active market.

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Three months ended March 31, 2011

7) PROPERTY, PLANT AND EQUIPMENT

The following is a summary of the changes in property, plant and equipment during the period:

	Assets under Construction	Office Equipment	Field Equipment	Buildings	Total
	\$	\$	\$	\$	\$
Cost					
Balance, January 1, 2010	-	572,812	333,677	411,352	1,317,841
Additions	2,750,499	140,702	1,202,260	302,932	4,396,393
Disposals	-	(264)	-	-	(264)
Balance, December 31, 2010	2,750,499	713,250	1,535,937	714,284	5,713,970
Additions	2,651,717	191,391	2,326	-	2,845,434
Balance, March 31, 2011	5,402,216	904,641	1,538,263	714,284	8,559,404
Accumulated depreciation					
Balance, January 1, 2010	-	277,631	38,488	14,477	330,596
Disposals	-	(26)	-	-	(26)
Depreciation for the year	-	125,356	191,128	35,384	351,868
Balance, December 31, 2010	-	402,961	229,616	49,861	682,438
Depreciation for the period	-	37,989	68,861	10,099	116,949
Balance, March 31, 2011	-	440,950	298,477	59,960	799,387
Carrying amounts					
January 1, 2010	-	295,181	295,189	396,875	987,245
December 31, 2010	2,750,499	310,289	1,306,321	664,423	5,031,532
March 31, 2011	5,402,216	463,691	1,239,786	654,324	7,760,017

8) EXPLORATION AND EVALUATION ASSETS

The following is a summary of changes in exploration and evaluation assets during the period:

	Phoenix Gold Project Ontario	Other Red Lake Properties Ontario	Alaska properties, USA	Nevada properties, USA	Total
	\$	\$	\$	\$	\$
Balance, January 1, 2010	57,561,790	6,709,406	27,972,435	7,087,854	99,331,485
Costs incurred in the year	58,612,079	2,271,643	675,634	20,759	61,580,115
Write-offs	-	-	(14,093,878)	-	(14,093,878)
Recoveries	-	(41,811)	-	-	(41,811)
Balance, December 31, 2010	116,173,869	8,939,238	14,554,191	7,108,613	146,775,911
Costs incurred in the period	13,811,920	-	504	676	13,813,100
Recoveries	-	(23,559)	-	-	(23,559)
Balance, March 31, 2011	129,985,789	8,915,679	14,554,695	7,109,289	160,565,452

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Three months ended March 31, 2011

8) EXPLORATION AND EVALUATION ASSETS *(continued)*

Kiska (formerly Rimfire) Option

During the period, the Company held an option granted by Kiska Metals Corporation (“Kiska”, formerly Rimfire Minerals Corporation) to acquire up to a 70% interest, in certain mineral claims, in Alaska. Pursuant to the terms of this option agreement, the Company was required to expend a further US \$1.1 million before November 2012 to earn an initial 60% interest.

The option was not considered a core asset and was terminated on March 30, 2011, and as the Company had taken a full write down at December 31, 2010, no further loss has been recorded in the current period.

9) RECLAMATION DEPOSITS

In February of 2009, the Company filed a Closure Plan with the Ontario Ministry of Northern Development, Mines and Forestry (“MNDMF”), for the Phoenix Gold Project, which included an independent estimation of closure costs, if currently implemented, which amounted to \$493,000. Upon filing the closure plan, a deposit in the same amount was made with the MNDMF as financial assurance for completion of the closure plan when required. During the three months ended March 31, 2011, an additional \$955,360 was deposited with the MNDMF as financial assurance for future site development.

A further \$5,000 deposit has been made to a financial institution as security for the reclamation of an historical British Columbia exploration project.

Additional deposits will be required as site development or other factors cause increases in closure amount estimates.

10) PROVISION FOR CLOSURE AND RECLAMATION

The Company’s provision for closure and reclamation is for its Phoenix Gold project which is currently at the advanced exploration stage. Closure and reclamation activities related to this project will include land rehabilitation, demolition of buildings and processing facilities, ongoing care and maintenance and other costs.

The estimated closure costs based on the current condition of the site were inflation adjusted to the estimated date of site remediation and then discounted back to the period end using an estimate of the Company’s risk free rate. The current value of the future liability is \$375,814 (December 31, 2010 - \$394,392). Changes to this provision during the quarter are as follows:

Balance December, 31, 2010	\$	394,392
Accretion		3,496
Revision of estimate		(22,074)
Balance March 31, 2011	\$	375,814

11) SHARE CAPITAL

a) Stock Options

The Company has an incentive stock option plan that, as of May 14, 2010, required the approval of shareholders for any new grants. The plan authorizes the Company to issue up to 8.5% of the number of issued and outstanding shares as incentive stock options to directors, officers, employees and consultants of the Company. Pursuant to Toronto Stock Exchange rules, a stock option plan must be approved by the shareholders when adopted and thereafter any unallocated options under the plan must be approved by the shareholders every three years. The Company’s unallocated options under the plan have not been renewed to date. As a result, while the Company may continue to grant options under the stock option plan, no options granted after May 14, 2010 may be exercised until shareholder approval has been received for such grants.

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11) SHARE CAPITAL *(continued)*

Under the plan, there are no required vesting terms for options. The term of each grant shall be no greater than 10 years from the date of grant. The option price shall be no less than the fair market value of the Company's shares on the date of the grant.

The following is a summary of the changes in the Company's outstanding stock options:

	3 Months Ended March 31, 2011		Year Ended December 31, 2010	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
		\$		\$
Balance at the beginning of the period	7,578,000	2.82	5,755,000	1.46
Granted	-	-	3,059,000	5.02
Exercised	(44,000)	3.47	(931,000)	1.00
Expired/Cancelled	-	-	(305,000)	4.81
Outstanding, end of the period (1)	7,534,000	2.82	7,578,000	2.82
Exercisable, end of the period	7,336,500	2.75	6,281,000	2.37

(1) At March 31, 2011, the weighted-average remaining contractual life of stock options outstanding is 2.86 years (2010 – 3.12 years)

b) Summary of stock options outstanding:

March 31, 2011			
Option Price Range	Number Outstanding	Weighted Average Price	Weighted Average Life
		\$	(Years)
\$0.74 - \$0.76	635,000	0.74	0.85
\$1.04	1,090,000	1.04	1.88
\$1.31 - \$1.46	2,020,000	1.31	2.75
\$1.68 - \$3.13	790,000	2.51	2.46
\$3.96 - \$4.53	645,000	4.18	3.96
\$5.22	2,354,000	5.22	3.79
Total Stock Options	7,534,000	2.82	2.86

c) Unapproved options

During the period, the Company granted an additional 3,301,696 incentive stock options to employees, directors and contractors at an exercise price equal to the market value on issue of \$5.80, with expiry terms of 2 and 5 years. These options must be approved by the shareholders before December 31, 2011 to become effective. If there is a change of control during this period, before shareholder approval has been received, then the grants will immediately be converted to stock appreciation rights that, upon exercise, will require the Company to pay the holder, in cash, the difference between the market price of the Company's shares at that time and the exercise price.

On May 31, 2010 and August 9, 2010 the Company conditionally granted 200,000 and 90,000 options respectively at exercise prices of \$3.63 and \$3.88. As these grants have not been approved by the shareholders, these options are not exercisable and as a result, are not considered issued. In recognition of the fact such options are not exercisable, the Company has agreed that if these options are not approved by the shareholders before vesting or such other later period by agreement, the options will be cancelled and an equal number of stock appreciation rights will be granted which, if exercised, will be settled in cash. The

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11) SHARE CAPITAL (continued)

amount of cash payable under such stock appreciation rights will be an amount that will achieve the same after tax receipt of funds as the exercise of an equivalent number of stock options, followed by an immediate sale of the stock. On December 6, 2010, 100,000 of the stock appreciation rights granted on May 31, 2010 were exercised resulting in a cash expense of \$300,299 to the Company, which was charged to salaries in 2010.

