



RUBICON

**RUBICON MINERALS CORPORATION**

**Interim Consolidated Financial Statements**

**Three Months Ended March 31, 2010**

**(Unaudited)**

# RUBICON MINERALS CORPORATION

Interim Consolidated Balance Sheets

Unaudited

(Stated in Canadian Dollars)

	March 31 2010	December 31 2009
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 7,090,582	\$ 2,377,399
Temporary investments (note 4)	106,337,224	125,418,231
Marketable securities (note 5)	173,036	66,532
Amounts receivable	874,585	1,108,511
Prepaid expenses and supplier advances	818,744	333,343
	115,294,171	129,304,016
<b>Other investments</b> (note 6)	890,303	1,127,819
<b>Buildings and equipment</b> (note 7)	1,460,455	987,245
<b>Mineral property costs</b> (note 8) (Schedule)	130,954,671	114,209,833
<b>Reclamation deposits</b> (note 9)	498,000	498,000
	\$ 249,097,600	\$ 246,126,913
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 6,596,219	\$ 4,038,999
Corporate income tax payable	7,150	-
	6,603,369	4,038,999
<b>Future income taxes</b>	12,966,260	13,391,328
<b>Shareholders' equity</b>		
Share capital (note 10(a))	246,659,765	246,391,590
Contributed surplus (note 10(d))	8,941,120	5,750,527
Deficit	(25,491,592)	(22,659,689)
Accumulated other comprehensive loss (note 11)	(581,322)	(785,842)
	229,527,971	228,696,586
	\$ 249,097,600	\$ 246,126,913

See accompanying notes to the consolidated financial statements

Commitments (Note 13)

Approved by the Board of Directors:

*"David Adamson"*

David Adamson, Director

*"Christopher Bradbrook"*

Christopher Bradbrook, Director

# RUBICON MINERALS CORPORATION

Interim Consolidated Statements of Operations and Deficit

Unaudited

(Stated in Canadian Dollars)

	For the 3 months ended March 31	
	2010	2009
<b>Expenses</b>		Restated (Note 15)
Amortization	\$ 5,583	\$ 17,946
Consulting	16,394	-
General mineral exploration	40,022	57,908
Insurance	131,009	41,777
Investor relations	216,844	127,478
Office and rent	45,504	51,114
Part XII.6 flow-through tax	(404)	20,701
Professional fees	130,191	35,744
Salaries	484,823	240,236
Stock-based compensation (note 10(b))	1,932,803	521,196
Transfer agent and regulatory filing fees	51,762	28,534
Travel and accommodation	110,218	21,810
<b>Loss before other items</b>	(3,164,749)	(1,164,444)
Foreign exchange gains (losses)	449,901	(551,834)
Interest and other income	87,706	52,302
Option and administration fees received in excess of property costs	121,823	115,995
Loss on sale of investments	(295,114)	(23,424)
Loss before income taxes	(2,800,433)	(1,571,405)
Current income tax expense	(7,150)	-
Future income tax (expense) recovery	(24,320)	2,034,012
<b>Net (loss) income for the period</b>	(2,831,903)	462,607
<b>Deficit, beginning of the period</b>	(22,659,689)	(22,103,360)
<b>Deficit, end of the period</b>	\$ (25,491,592)	\$ (21,640,753)
<b>Basic and diluted (loss) income per common share</b>	\$ (0.01)	\$ 0.00
Weighted average number of common shares outstanding	213,282,764	163,534,912
Fully diluted weighted average number of common shares outstanding*	213,282,764	166,773,347

\* The exercise of options in the three months ended March 31, 2010 would have been anti-dilutive and so have been excluded from the calculation of fully diluted common shares in that period.

See accompanying notes to the consolidated financial statements.

# RUBICON MINERALS CORPORATION

Interim Consolidated Statements of Comprehensive Loss

Unaudited

(Stated in Canadian Dollars)

	For the 3 months ended March 31	
	2010	2009
<b>Net (loss) income for the period</b>	\$ (2,831,903)	Restated (Note 15) \$ 462,607
<b>Other comprehensive income in the period</b>		
Fair value adjustment, net of tax, on available for sale financial instruments:		
Temporary investments	(25,020)	(52,137)
Other investments and marketable securities	(65,574)	187,319
Realized losses on other investments and marketable securities reclassified to net income	295,114	23,424
<b>Other comprehensive income in the period</b>	204,520	158,606
<b>Comprehensive (loss) income for the period</b>	(2,627,383)	621,213
<b>Accumulated comprehensive loss, beginning of the period</b>	(23,445,531)	(23,432,501)
<b>Accumulated comprehensive loss, end of the period</b>	\$ (26,072,914)	\$ (22,811,288)

See accompanying notes to the consolidated financial statements.