As the stock appreciation rights require no further shareholder or director approval they are considered granted as of the date of the option grant. For the three months ended March 31, 2011, the Company has recorded \$26,691 as a charge to income and \$15,000 as an addition to mineral properties in relation to the unexercised rights.

12) RELATED PARTY TRANSACTIONS

For the three months ended March 31, 2011, the Company incurred legal fees to a law firm, of which a partner is a director of the Company, aggregating to \$615,000 (2010 - \$99,589). The fees are recorded within professional expenses in these financial statements. As at March 31, 2011, this law firm is owed \$615,000 (December 31, 2010 - \$nil). All these transactions were recorded at their fair value amounts and were incurred in the normal course of business.

13) COMMITMENTS

The following is a summary of the Company's lease, rental and contractual commitments at March 31, 2011:

	Due within One Year	Due One to Three Years	Total
Lease and Rental Commitments	\$ 166,099	\$ 194,884	\$ 360,983
Contractual Commitments	1,467,607	-	1,467,607
Total	\$ 1,633,706	\$ 194,884	\$ 1,828,590

- (a) At March 31, 2011, the Company has \$307,610 in remaining lease payments for the use of its Vancouver office to September, 2013.
- (b) The Company is required to make certain cash payments and incur exploration costs to maintain its mineral properties in good standing. These payments and costs are at the Company's discretion and are based upon available financial resources and the exploration merits of the mineral properties which are evaluated on a periodic basis.

14) SEGMENTED INFORMATION

The Company conducts its business as a single operating segment being the mining business in North America. All mineral properties and equipment are situated in North America. Investment revenues were earned principally from North American sources.

15) SUPPLEMENTAL CASH FLOW AND NON-CASH ACTIVITIES

Cash and cash equivalents are comprised of the following:

	March 31, 2011	December 31, 2010
Cash	\$ 2,841,056	\$ 2,916,371
Government of Canada treasury bills and bank guaranteed investment certificates	18,163,135	9,051,496
	\$ 21,004,191	\$ 11,967,867

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15) SUPPLEMENTAL CASH FLOW AND NON-CASH ACTIVITIES *(continued)*

During the three months ended March 31, 2010, the Company received common shares of other companies valued at \$167,440 (2010 - \$38,398) pursuant to the terms of mineral property option agreements. The Company has excluded from its investing cash flows \$6,048,143 (2010 - \$5,392,332) in accounts payable relating to exploration and evaluation expenditures. Other non-cash investments included \$57,187 (2010 - \$1,109,091) recorded in exploration and evaluation expenditures for stock-based compensation awarded to personnel working on mineral properties and \$103,860 (2010 - \$51,115) recorded in exploration and evaluation expenditures for depreciation.

16) TRANSITION TO IFRS

As stated in Note 2, these are the Company's first condensed consolidated interim financial statements for the first annual consolidated financial statements prepared in accordance with IFRS. The impacts of the transition from Canadian GAAP to IFRS on the Company's financial position and comprehensive loss are set out in this note.

The accounting policies set out in note 2 have been applied in preparing the condensed consolidated interim financial statements for the three months ended March 31, 2011, the comparative information for the three months ended March 31, 2010 and the financial statements at December 31, 2010 and January 1, 2010 (the Company's date of transition).

IFRS 1 "First-time Adoption of International Financial Reporting Standards" (IFRS 1)

Under IFRS 1 'First-time Adoption of International Financial Reporting Standards', the IFRS are applied retrospectively at the transition date with all adjustments to assets and liabilities as stated under Canadian GAAP taken to retained earnings unless certain exemptions are applied. IFRS provides for certain optional exemptions and certain mandatory exemptions for first time IFRS adopters. Set forth below are the applicable IFRS 1 optional and mandatory exemptions applied in the conversion from Canadian GAAP to IFRS.

Share-based payments

IFRS 1 permits the application of IFRS 2 *Share Based Payments* only to equity instruments that had not vested by the date of transition to IFRS. The Company has applied this exemption and will only apply IFRS 2 for equity instruments that had not vested by January 1, 2010.

Business Combinations

IFRS 1 permits the Company's to keep the original Canadian GAAP accounting treatment for business combinations that occurred prior to the date of transition to IFRS. The Company has applied this exemption and will not restate business combinations that occurred before January 1, 2010.

Financial Statement Impact on Transition to IFRS

IFRS employs a conceptual framework that is similar to Canadian GAAP; however significant differences exist in certain matters of recognition, measurement and disclosure. While the adoption of IFRS will not change the cash flows of the Company, it resulted in changes to the Company's Balance Sheet, and Statement of Comprehensive Loss as set out below.

(a) Deferred Income Taxes

Conversion to IFRS affects deferred tax balances due to the initial recognition exemption for asset acquisitions and the calculation of temporary tax base differences on non-monetary items.

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Three months ended March 31, 2011

16) TRANSITION TO IFRS (continued)

Initial recognition exemption

In 2007, the Company acquired land packages in Alaska and Nevada. Under Canadian GAAP, the Company, on acquisition, recognized a deferred income tax liability amounting to \$14,797,848, based on the difference between the accounting and tax basis of the mineral properties. Under IFRS, as the acquisitions did not arise from a business combination nor at the time of the transaction, affect accounting or taxable income, a deferred tax liability, for the initial temporary difference is prohibited from being recognized.

Foreign exchange treatment for deferred income tax with respect to non-monetary items

Under Canadian GAAP, deferred tax balances are calculated in the currency in which the taxes are paid and then converted to the accounting presentation currency at the current exchange rate whereas IFRS requires that deferred taxes be determined in an entity's functional accounting currency by comparing the historic non-monetary accounting basis to the tax basis converted at the current exchange rate. Adjustments arise from this different treatment when an entity's functional currency differs from that in which the entity calculates and pays tax. The Company's adjustments for this difference primarily relate to the Company's properties in Alaska and Nevada.

The effects of the IFRS differences for deferred income tax calculations on the transitional – January 1, 2010, March 31, 2010 and December 31, 2010 financial statements are summarized as follows:

Impact on Consolidated Balance Sheets	December 31, 2010	March 31, 2010	January 1, 2010
	\$	\$	\$
Mineral properties/exploration and evaluation assets	(7,727,892)	(14,797,848)	(14,797,848)
Future income taxes/deferred income taxes	4,930,853	12,637,968	13,235,693
Deficit	2,797,039	2,159,880	1,562,155

Impact on Consolidated Statements of Comprehensive Loss	December 31, 2010	March 31, 2010
	\$	\$
Mineral property impairment	(7,069,956)	-
Foreign exchange gains	724,580	449,387
Future Income tax expense/deferred tax expense	7,580,260	148,337
Comprehensive loss	1,234,884	597,724

(b) Flow-through Shares

The treatment of the tax effect of flow-through shares differs under Canadian GAAP and IFRS.

Under Canadian GAAP, share capital is credited with the net proceeds of the financing with no amount allocated to the sale of tax benefits. Upon renunciation of the exploration expenditures to the investors for tax purposes, a future income tax liability is recorded in the amount of the estimated future tax savings given up and the offset is charged to share capital.

Under IFRS there is no direct guidance on this issue. Acceptable accounting under the IFRS framework would require an allocation of the flow-through share purchase price between the shares acquired and the tax benefit. The Company has adopted a policy, for these transactions, that allocates the market value of the shares to the flow-through shares and any premium over the market value to the tax benefit purchased. The tax benefit amount is recorded as a liability at the time of the financing. In

RUBICON MINERALS CORPORATION

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16) TRANSITION TO IFRS (continued)

future periods, when the exploration expenditures have been made that qualify the transfer of tax benefits and renunciation of the benefit to the investor has been filed or is likely to be filed, the liability is settled and an offset is recorded to deferred income tax expense. At the time of the exploration expenditure, as the Company's policy is to capitalize exploration expenditures, a deferred tax liability will be created as the expenditures will have no tax basis.

As there is no exemption under IFRS for retrospective application of this difference, the effect of flow-through share financings from inception on the transitional – January 1, 2010, March 31, 2010 and December 31, 2010 financial statements is as follows:

Impact on Consolidated Balance Sheets	December 31, 2010	March 31, 2010	January 1, 2010
	\$	\$	\$
Share capital	(3,433,637)	(3,433,637)	(3,433,637)
Deficit	3,433,637	3,433,637	3,433,637

Impact on Consolidated Statements of Comprehensive Loss	December 31, 2010	March 31, 2010
Comprehensive loss	No Impact	No Impact

(c) Share Based Payments

As of December 31, 2009, the Company's method of valuing share-based payments was generally in compliance with IFRS. Each tranche of an award with different vesting dates is considered a separate grant for the calculation of fair value, and the resulting fair value was amortized over the vesting period of the respective tranches. Forfeiture estimates are recognized in the period they are estimated, and are revised for actual forfeitures in subsequent periods.

The definition of employee is also broader under IFRS than under Canadian GAAP. This results in certain consultants, previously considered non-employees under Canadian GAAP, being recognized as employees under IFRS. The result is that, for consultants, who provide services that are similar to those provided by employees, the measurement date for stock option valuation is the grant date under IFRS whereas under Canadian GAAP it was the date the services were fully provided. This difference results in an adjustment upon transition to IFRS.

The expected quantitative impact on the transitional – January 1, 2010, March 31, 2010 and December 31, 2010 financial statements is as follows:

Impact on Consolidated Balance Sheets	December 31, 2010	March 31, 2010	January 1, 2010
	\$	\$	\$
Mineral properties/exploration and evaluation assets	(80,500)	(80,500)	(80,500)
Contributed surplus/share based payments reserve	81,625	124,407	120,750
Deficit	(1,125)	(43,907)	(40,250)

Impact on Consolidated Statements of Comprehensive Loss	December 31, 2010	March 31, 2010
	\$	\$
Share-based compensation	39,125	(3,656)
Comprehensive loss	39,125	(3,656)

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16) TRANSITION TO IFRS (continued)

(d) Stock Appreciation Rights

In 2010, the Company issued stock appreciation rights (“SAR’s”) to three employees (Note 11). The treatment of SAR’s differs between Canadian GAAP and IFRS. IFRS requires cash-settled share-based payments to be measured at the fair value of the liability, whereas Canadian GAAP requires the use of intrinsic value. Under IFRS until the liability is settled, the liability is re-measured at fair value at each reporting date. Any changes in fair value are recorded in profit or loss. Upon settlement of the award, the SAR is measured using the intrinsic value at the date of settlement and the previously recorded liability is reversed.

Under Canadian GAAP, cash-settled awards are measured at the amount by which the quoted market value of the shares of the enterprise’s stock covered by the grant exceeds the option price or value specified, by reference to a market price. Changes in the amount of liability due to fluctuations in the stock price were recorded as an adjustment to compensation cost.

The expected quantitative impact on the transitional – January 1, 2010, March 31, 2010 and December 31, 2010 financial statements is as follows:

Impact on Consolidated Balance Sheets	December 31, 2010	March 31, 2010	January 1, 2010
	\$	\$	\$
Mineral properties/exploration and evaluation assets	20,226	-	-
Accounts payable	(207,232)	-	-
Deficit	187,006	-	-

Impact on Consolidated Statements of Comprehensive Loss	December 31, 2010	March 31, 2010
	\$	\$
Contributed surplus/share-based compensation	187,006	-
Comprehensive loss	187,006	-

(e) Provision for Closure and Reclamation (Asset Retirement Obligations) (“ARO”)

At December 31, 2010, the Company recognized an ARO, which met the recognition criteria of both IFRS and Canadian GAAP. However, a difference exists between IFRS and Canadian GAAP in the discount rate used to calculate present value. Under both methods, present value should be used where the effect of the time value of money is material. Under IFRS, the Company would use a risk-free rate of 3.5% to calculate present value; however, under Canadian GAAP, the Company used a credit adjusted risk free-rate of 8%. There is no quantitative impact on profit or loss on transition to IFRS; however, the December 31, 2010 statement will be impacted by the difference as follows:

Impact on Consolidated Balance Sheets	December 31, 2010	March 31, 2010	January 1, 2010
	\$	\$	\$
Mineral properties/exploration and evaluation assets	270,385	-	-
Asset retirement obligation/provision for closure and reclamation	(270,385)	-	-

Impact on Consolidated Statements of Comprehensive Loss	December 31, 2010	March 31, 2010
Comprehensive loss	No Impact	No Impact

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Three months ended March 31, 2011

16) TRANSITION TO IFRS (continued)

(f) Reconciliation to previously reported financial statements

A reconciliation of the above noted changes is included in the following balance sheets and statements of comprehensive loss for the dates noted below. The changes to the financial statements as noted below have resulted in reclassifications of various amounts, within operating activities, on the statements of cash flows; however, as there have been no adjustments to net cash flows, no reconciliation of the statement of cash flows has been presented.

The January 1, 2010 Canadian GAAP consolidated balance sheet has been reconciled to IFRS as follows:

		January 1, 2010		
	Note 16	Canadian GAAP	Effect of transition to IFRS	IFRS
Assets				
Current assets:				
Cash and cash equivalents		\$ 2,377,399	\$ -	\$ 2,377,399
Temporary investments		125,418,231	-	125,418,231
Marketable securities		66,532	-	66,532
Accounts receivable		1,108,511	-	1,108,511
Prepaid expenses and supplier advances		333,343	-	333,343
		129,304,016		129,304,016
Other investments		1,127,819	-	1,127,819
Buildings and equipment/property, plant and equipment		987,245	-	987,245
Mineral properties/exploration and evaluation assets	(a,c)	114,209,833	(14,878,348)	99,331,485
Reclamation deposits		498,000	-	498,000
		\$ 246,126,913	\$ (14,878,348)	\$ 231,248,565
Liabilities and equity				
Current liabilities:				
Accounts payable and accrued liabilities		\$ 4,038,999	\$ -	\$ 4,038,999
Corporate income tax payable		-	-	-
		4,038,999	-	4,038,999
Non-current liabilities:				
Future income taxes/deferred income taxes	(a)	13,391,328	(13,235,693)	155,635
		13,391,328	(13,235,693)	155,635
Equity:				
Share capital	(b)	246,391,590	3,433,637	249,825,227
Contributed surplus/share-based payments reserve	(c)	5,750,527	(120,750)	5,629,777
Accumulated other comprehensive income		(785,842)	-	(785,842)
Deficit	(a,b,c)	(22,659,689)	(4,955,542)	(27,615,231)
		228,696,586	(1,642,655)	227,053,931
		\$ 246,126,913	\$ (14,878,348)	\$ 231,248,565

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16) TRANSITION TO IFRS (continued)

The March 31, 2010 Canadian GAAP consolidated balance sheet has been reconciled to IFRS as follows:

					March 31, 2010			
					Canadian	Effect of		IFRS
					GAAP	transition to		IFRS
					Note 16	IFRS		
Assets								
Current assets:								
Cash and cash equivalents					\$ 7,090,582	\$ -	\$ 7,090,582	
Temporary investments					106,337,224	-	106,337,224	
Marketable securities					173,036	-	173,036	
Accounts receivable					874,585	-	874,585	
Prepaid expenses and supplier advances					818,744	-	818,744	
					115,294,171	-	115,294,171	
Other investments					890,303	-	890,303	
Buildings and equipment/property, plant and equipment					1,460,455	-	1,460,455	
Mineral properties/exploration and evaluation assets	(a,c)				130,954,671	(14,878,348)	116,076,323	
Reclamation deposits					498,000	-	498,000	
					\$ 249,097,600	\$ (14,878,348)	\$ 234,219,252	
Liabilities and Equity								
Current liabilities:								
Accounts payable and accrued liabilities					\$ 6,596,219	\$ -	\$ 6,596,219	
Corporate income tax payable					7,150	-	7,150	
					6,603,369	-	6,603,369	
Non-current liabilities:								
Future income taxes/deferred income taxes	(a)				12,966,260	(12,637,968)	328,292	
					12,966,260	(12,637,968)	328,292	
Equity:								
Share capital	(b)				246,659,765	3,433,637	250,093,402	
Contributed surplus/share-based payments reserve	(c)				8,941,120	(124,407)	8,816,713	
Accumulated other comprehensive loss					(581,322)	-	(581,322)	
Deficit	(a,b,c)				(25,491,592)	(5,549,610)	(31,041,202)	
					229,527,971	(2,240,380)	227,287,591	
					\$ 249,097,600	\$ (14,878,348)	\$ 234,219,252	