# RUBICON MINERALS CORPORATION

Interim Consolidated Statements of Cash Flows

Unaudited

(Stated in Canadian Dollars)

	For the 3 months ended March 31	
	2010	2009 Restated (Note 15)
<b>Cash Provided by (Used for):</b>		
<b>Operating Activities</b>		
Net (loss) income for the period	\$ (2,831,903)	\$ 462,607
Adjustment for items which do not involve cash:		
Amortization	5,583	17,946
Stock-based compensation in operations	1,932,803	521,196
Loss on sale of investments	295,114	23,424
Foreign exchange (gains) losses	(449,387)	552,797
Interest and other income	73,122	30,436
Option receipts in excess of property costs	(34,397)	(59,275)
Future income tax (recovery)	24,320	(2,034,012)
	(984,745)	(484,881)
Changes in non-cash working capital components:		
Prepaid expenses	(485,401)	(69,942)
Amounts receivable	233,926	(9,197)
Accounts payable and accrued liabilities	37,907	11,510
Corporate income taxes payable	7,150	-
	(1,191,163)	(552,510)
<b>Investing Activities*</b>		
Temporary investments	18,982,865	(47,844,615)
Mineral property costs	(12,828,355)	(2,965,845)
Reclamation deposits	-	(493,000)
Recovery of property costs	14,619	10,482
Purchase of investments and equipment	(535,994)	(62,226)
Proceeds of sale of investments and equipment	99,836	40,710
	5,732,971	(51,314,494)
<b>Financing Activities*</b>		
Common shares issued	171,375	40,366,784
Share issue costs	-	(2,545,579)
	171,375	37,821,205
<b>Increase (decrease) in cash and cash equivalents</b>	4,713,183	(14,045,799)
<b>Cash and cash equivalents, beginning of the period</b>	2,377,399	18,753,749
<b>Cash and cash equivalents, end of the period</b>	\$ 7,090,582	\$ 4,707,950

\*Supplemental Disclosure of Non-Cash Investing and Financing Activities – Refer to Note 14.  
See accompanying notes to the consolidated financial statements.

# RUBICON MINERALS CORPORATION

Interim Consolidated Statements of Mineral Property Costs

Unaudited

(Stated in Canadian Dollars)

	Balance December 31 2009	Gross Expenditures 2010	Recovery 2010	Balance March 31 2010
<b>CANADA</b>				
<b>ONTARIO</b>				
<b>RED LAKE MINING DIVISION</b>				
<b>Phoenix Gold Project</b>				
Acquisition and option payments	\$ 4,616,513	\$ 4,097	\$ -	\$ 4,620,610
Exploration costs:				
Geological and geochemical	3,464,149	1,113,405	-	4,577,554
Drilling	30,129,857	3,641,919	-	33,771,776
Geophysical	513,697	-	-	513,697
Travel and accommodation	402,772	1,485	-	404,257
Other	732,714	1,158,650	-	1,891,364
Underground exploration	17,701,609	9,077,588	-	26,779,197
Amortization	80,979	57,202	-	138,181
	57,642,290	15,054,346	-	72,696,636
<b>Other Red Lake Properties</b>				
Acquisition and option payments	656,630	27,789	(14,621)	669,798
Exploration costs:				
Geological and geochemical	1,873,454	49,645	-	1,923,099
Drilling	4,141,393	1,234,659	-	5,376,052
Geophysical	527,512	366,493	-	894,005
Travel and accommodation	157,784	7,574	-	165,358
Other	77,058	6,950	-	84,008
Administration fees (earned)	(724,425)	-	-	(724,425)
	6,709,406	1,693,110	(14,621)	8,387,895
<b>UNITED STATES OF AMERICA</b>				
<b>ALASKA</b>				
<b>Alaska Properties</b>				
Acquisition and option payments	37,200,284	-	-	37,200,284
Exploration costs:				
Geological and geochemical	1,853,063	9,666	-	1,862,729
Drilling	2,371,509	-	-	2,371,509
Travel and accommodation	26,230	-	-	26,230
Claim rental	1,250,423	-	-	1,250,423
	42,701,509	9,666	-	42,711,175
<b>NEVADA</b>				
<b>Nevada Properties</b>				
Acquisition and option payments	6,177,535	-	-	6,177,535
Exploration costs:				
Geological and geochemical	407,421	2,337	-	409,758
Geophysics	569,927	-	-	569,927
Other	1,745	-	-	1,745
	7,156,628	2,337	-	7,158,965
<b>Mineral property costs</b>	<b>\$ 114,209,833</b>	<b>\$ 16,759,459</b>	<b>\$ (14,621)</b>	<b>\$ 130,954,671</b>