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16) TRANSITION TO IFRS (continued)

The Canadian GAAP statement of comprehensive loss for the three months ended March 31, 2010 has been reconciled to IFRS as follows:

Three Months Ended March 31, 2010			
Note 16	Canadian GAAP	Effect of transition to IFRS	IFRS
Expenses:			
Depreciation	\$ 5,583	\$ -	\$ 5,583
Consulting	16,394	-	16,394
General mineral exploration	40,022	-	40,022
Insurance	131,009	-	131,009
Investor relations	216,844	-	216,844
Office & Rent	45,504	-	45,504
Part XII.6 tax on flow-through	(404)	-	(404)
Professional fees	130,191	-	130,191
Salaries	484,823	-	484,823
Share-based compensation (c)	1,932,803	(3,656)	1,929,147
Transfer agent and regulatory filing fees	51,762	-	51,762
Travel and accommodation	110,218	-	110,218
Loss from operations	(3,164,749)	3,656	(3,161,093)
Foreign exchange gains (losses) (a)	449,901	(449,387)	514
Interest and other income	87,706	-	87,706
Option and administration fees received in excess of property costs	121,823	-	121,823
Loss on sale of investments	(295,114)	-	(295,114)
Loss before income taxes	(2,800,433)	(445,731)	(3,246,164)
Current income tax expense	(7,150)	-	(7,150)
Future income tax/deferred income tax expense (a)	(24,320)	(148,337)	(172,657)
Net loss for the period	(2,831,903)	(594,068)	(3,425,971)
Other comprehensive income			
Fair value adjustment, net of tax, on available for sale financial instruments:			
Temporary investments	(25,020)	-	(25,020)
Other investments and marketable securities	(65,574)	-	(65,574)
Realized losses on marketable securities and other investments reclassified to net income	295,114	-	295,114
Other comprehensive income	204,520	-	204,520
Comprehensive loss	\$ (2,627,383)	\$ (594,068)	\$ (3,221,451)

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16) TRANSITION TO IFRS (continued)

The December 31, 2010 Canadian GAAP consolidated balance sheet has been reconciled to IFRS as follows:

					December 31, 2010		
	Note 16	Canadian GAAP	Effect of transition to IFRS		IFRS		
Assets							
Current assets:							
Cash and cash equivalents		\$ 11,967,867	\$ -	\$	11,967,867		
Temporary investments		52,413,576	-		52,413,576		
Marketable securities		68,408	-		68,408		
Accounts receivable		2,111,463	-		2,111,463		
Prepaid expenses and supplier advances		289,967	-		289,967		
		66,851,281	-		66,851,281		
Non-current assets							
Other investments		1,248,472	-		1,248,472		
Buildings and equipment/property, plant and equipment		5,031,532	-		5,031,532		
Minerals properties/exploration and evaluation assets	(a,c,d,e)	154,293,692	(7,517,781)		146,775,911		
Reclamation deposits		498,000	-		498,000		
		\$ 227,922,977	\$ (7,517,781)	\$	220,405,196		
Liabilities and Equity							
Current liabilities:							
Accounts payable and accrued liabilities	(d)	\$ 6,992,024	\$ 207,232	\$	7,199,256		
Income tax payable		7,150	-		7,150		
		6,999,174	207,232		7,206,406		
Non-current liabilities:							
Future income taxes/deferred income taxes	(a)	5,136,033	(4,930,853)		205,180		
Asset retirement obligation/provision for closure and reclamation	(e)	124,007	270,385		394,392		
		12,259,214	(4,453,236)		7,805,978		
Share capital	(b)	248,482,600	3,433,637		251,916,237		
Contributed surplus/share-based payments reserve	(c)	13,796,704	(81,625)		13,715,079		
Accumulated other comprehensive loss		93,854	-		93,854		
Deficit	(a,b,c,d)	(46,709,395)	(6,416,557)		(53,125,952)		
		215,663,763	(3,064,545)		212,599,218		
		\$ 227,922,977	\$ (7,517,781)	\$	220,405,196		

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16) TRANSITION TO IFRS (continued)

The Canadian GAAP statement of comprehensive loss for the year ended December 31, 2010 has been reconciled to IFRS as follows:

	Year Ended December 31, 2010		
Note 16	Canadian GAAP	Effect of transition to IFRS	IFRS
Expenses:			
Depreciation	\$ 22,698	\$ -	\$ 22,698
Consulting	543,178	-	543,178
General mineral exploration	144,006	-	144,006
Insurance	510,962	-	510,962
Investor relations	860,454	-	860,454
Office & Rent	245,950	-	245,950
Part XII.6 tax on flow-through	(404)	-	(404)
Professional fees	535,447	-	535,447
Salaries	2,605,941	-	2,605,941
Share-based compensation	(c,d) 5,585,969	226,131	5,812,100
Transfer agent and regulatory filing fees	205,857	-	205,857
Travel and accommodation	358,060	-	358,060
Loss from operations	(11,618,118)	(226,131)	(11,844,249)
Write-off of mineral property costs	(a) (21,163,834)	7,069,956	(14,093,878)
Foreign exchange gains (losses)	(a) 727,701	(724,580)	3,121
Interest and other income	463,583	-	463,583
Option and administration fees received in excess of property costs	505,865	-	505,865
Loss on sale of investments	(366,418)	-	(366,418)
Other (losses)	(114,449)	-	(114,449)
Loss before income taxes	(31,565,670)	6,119,245	(25,446,425)
Current income tax expense	(14,751)	-	(14,751)
Future income tax/deferred income tax expense	(a) 7,530,715	(7,580,260)	(49,545)
Net loss for the period	(24,049,706)	(1,461,015)	(25,510,721)
Other comprehensive income			
Fair value adjustment, net of tax, on available for sale financial instruments:			
Temporary investments	28,761	-	28,761
Other investments and marketable securities	370,068	-	370,068
Realized losses on marketable securities and other investments reclassified to net income	366,418	-	366,418
Impairment losses on marketable securities and other investments reclassified to net income	114,449	-	114,449
Other comprehensive income	879,696	-	879,696
Comprehensive loss	\$ (23,170,010)	\$ (1,461,015)	\$ (24,631,025)



RUBICON

RUBICON MINERALS CORPORATION

Management's Discussion & Analysis

For the Three Months Ended March 31, 2011

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INTRODUCTION

This Management Discussion and Analysis (“MD&A”) prepared as of June 1, 2011 includes financial information from, and should be read in conjunction with the condensed consolidated interim financial statements for the three months ended March 31, 2011. It is further assumed that the reader has access to the audited consolidated financial statements for the year ended December 31, 2010 and the accompanying MD&A for the year ended December 31, 2010. Please refer to the cautionary notices at the end of this MD&A, especially in regard to forward looking statements.

Rubicon Minerals Corporation (“Rubicon” or the “Company”) reports its financial position, results of operations, changes in equity and cash flows in accordance with International Financial Reporting Standards (“IFRS”) in Canadian dollars. These are the Company’s first IFRS financial statements; previously the Company reported in accordance with Canadian generally accepted accounting principles.

Rubicon is a Canadian based company that is focused on the exploration and development of gold deposits. The Company’s key asset is the Phoenix Gold Project located in the Red Lake gold camp, in the Province of Ontario. In addition, the Company has significant land packages in the Red Lake area outside the Phoenix Gold Project and in Alaska, USA and Nevada-Utah, USA. The Company does not have any assets or mineral properties that are in production or that contain a reserve.