See accompanying notes to the consolidated financial statements.

# **RUBICON MINERALS CORPORATION**

Notes to the Consolidated Financial Statements – Unaudited  
March 31, 2010

*(Stated in Canadian Dollars)*

## **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. 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. The Company is in the development stage with no source of operating revenue and is dependent upon equity financing to maintain its current operations.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Accounting and Consolidation**

These interim consolidated financial statements have been prepared by management in accordance with generally accepted accounting principles (“GAAP”) in Canada and follow the same accounting principles and method of computation as the consolidated financial statements for the fiscal year ended December 31, 2009. These interim consolidated financial statements do not conform in all respects to the requirements of generally accepted accounting principles for annual financial statements and should be read in conjunction with the consolidated financial statements and the accompanying notes for the year ended December 31, 2009. References to the Company included herein are inclusive of the accounts of the parent company and its 100% owned subsidiaries, 1304850 Ontario Inc., 0691403 BC Ltd., Rubicon Alaska Holdings Inc., Rubicon Alaska Corp., Rubicon Minerals Nevada Inc. and Rubicon Nevada Corp. All inter-company balances have been eliminated.

Certain comparative figures have been reclassified to conform to the presentation adopted for the current period.

### **Use of Estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of any contingent assets and liabilities as at the date of the financial statements, as well as the reported amounts of revenues earned and expenses incurred during the period. Actual results could differ from those estimates.

The Company’s investments in marketable securities are items that, due to expected market volume and price fluctuations, may yield net realizable values that are materially different from their current book values at any point in time. Other items involving substantial measurement uncertainty are the carrying costs of mineral property interests, the determination of stock-based compensation and the determination of future income tax liability and valuation allowances.

## **3. CHANGES IN ACCOUNTING POLICIES**

### **Canadian Pronouncements affecting Future Accounting Policies**

The following pronouncements recently issued by the Canadian Institute of Chartered Accountants (“CICA”) will likely impact the Company’s future accounting policies:

#### **(a) Business Combinations**

In January 2009, the CICA issued Handbook Sections 1582 – Business Combinations, 1601 – Consolidated Financial Statements, and 1602 – Non-Controlling Interests. These standards are effective January 1, 2011. Section 1582 replaces Section 1581 – Business Combinations and establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under International Financial Reporting Standards (“IFRS”). Sections 1601 and 1602 replace Section 1600 – Consolidated Financial Statements. Section 1601 provides revised guidance

# RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements – Unaudited  
March 31, 2010

(Stated in Canadian Dollars)

## 3. CHANGES IN ACCOUNTING POLICIES (continued)

on the preparation of consolidated financial statements and Section 1602 addresses accounting for non-controlling interests in consolidated financial statements subsequent to a business combination.

### (b) International Financial Reporting Standards (“IFRS”)

In February 2008 the Canadian Accounting Standards Board announced 2011 as the changeover date for publicly-listed companies to use IFRS, replacing Canadian generally accepted accounting principles. The specific implementation is set for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The changeover date of January 1, 2011 will require restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. The Company expects the transition to IFRS to impact accounting policies, financial reporting and information technology systems and processes.

## 4. TEMPORARY INVESTMENTS

Temporary investments consists of several Government of Canada T-Bills maturing at various dates in 2010 and 2011, with an aggregate carrying value and market value of \$106,337,224 at March 31, 2010 (December 31, 2009 - \$125,418,231) and effective interest rates ranging from 0.153% to 0.496%. 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 \$173,036 at March 31, 2010 (December 31, 2009 - \$66,532). Market values were based on quoted prices in an active market.