The Company is a reporting issuer in all the provinces of Canada as well as with the SEC in the United States. The Company’s common shares trade on the TSX in Canada under the symbol ‘RMX’ and on the NYSE Amex Equities Exchange in the United States under the symbol ‘RBY’.

HIGHLIGHTS OF Q1 2011

Development Highlights

Project development milestones achieved during the three months ended March 31, 2011 included:

- Excavation of approximately 2,000 tonnes of material for a bulk sample was completed in early 2011. Pilot plant and process design test work was initiated on two, 10 tonne sub samples in March. Subsequent to the end of the quarter, the Company secured a commercial milling contract to process the entire bulk sample. This milling work commenced in May.
- A raise from the 305 metre level to the 244 metre level for use as a waste pass was commenced in the quarter and completed in April. The purpose of this development work is to establish the 244 metre level for potential mining down to the 305 metre level and to access F2 mineralization at a shallower elevation.
- The development of a second egress to surface for mine safety was completed and installation of the ladders and landings were completed in April.
- Construction of a 10.4 kilometre power line from the Phoenix Gold Project site to the provincial (Hydro One) power distribution line was commenced in the quarter and completed in April. The project is currently approved to receive 5.3 megawatts from the Hydro One grid and the Company expects to connect to the grid in Q3, 2011. The target production power level is 10 megawatts which potentially could come from the grid or from diesel generators or a combination of both.

In parallel with the underground development and exploration work, progress was made in other key areas of developing the project including:

- Third party studies were completed on the mill, paste fill plant, tailings management facility and closure plan. These will be incorporated into a Preliminary Economic Assessment (“PEA”) of the project which is targeted for completion in Q2, 2011.
- Preparation of various other studies for the PEA by third parties relating to mining were continued and are on track to be completed on or around the end of Q2 2011.
- The tailing management facility was cleared of needing approvals by the Department of Fisheries and Oceans pursuant to Section 35 of the *Fisheries Act* and dewatering was subsequently commenced early in 2011 in accordance with the issued provincial approvals as a precursor to various improvements required as part of the eventual mining process.

Exploration Highlights

Red Lake Exploration

Phoenix Gold Project

Rubicon holds a 100% interest in the Phoenix Gold Project which is comprised approximately 509.47 contiguous hectares in the Red Lake gold camp. The Phoenix Gold Project has been the focus of the Company’s exploration efforts since the discovery of the F2 gold system in early 2008.

Drilling

The Company drilled a total of 37,800 metres on the Phoenix Gold property during 2011 to the end of March on the “F2 Gold System”. Drilling was carried out utilizing up to five underground rigs on the 305 metre level. The objectives of the drilling in the quarter were to:

1. Continue delineation drilling in the F2 core area to provide further data for future resource estimation (see initial resource estimate discussed below),
2. Test the extensions of mineralized zones in the 9X target plan and
3. Infill drill the 9X target plan to demonstrate continuity of the mineralized zones.

Results have continued to be successful with numerous high grade intercepts. Details of results are available in the Company’s news releases of January 10, 2011, April 11, 2011, May 12, 2011 and June 1, 2011 and on the Company web site at www.rubiconminerals.com. Drilling is on-going and complete assays remain pending.

Significant gold mineralization has now been intersected over an interpreted strike length of 1,243 metres and to a vertical depth of 1,453 metres and remains open along strike and at depth.

Amended Inferred Mineral Resource and Geological Potential Estimate Report

On April 11, 2011, the Company filed a NI 43-101 technical report, which included amended inferred mineral resource and geological potential estimates for the F2 Gold System. The amended estimates replace and supersede the estimates announced by the Company on November 29, 2010 and contained in the January 11, 2011 Technical Report. The amended estimates were prepared by Peter George of Geox Limited, a qualified person under NI 43-101, the Company’s independent QP and author (the “Author”) of the January 11, 2011 Technical Report. The summary of the amended polygonal model inferred mineral resource estimate (using a 5 g/t gold cut-off and 10 grams x metre product (core length), surface to 1200 metres below surface) is as follows:

- 5,500,000 inferred tonnes;

- 20.34 g/t inferred gold grade and 3,597,000 inferred ounces of gold, both on an uncapped basis; and
- 17.29 g/t inferred gold grade and 3,057,000 inferred ounces of gold, both on a capped basis (using a 10-5-2 capping strategy).

The summary of the amended block model validation inferred mineral resource estimate (using a 5 g/t cut off, surface to 1,200 metres below surface) is as follows:

- 6,017,000 inferred tonnes;
- 16.49 g/t inferred gold grade and 3,190,000 inferred ounces of gold, both on an uncapped basis; and
- 15.69 g/t inferred gold grade and 3,035,000 inferred ounces of gold, both on a capped basis (using a 10-5-2 capping strategy).

Inferred resources are too speculative to have economic considerations applied to them, and there is no certainty that the inferred resources will be converted to measured and indicated resources

The summary of the amended geological potential, exclusive of inferred mineral resources, surface to 1,500 metres below surface, is as follows:

- a range of 1,670,000 to 4,360,000 tonnes;
- a range of 21.2 to 29.2 g/t gold grade and a range of 1,300,000 to 5,600,000 ounces of gold, both on an uncapped basis; and
- a range of 16.9 to 23.2 g/t gold grade and a range of 800,000 to 4,300,000 ounces of gold, both on a capped basis (using a 10-5-2 capping strategy).

A 10% upside and 20% downside potential for both tonnes and grade has been incorporated to address the possible uncertainty of the geological potential estimate. The potential tonnages, grades and ounces set forth in the analysis of geological potential are conceptual in nature, as there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource. Geological potential estimates are separate from inferred resource estimates.

For more details, please refer to the Company's Amended AIF report filed on Sedar on April 11, 2011.

Bulk Sample

In December 2010, the Company commenced the excavation of a bulk sample. Two samples of approximately 1,000 tonnes each were extracted in early 2011. Pilot plant and process design test work was initiated on two, 10 tonne sub samples in March. Subsequent to the end of the quarter, the Company secured a commercial milling contract to process the entire bulk sample. This milling work commenced in May. Results from both pilot plant and milling are expected to be incorporated into the PEA.

Permitting and First Nations

Rubicon is fully permitted to complete its phase II advanced exploration project and associated development work currently underway on the Phoenix Gold property, including accessing the F2 Core Zone and the extraction of a bulk sample. If the Company decides to commence the development and construction stage for potential production, nine new permits will be required.

The most significant permit required is the production phase Closure Plan. The Company intends to re-submit the Closure Plan to allow sufficient time for required consultations to take place with First Nations. The relevant legislation requires a response to be received by the Company from the MNDMF

within 45 days of the date of the submission. Four of the new required permits are in hand and it is expected that one of the remaining material permits will be received in Q2 2011 (completion of the Class Environmental Assessment for the supplemental diesel generators). The Company expects to receive approval of the final three material permits, the Consolidated Amendment to Air Certificate of Air Approval 9500-7NGTTC, the amendment to the existing Permit to Take Water 2342-7LWRQU and the new Industrial Sewage Certificate of Approval to revoke Industrial Sewage Certificate of Approval 9305-8C5SC6 that was issued for the Advanced Exploration Phase before the end of Q3 2011.

The Department of Fisheries and Oceans has advised the Company that re-development of the existing tailings management facility (“TMF”) will not require approval from them, pursuant to Section 35 of the federal *Fisheries Act*. Initial dewatering of the existing TMF was completed in Q1 2011, in preparation for re-development during the potential production phase of the Phoenix Project.

Rubicon is continuing negotiations with Hydro One Networks for connection to the 44KV power grid. Currently, Rubicon has received and accepted an Offer to Connect from Hydro One Networks for 5.3MW. Rubicon further expects that an additional 4.7 MW of electrical power will be required should the Project proceed to the production phase. Consultation to date with Hydro One indicates that an additional Offer to Connect for the remainder of this requested electricity allocation might be received before the end of 2011.

With respect to community consultation, Rubicon is continuing to consult with the local community, First Nations and the Métis Nation of Ontario.

Other Red Lake projects

Rubicon holds approximately 100 square miles of additional mineral claims in the Red Lake Camp which were acquired for their high geological potential. Due to the Company’s focus on developing the Phoenix Gold Project, exploration of these other properties has been temporarily put on hold but the Company considers these projects to be of strategic importance for future exploration. The Company plans to carry out compilation programs on one or more of its Red Lake projects in 2011 to identify targets for future exploration programs.

Red Lake North Property

The Company has optioned a 55% interest in its 48 unpatented mining claims (337 units) that comprise the Red Lake North Property located in Bateman, Black Bear, Coli Lake and McDonough Townships to Solitaire Minerals Corporation (“Solitaire”). Solitaire is required to spend \$751,000 by October 1, 2011 (as amended in 2011) in order to maintain its option in good standing, at which time if all work has been completed Solitaire will have earned a 55% interest in the property.

English Royalty Division

The English Royalty Division refers to Rubicon’s active program of acquiring mineral property interests for the purpose of optioning out to other mining exploration companies. As such, it provides the Company with an ongoing revenue stream of cash and shares and a residual royalty position, payable in the event production is realized, in all the properties acquired. It also provides a potential for the Company to retain a 100% interest in an acquired property should it elect to do so.

During the quarter, the Company spent \$116,925 on acquisition and maintenance costs and recovered \$438,840 in cash and shares.

Objectives for 2011

The Company plans to continue underground drill programs for the period April 1, 2011 to December 31, 2011. Drilling will be directed at the expansion of the F2 Gold System and will be used for infill and delineation drilling on one or more zones within the overall F2 Gold System. In conjunction with these programs, the Company is evaluating, and will procure where possible, permits to allow it to implement an updated Closure Plan to permit development and mining operations (subject to positive economic studies) on the Property and provision of grid power to the Phoenix Gold Project. The Company plans to complete a PEA for the project, which will include expected capital requirements. Should the PEA outcomes be positive, the Company would require additional studies, definition of reserves (by upgrading resources to reserve status) and future capital in order to fund the development of the project toward mine status.

Colin Spence Award

On January 26, 2011 the Company and its Phoenix Gold Project team was presented with the Association for Mineral Exploration, British Columbia Colin Spence Award for excellence in global mineral exploration at the 2011 Mineral Exploration Roundup conference in Vancouver. Key members of the team included David Adamson, President and CEO, Matthew Wunder, VP Exploration, Ian Russell, Terry Bursey and Crystal McCullough. The award was given for their role in the discovery and development of the F2 Gold Deposit in Red Lake Ontario. This award also recognizes the collective efforts and achievements of our staff at the Phoenix Gold Project

Qualified Persons and Quality Assurance

The 2011 exploration programs in Red Lake are supervised by and all data forming the basis for the technical disclosures in this MD&A were verified by Terry Bursey, P.Geo. Regional Manager for Rubicon and the project Qualified Person under the definition of NI 43-101. Assays were conducted by SGS Minerals Services using standard fire assay on a 50 gram (1 assay ton) sample with a gravimetric finish procedure. Assays are uncut as is standard practice in Red Lake. Standards, blanks and check assays were included at regular intervals in each sample batch. Check assays on 5% of samples are carried out at a third party independent laboratory. Gold standards were prepared by CDN Resource Laboratories Ltd.

Phoenix Project Operations including the bulk sampling program, engineering studies and ongoing development are supervised and verified by Eric Hinton, P. Eng., Project Manager for Rubicon and the Qualified Person under the definition of the NI 43-101.

Cautionary Note to U.S. Readers Regarding Estimates of Measured, Indicated and Inferred Resources

This filing uses the term "inferred resources." We advise U.S. investors that while this term is recognized and required by Canadian regulations, it is not recognized by the SEC. "Inferred resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "inferred mineral resource" will ever be upgraded to a higher category. Under Canadian rules, estimates of "inferred mineral resources" may not form the basis of a feasibility study or prefeasibility studies, except in rare cases. The SEC normally only permits issuers to report mineralization that does not constitute "reserves" as in-place tonnage and grade without reference to unit measures. **U.S. investors are cautioned not to assume that any part or all of a measured, indicated or inferred resource exists or is economically or legally mineable.**

ALASKA EXPLORATION

The Company holds approximately 195,000 acres of mineral exploration claims in the Goodpaster Mining District of Alaska. Exploration on these claims is currently on hold while the Company focuses on the Phoenix Gold project.

As an additional measure to conserve and focus resources on Phoenix, the Company elected to return to the vendor the portion of its Alaska land holdings that were held under option. These optioned lands required a further expenditure of US \$1.1 million in the coming 18 months to acquire a 60% interest. The retained claims were of a similar area to the returned option claims and management has the view that the retained claims have superior geological potential.

NEVADA-UTAH EXPLORATION

Rubicon holds a land package in Elko County, Northeastern Nevada (225,000 acres) extending into Box Elder County, Utah (608 acres). Exploration on these claims and mineral interests is currently on hold while the Company focuses on the Phoenix Gold project.

RISKS AND UNCERTAINTIES

The success of the Company depends upon a number of factors, many of which are beyond the control of Rubicon. Typical risk factors and uncertainties, among others, include political risks, financing risks, title risks, commodity prices, exchange rate risks, operating and environmental hazards encountered in the exploration, development and mining business and changing laws and public policies. Risk factors are more fully described in our Revised Annual Information Form dated April 11, 2011, on file at www.sedar.com.

OPERATING RESULTS

Three Months ended March 31, 2011 compared to the Three Months ended March 31, 2010

For the three months ended March 31, 2011, the Company had a net loss of \$1,498,985 (\$0.01 per share) compared to a net loss of \$3,425,971 (\$0.02 per share) in the three months ended March 31, 2010, a change of \$1,926,986. The major factor that caused a decrease in net loss was a decrease of \$1.9 million in share based compensation expense in the current period as previously granted options became fully vested at the prior year end and as the Company's stock option plan has expired resulting in no new shareholder approved option issuances being granted. During the quarter, the Company recorded other comprehensive income ("OCI") of \$550,580 compared to OCI income of \$204,520 in the prior year comparative quarter. Comprehensive loss (the total of net loss and other comprehensive income) for the quarter was \$948,405 compared to comprehensive loss of \$3,221,451 in the prior year comparative quarter, a decrease in comprehensive loss of \$2,273,046.

Significant changes in line items that caused a decrease in net loss were as follows:

- Share-based compensation was lower by \$1,861,870 as the Company's stock option plan expired in 2010 and as a result shareholder approved options were not granted in 2011 whereas a large option grant was made in the first quarter of 2010.
- Professional fees consisting of legal, tax, accounting and audit fees increased by \$513,188 during the current period as a result of the increased business activity in the Company and the resulting level of advice the Company required.
- Loss on sale of investments was lower by \$285,569 due to a significant amount of sales of shares that were in a loss position in the first quarter of 2010.

RUBICON MINERALS CORPORATION – MD&A – March 31, 2011

- Option receipts in excess of property costs, which represent amounts received from optionees of the Company’s staked properties were higher by \$192,092 mainly due to increased activity by the Company’s English Royalty Division.
- Other comprehensive income for the quarter ending March 31, 2011 was \$550,580 compared to \$204,520 in Q1 2010. The increase in OCI was mainly attributable share price increases in the Company’s long- term share holdings.

USE OF PROCEEDS FROM FINANCINGS

Planned Use of Proceeds as Previously Disclosed	Actual Use of Proceeds to March 31, 2011
November 12, 2009 Financing	
<ul style="list-style-type: none"> • \$58 million on exploration on the Phoenix Gold Property (Phase II). 	<ul style="list-style-type: none"> • All funds have been applied as committed.
<ul style="list-style-type: none"> • \$5.2 million on exploration on other Red Lake properties and Red Lake administration. 	<ul style="list-style-type: none"> • \$2.9 million has been used for exploration and development on other Red Lake properties. \$2.3 million remains to be spent.
<ul style="list-style-type: none"> • \$22.8 million on working capital or other exploration. 	<ul style="list-style-type: none"> • \$12.1 million has been applied for working capital and other exploration. \$10.7 million remains to be spent.