## 6. OTHER INVESTMENTS

	March 31, 2010	December 31, 2009
	Carrying and Market Value	Carrying and Market Value
Investments in companies spun-off (1)	\$ 40,424	\$ 168,694
Investments in other public company shares (2)	849,879	959,125
	\$ 890,303	\$ 1,127,819

(1) Investment in companies spun-off consists of the net value of rights and obligations outstanding from options issued or revised at the December 2006 plan of arrangement. The March 31, 2010, carrying value and fair value of \$40,424 is attributable to the right to receive the proceeds from any exercise of Africo options or the underlying Africo shares.

(2) Other investments in public company shares have aggregate carrying and market value of \$849,879 at March 31, 2010. Market values were based on quoted prices in an active market. These shares were received as payments pursuant to mineral property option agreements and pursuant to prior year spin-out transactions.

# RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements – Unaudited

March 31, 2010

(Stated in Canadian Dollars)

## 7. BUILDINGS AND EQUIPMENT

			March 31 2010	December 31 2009
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 224,260	\$ 93,889	\$ 130,371	\$ 120,061
Furniture and fixtures	166,012	77,867	88,145	91,302
Software	206,761	122,043	84,718	80,745
Leasehold improvements	12,291	9,449	2,842	3,073
Field equipment	645,199	49,234	595,965	235,299
Trucks	187,959	19,467	168,492	59,890
Buildings	411,352	21,430	389,922	396,875
	\$ 1,853,834	\$ 393,379	\$ 1,460,455	\$ 987,245

## 8. MINERAL PROPERTY INTERESTS

There were no changes in the principal property interests of the Company during the 3 month period ended March 31, 2010.

## 9. ASSET RETIREMENT OBLIGATIONS

The Company's asset retirement obligations almost entirely consist of reclamation and closure costs for its Phoenix Gold project which is currently at the advanced exploration stage. Reclamation and closure activities related to this project will include land rehabilitation, demolition of buildings and processing facilities, ongoing care and maintenance and other costs. In February of 2009, the Company filed a Closure Plan with the Ontario Ministry of Northern Mines and Development ("MNMD") 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 MNMD as financial assurance for completion of the closure plan when required. Additional deposits will be required if closure amount estimates increase. (An additional amount of \$5,000 is on deposit in BC for past reclamation obligations).

The present value of this asset retirement obligation is currently immaterial to recognize due to (i) the Company's current intention to continue to hold and utilize the Phoenix property and related facilities for a period extending beyond 50 years and (ii) the Company has no legal requirement or intention to implement its closure plan during this extended holding period. Should management's intention's change or closure plans and cost estimates change, the Company may be required to recognize an asset retirement obligation on the consolidated balance sheet at that time.

# RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements – Unaudited

March 31, 2010

(Stated in Canadian Dollars)

## 10. SHARE CAPITAL

- a) Authorized share capital consists of unlimited common shares without par value.

Issued share capital consists of the following:

	3 Months Ended March 31, 2010		Year Ended December 31, 2009	
	Number of Shares	\$	Number of Shares	\$
Balance, beginning of the period	213,218,014	246,391,590	156,151,871	109,912,429
Public offering	-	-	18,975,000	81,398,435
Private placements	-	-	25,000,000	37,445,025
Stock options exercised (1)	132,500	268,175	2,408,300	3,255,186
Warrants exercised	-	-	10,682,843	16,024,265
Flow-through renunciation	-	-	-	(1,643,750)
<b>Balance, end of the period</b>	<b>213,350,514</b>	<b>246,659,765</b>	<b>213,218,014</b>	<b>246,391,590</b>

(1) Inclusive of the original \$96,800 (2009 - \$1,070,796) fair value of these options re-allocated from contributed surplus to share capital on exercise.

(2) Subsequent to the period end, the Company issued 54,054 common shares at a price of \$3.70 per common share pursuant to a property acquisition agreement.

(3) Subsequent to the period end, the Company issued 50,000 common shares at a price of \$3.98 per common share pursuant to an agreement obligation (note 10(d)).

- b) Stock Options

The Corporation has an incentive stock option plan authorizing 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 (up to 18,134,794 options at March 31, 2010). Vesting terms are as approved by the Board of Directors. 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, 2010		Year Ended December 31, 2009	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
		\$		\$
Balance at beginning of period	5,755,000	1.46	4,733,300	0.93
Granted	2,604,000	5.20	3,485,000	1.80
Exercised	(132,500)	1.29	(2,408,300)	0.91
Expired/Cancelled	-	-	(55,000)	1.31
<b>Outstanding at end of period (1)</b>	<b>8,226,500</b>	<b>2.65</b>	<b>5,755,000</b>	<b>1.46</b>
<b>Exercisable at end of period</b>	<b>5,282,500</b>	<b>1.30</b>	<b>3,792,500</b>	<b>1.12</b>

(1) At March 31, 2010, the weighted-average remaining contractual life of stock options outstanding is 3.66 years (2009 – 3.39)

(2) Subsequent to March 31, 2010, the Company granted 125,000 incentive stock options to employees at an exercise price of \$4.08.

# RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements – Unaudited

March 31, 2010

(Stated in Canadian Dollars)

## 10. SHARE CAPITAL (continued)

The fair value of stock options included in the expense figures, has been estimated using the Black-Scholes Option Pricing Model based on the following weighted average assumptions:

	Three Months ended March 31, 2010	Year ended December 31, 2009
Risk-free interest rate (%)	2.7%	2.0%
Expected life (years)	3.6 years	4.2 years
Expected volatility (%)	72%	66%
Expected dividend yield (%)	0%	0%

The weighted average grant-date fair value of options granted during the period was \$2.77.

Option pricing models require the input of highly subjective assumptions, particularly as to the expected price volatility of the stock. Changes in these assumptions can materially affect the fair value estimate and therefore it is management's view that the existing models do not necessarily provide a single reliable measure of the fair value of the Company's stock option grants.

### c) Summary of stock options outstanding:

March 31, 2010			
Option Price Range	Number Outstanding	Weighted Average Price	Weighted Average Life
		\$	Years
\$0.48 - \$0.76	1,090,000	0.67	1.44
\$1.04	1,165,000	1.04	2.87
\$1.31 - \$1.46	2,257,500	1.31	3.78
\$1.68 - \$3.13	830,000	2.50	3.49
\$4.26 - \$4.53	330,000	4.46	4.67
\$5.22	2,554,000	5.22	4.79
Total Stock Options	8,226,500	2.65	3.66

### d) Summary of changes in contributed surplus:

	3 Months Ended March 31, 2010	Year Ended December 31, 2009
Balance at beginning of period	\$ 5,750,527	\$ 4,012,933
Stock-based compensation - administration	1,932,802	1,638,405
Stock-based compensation – mineral property costs	1,109,091	1,169,985
Fair value of stock options allocated to shares issued on exercise	(96,800)	(1,070,796)
Share issue obligation (see note 10(a))	245,500	-
Balance at end of period	\$ 8,941,120	\$ 5,750,527

# RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements – Unaudited

March 31, 2010

(Stated in Canadian Dollars)

## 11. ACCUMULATED OTHER COMPREHENSIVE LOSS

	March 31 2010	December 31 2009
Accumulated other comprehensive loss, January 1	\$ (785,842)	\$ (1,329,141)
Other comprehensive income for the period	204,520	543,299
Accumulated other comprehensive loss, March 31	\$ (581,322)	\$ (785,842)
Components of accumulated other comprehensive loss, March 31		
Unrealized losses on temporary investments	\$ (95,282)	\$ (70,262)
Unrealized losses on marketable securities and other investments - public company shares	(486,040)	(715,580)
	\$ (581,322)	\$ (785,842)

## 12. RELATED PARTY TRANSACTIONS

For the three months ended March 31, 2010, the Company paid legal fees to a law firm, of which a partner is a director of the Company, aggregating to \$99,589 (2009 - \$182,949). The fees are recorded within professional expenses in these financial statements. As at March 31, 2010, this law firm is owed \$103,350 (December 31, 2009 - \$5,000). All these transactions were recorded at their fair value amounts and were incurred in the normal course of business.

## 13. COMMITMENTS

- At March 31, 2009, the Company has \$45,233 in remaining lease payments for the use of its Vancouver office to September, 2010.
- 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. SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES

During the three months ended March 31, 2009, the Company received common shares of other companies valued at \$38,398 (2009 - \$59,275) pursuant to the terms of property and joint venture agreements. The Company has excluded from its investing cash flows \$5,392,332 (2009 - \$1,740,174) in accounts payable relating to mineral property costs. Other non-cash investments included \$1,109,090 (2009 - \$252,404) recorded in property expenditures for stock based compensation awarded to personnel working on mineral properties, \$51,115 (2009 - \$nil) recorded in property expenditures for amortization and \$245,500 (2009 - \$nil) recorded in property expenditures for expenditures paid by share issues.