SUMMARY OF QUARTERLY RESULTS (Based on Canadian GAAP through 2009)

Quarter	2011 First	2010 Fourth	2010 Third	2010 Second	2010 First	2009 Fourth	2009 Third	2009 Second
	IFRS					Canadian GAAP		
	\$	\$	\$	\$	\$	\$	\$	\$
Interest and other income	115,011	135,845	135,290	104,742	87,706	63,587	45,787	52,567
Gain (loss) on sale of investments	(9,545)	59,231	18,792	(149,327)	(295,114)	(3,338)	2,382	(72,341)
Net loss (income)	1,498,985	16,959,244	1,917,667	3,207,839	3,425,971	1,249,415	(76,195)	(154,284)
Basic and fully diluted net loss (income) per share	0.01	0.08	0.01	0.02	0.02	0.01	(0.01)	(0.00)

Overall, quarterly losses are tending to increase due to increased head office administration costs to support an expanding exploration and development program. In the fourth quarter of 2010, the \$14 million (\$21.2 million under Canadian GAAP) property write-off caused an unusually large loss. A significant factor in the loss increase in the first quarter of 2010 was the stock based compensation recorded from incentive stock options granted during the quarter. The effect of that grant was reflected in the results of operations throughout 2010. In the first quarter of 2009, a \$2.0 million tax recovery was recorded on renunciation of flow-through share exploration expenditures. Other factors generally causing significant variations in results between quarters are foreign exchange gains and losses on foreign denominated future income tax liabilities and gain or loss on sale of investments. These other factors do not have identifiable trends.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity and Capital Resources – Three months ended March 31, 2011.

The Company had working capital of \$41.0 million at March 31, 2011 compared to \$59.6 million at December 31, 2010. Working capital decreased in the current year primarily due to the Company expending approximately \$13.8 million during the period on mineral property expenses and capital equipment, primarily to further exploration at its Phoenix Gold Project.

In order to achieve its development goals, the Company expects to raise more funds within the next year.

Operating Cash Flows – Three months ended March 31, 2011.

Cash used in operations of \$2.2 million, was higher than cash used in the prior comparative quarter of \$1.2 million reflecting the increased administration activity by the Company.

Investing Activities – Three months ended March 31, 2010.

The Company had a cash inflow of \$11.0 million from investing activities which included \$25.8 million of funds transferred from temporary investments (T-Bills of greater than 90 day terms) and \$11.0 million in cash expended on mineral property acquisition and exploration costs, primarily related to ongoing exploration at the Company’s Phoenix Gold Project.

Financing Cash Flows – Three months ended March 31, 2010.

Financing inflows of \$0.2 million reflected the exercise of employee options during the year

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements other than those as disclosed under commitments in note 13 of the consolidated financial statements of the Company and below and the provision for closure and reclamation (asset retirement obligations) described below.

PROVISION FOR CLOSURE AND RECLAMATION (formerly Asset Retirement Obligations)

The Company has an obligation to close and rehabilitate its exploration sites upon abandonment. At the Phoenix Gold Project, a survey was completed in 2009, to estimate the current cost to rehabilitate the site, if it were abandoned at that time. The total cost was estimated to be \$493,000 and this amount was deposited with the Ontario Ministry of Northern Development, Mines and Forestry. No significant changes were made to the Phoenix site since that date. Based on a reasonable estimate of the date of rehabilitation, the Company has calculated the current value of those expected expenditures to be \$375,814 and recorded that amount as an asset retirement obligation on its balance sheet as of March 31, 2011.

COMMITMENTS

At March 31, 2011, the Company has the following lease, rental and contractual commitments:

	Due within One Year	Due One to Three Years	Total
	\$	\$	\$
Lease and rental commitments	167,170	231,588	398,758
Contractual commitments	1,467,607	-	1,467,607
Total	1,634,777	231,588	1,866,365

The Company is required to make certain cash option payments and incur exploration costs to maintain its mineral properties in good standing. These payments and costs are at the Company’s discretion and are based upon available financial resources and the exploration merits of the mineral properties which are evaluated on a periodic basis.

TRANSACTIONS WITH RELATED PARTIES

Legal services

David R. Reid is a director of the Company and a partner at a law firm the Company has engaged to provide legal services. For the three months ended March 31, 2011, the Company incurred legal fees to the law firm, aggregating to \$615,000 (2010 - 99,589). As at March 31, 2011, the law firm is owed \$615,000 (2010 - \$103,350).

CRITICAL ACCOUNTING ESTIMATES

The Company's accounting policies are described in detail in Note 2 of the consolidated financial statements for the three months ended March 31, 2011. The Company considers the following policies to be most critical in understanding its financial results:

Use of judgments and estimates

The preparation of financial statements requires management to make estimates that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant areas requiring the use of estimates and assumptions relate to the review of asset carrying values and determination of impairment charges of assets and available-for-sale investments, valuation of share-based payments, recoverability of deferred income tax assets, and provision for closure and reclamation among others. Actual results could differ from those estimates.

Carrying value of exploration and evaluation assets

Once a license to explore an area has been secured, expenditures on exploration and evaluation activities are capitalized to exploration and evaluation assets and classified as a non-current asset.

Exploration expenditures relate to the initial search for deposits with economic potential and to detailed assessments of deposits or other projects that have been identified as having economic potential.

All capitalized exploration and evaluation expenditures are monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditure is not expected to be recovered, it is charged to the results of operations.

Once an economically viable reserve has been determined for an area and the decision to proceed with development has been approved, exploration and evaluation assets attributable to that area are first tested for impairment and then reclassified to property, plant and equipment.

Subsequent recovery of the resulting carrying value depends on successful development or sale of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any impairment provisions are written off.

Share-based payments

The Company's Stock Option Plan allows employees and consultants to acquire shares of the Company. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair

value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of the share-based payment is measured using the Black-Scholes option pricing model. The fair value of the share based payment is recognized as an expense or exploration and evaluation asset with a corresponding increase in share-based payment reserve. Consideration received on the exercise of stock options is recorded as share capital and the related reserve amount is transferred to share capital.

Deferred Income Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred income tax assets also result from unused loss carry forwards, resource related pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

New Accounting Pronouncements

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for accounting periods beginning on or after January 1, 2012.

IFRS 9, Financial Instruments, Classification and Measurement, is effective for the Company's annual reporting period beginning January 1, 2013. The Company anticipates that the adoption of this standard will have no material impact except for additional disclosures.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)

Effective January 1, 2011, Canadian publicly listed entities were required to prepare their financial statements in accordance with IFRS. Due to the requirement to present comparative financial information, the effective transition date is January 1, 2010. The three months ended March 31, 2011 is the Company's first reporting period under IFRS.

As a result, the Company has prepared its first unaudited interim consolidated financial statements for the first quarter of the Company's first IFRS annual consolidated financial statements. IFRS represents standards and interpretations approved by the International Accounting Standards Board (“IASB”), and are comprised of IFRSs, International Accounting Standards (“IASs”), and interpretations issued by the IFRS Interpretations Committee (“IFRICs”) or the former Standing Interpretations Committee (“SICs”). The Company's unaudited interim consolidated financial statements as at and for the three months ended March 31, 2011 have been prepared in accordance with IAS 34 – Interim Financial Reporting and on the basis of IFRS standards and interpretations expected to be effective or available for early adoption as at the Company's first IFRS annual reporting date, December 31, 2011, with significant accounting policies as described in Note 2 of the Company's unaudited interim consolidated financial statements as at and for the three months ended March 31, 2011.

The Company's unaudited interim consolidated financial statements as at and for the three months ended March 31, 2011 have been prepared in accordance with existing IFRS standards with restatements of comparative balance sheets as at December 31, 2010 and January 1, 2010 and statements of comprehensive loss for the three months ended March 31, 2010 as previously reported and prepared in accordance with Canadian GAAP. The Company previously reported in its MD&A for the year ended December 31, 2010 preliminary amounts for the Company's condensed IFRS opening balance sheet as at January 1, 2010 and 2010 comparative interim consolidated IFRS statements of comprehensive loss. The final amounts determined for the Company's condensed IFRS opening balance sheet as at January 1, 2010 and comparative interim consolidated statement of comprehensive loss for the three months ended March 31, 2010 do not differ materially from the preliminary amounts previously reported.

The Company has now substantially completed its IFRS changeover plan, with just the post-implementation phase remaining.

The following outlines the remaining items of the Company's transition project, IFRS transitional impacts and the on-going impact of IFRS on our financial results.

Notes 2 and 16 to the consolidated interim financial statements provide more detail on key Canadian GAAP to IFRS differences, accounting policy decisions and IFRS 1, First-Time Adoption of International Financial Reporting Standards ("IFRS 1"), optional exemptions for significant or potentially significant areas that have had an impact on the Company's financial statements on transition to IFRS or may have an impact on future periods.

Transitional Financial Impact

Equity Impact

As a result of accounting policy choices selected and changes that were required to be made under IFRS, the Company has recorded a reduction in shareholders' equity of \$1.6 million as at January 1, 2010. The table below outlines adjustments to shareholders' equity on adoption of IFRS on January 1, 2010, at March 31, 2010 and December 31, 2010 for comparative purposes.

	December 31	March 31	January 1
	2010	2010	2010
	\$	\$	\$
Total shareholders' equity reported under Canadian GAAP	215,663,763	229,527,971	228,696,586
Increase (decrease) in respect of:			
Initial de-recognition of a deferred tax balance	(2,503,208)	(1,829,464)	(1,380,077)
Foreign exchange treatment for deferred tax with respect to non-monetary items	(293,831)	(330,416)	(182,078)
Share based payments valuation	(80,500)	(80,500)	(80,500)
Stock Appreciation Rights	(187,006)	-	-
Total shareholders' equity reported under IFRS	212,599,218	227,287,591	227,053,931

Comprehensive Income Impact

As a result of accounting policy choices selected and changes that were required to be made under IFRS, the Company has recorded an increase in total comprehensive loss of approximately \$0.6 million and \$1.5 million for the three months ended March 31, 2010 and the year ended December 31, 2010, respectively. The following is a summary of the adjustments to comprehensive income for the three months ended March 31, 2010 and the year ended December 31, 2010 under IFRS (all of which are outlined in note 16 to the consolidated interim financial statements):

	December 31	March 31
	2010	2010
	\$	\$
Total comprehensive loss as reported under Canadian GAAP	(23,170,009)	(2,627,383)
Increase (decrease) in respect of:		
Initial de-recognition of a deferred tax balance	(1,123,131)	(449,387)
Foreign exchange treatment for deferred tax with respect to non-monetary items	(111,753)	(148,337)
Share based payments valuation	(39,125)	3,656
Stock Appreciation Rights	(187,006)	-
Total comprehensive loss as reported under IFRS	(24,631,024)	(3,221,451)

Cash Flow Impact

The transition from Canadian GAAP to IFRS resulted in reclassifications of various amounts, within operating activities, on the statements of cash flows; however, as there have been no adjustments to net cash flows, no reconciliation of the statement of cash flows has been presented.

Internal Control Activities

For all changes to policies and procedures that have been identified, the effectiveness of internal controls over financial reporting and disclosure controls and procedures have been assessed and any changes have been implemented. In addition, controls over the IFRS changeover process have been implemented, as necessary. The Company has identified and implemented the required accounting process changes that resulted from the application of IFRS accounting policies and these changes were not significant. The Company has completed the design and implementation of the changes to internal controls over financial reporting resulting from the application of IFRS accounting policies. The existing control framework has been applied to the IFRS changeover process. All accounting policy changes, transitional exemption elections and transitional financial position impacts were subject to review by the Company's expert advisers, senior management and the Audit Committee of the Board of Directors.

Information Technology and Systems

The IFRS transition project did not have a significant impact on information systems for the transition periods, nor is it expected that significant changes are required in the post-transition periods.

Post Implementation

The post-implementation phase will involve continuous monitoring of changes in IFRS in future periods.

The IASB continues to amend and add to current IFRS standards and interpretations with several projects underway. Accordingly, the accounting policies adopted by the Company for the Company's first IFRS

annual consolidated financial statements for the year ending December 31, 2011 may differ from the significant accounting policies used in the preparation of the Company's unaudited interim consolidated financial statements as at and for the three months ended March 31, 2011. However, as of the date of this document, the Company does not expect any of the IFRS standard developments to have a significant impact on its 2011 year end consolidated financial statements.

OUTSTANDING SHARE DATA

As at June 1, 2011, the Company had the following common shares and stock options outstanding:

Common shares	214,338,674
Stock options ¹	7,534,000
Fully diluted share capital	221,872,674
Stock options subject to shareholder approval ¹	3,491,696

1. Each option entitles the holder to acquire one common share of the Company

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The changeover from Canadian GAAP to International Financial Reporting Standards has had a pervasive effect on the financial statements of the Company. Management considers the controls implemented since the announcement of the changeover to IFRS to likely have had a material effect on internal control over financial reporting for the periods reported under IFRS at changeover. These key controls included changeover planning, staff training, consultation with experts and systematic analysis of standard differences. However, as these controls were implemented before the changeover date, it is management's conclusion that there have been no changes in the Company's internal control over financial reporting during the three months ended March 31, 2011, that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

ADDITIONAL INFORMATION

Additional information on the Company, including our Annual Information Form and other public filings, are available on SEDAR at www.sedar.com. Other information can be viewed at the Company's website at www.rubiconminerals.com.

FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis ("MD&A") and the documents incorporated by reference herein contain "forward-looking information" within the meaning securities legislation, including the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation, and are collectively referred to herein as "forward-looking statements". These forward-looking statements are made as of the date of this MD&A or, in the case of documents incorporated by reference herein, as of the date of such documents. Other than as specifically required by applicable securities laws, the Company does not intend, and does not assume any obligation, to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results or otherwise.

Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and represent management's best judgement based on facts and assumptions that management considers reasonable, including that the demand for gold and base metal deposits develops as anticipated, that operating and capital plans will not be disrupted by issues such as mechanical failure, unavailability of parts and supplies, labour disturbances, interruption in transportation or utilities, or adverse weather conditions, and that there are no material unanticipated variations in the cost of energies or supplies. The Company makes no representation that reasonable business people in possession of the same information would reach the same conclusions.

Forward-looking statements, in this document, include, but are not limited to statements regarding costs and timing of the development of new deposits, success of exploration and development activities, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of exploration operations, environmental risks, unanticipated reclamation expenses, title disputes or claims. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, future prices of gold and other metals; possible variations in mineralization, grade or recovery rates; actual results of current exploration activities; actual results of reclamation activities; conclusions of future economic evaluations; changes in project parameters as plans continue to be refined; failure of plant, equipment, or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays and other risks related to joint venture operations; timing and receipt of regulatory approvals of operations; the ability of the Company and other relevant parties to satisfy regulatory requirements; the availability of financing for proposed transactions and programs on reasonable terms; the ability of third-party service providers to deliver services on reasonable terms and in a timely manner; and delays in the completion of development or construction activities. Other factors that could cause the actual results to differ include market prices, results of exploration, availability of capital and financing on acceptable terms, inability to obtain required regulatory approvals, unanticipated difficulties or costs in any rehabilitation which may be necessary, market conditions and general business, economic, competitive, political and social conditions. Additional factors are discussed in the section titled "*Risks & Uncertainties*" above. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, there may be other factors which cause actual results to differ. Accordingly, readers should not place undue reliance on forward-looking statements.

Although management of the Company has attempted to identify important factors (which it believes are reasonable) that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

APPROVAL

The Audit Committee has approved the disclosure contained in this MD&A, on behalf of the Board of Directors.