	March 31 2010	March 31 2009
During the period, the Company paid and received the following:		
Interest received	14,584	50,208
Interest paid	836	1,937
Income taxes paid	-	-

# RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements – Unaudited  
March 31, 2010

(Stated in Canadian Dollars)

## 15. RESTATEMENT OF FINANCIAL STATEMENTS

During 2009, the Company undertook a review of previously issued financial statements for periods up to and including September 30, 2009. As a result of the items arising from this review, the Company determined that the following amendments should be reflected in the comparative financial statements for the period ended March 31, 2009.

The Company recalculated the foreign exchange gain or loss on translation of future income tax liabilities arising in subsidiaries with assets located in foreign jurisdictions and recorded the following:

- a) A foreign exchange loss for the period ended March 31, 2009 of \$552,797.
- b) Foreign exchange losses for periods up to December 31, 2008 of \$751,957 resulting in a net deficit increase of \$751,957 as at December 31, 2008.

These adjustments had no affect on the Company's cash flows.

The effects of the above changes on the Company's restated comparative financial statements are summarized as follows:

	Reference	As previously reported	Adjustment	As restated
		\$	\$	\$
For the period ended March 31, 2009:				
Statement of operations and deficit				
Foreign exchange gain (loss)	(a)	963	(552,797)	(551,834)
Net income for the period	(a)	1,015,404	(552,797)	462,607
Deficit, beginning of the period	(b)	(21,351,403)	(751,957)	(22,103,360)
Deficit, end of the period	(a) and (b)	(20,335,999)	(1,304,754)	(21,640,753)
Income (loss) per share	(a)	0.01	(0.01)	0.00
Statement of comprehensive loss				
Comprehensive income	(a)	1,174,010	(552,797)	621,213
Accumulated comprehensive loss, beginning of the period	(b)	(22,680,544)	(751,957)	(23,432,501)
Accumulated comprehensive loss, end of the period	(a) and (b)	(21,506,534)	(1,304,754)	(22,811,288)
Statement of cash flows				
Net income for the period	(a)	1,015,404	(552,797)	462,607
Adjustments for items which do not involve cash				
Foreign exchange loss	(a)	-	(552,797)	(552,797)
Decrease in cash and cash equivalents	(a)	(14,045,799)	-	(14,045,799)



RUBICON

**RUBICON MINERALS CORPORATION**

**Management's Discussion & Analysis**

**For the Three Months Ended March 31, 2010**

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## **INTRODUCTION**

This Management Discussion and Analysis (“MD&A”) dated May 7, 2010 includes financial information from, and should be read in conjunction with, the interim consolidated financial statements for the 3 months ended March 31, 2010. It is further assumed that the reader has access to the audited consolidated financial statements for the year ended December 31, 2009. Please refer to the cautionary notices at the end of this MD&A, especially in regard to forward looking statements. Rubicon Minerals Corporation (the “Company”) reports its financial position, results of operations and cash flows in accordance with Canadian generally accepted accounting principles (“GAAP”) in Canadian dollars.

Rubicon is a Canadian based mineral exploration-stage company that explores for commercially viable gold and base metal deposits. In addition, the Company selectively invests in other mineral exploration and resource companies which the Company deems to be of merit.

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 acquired significant land packages in Alaska, USA and Nevada, 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’.

## **GENERAL HIGHLIGHTS**

### *Overall Objectives*

The Company plans to complete approximately 158,000 metres of drilling before the end of the first quarter of 2011. Approximately two-thirds of this drilling will be directed at expanding and further testing the limits of the F2 Gold System, which is part of the Phoenix Gold Project. The remainder will be used for infill and delineation drilling on one or more zones within the overall F2 Gold System. To this end, approximately 750 metres of underground development will be required to provide underground access to key target areas. This is planned to be completed during 2010. Based on the results of drilling, the Company will evaluate plans for follow up sampling including bulk sampling. In conjunction with these programs, the Company is evaluating, and will procure where possible, permits to allow it to update its current Closure Plan and provision of grid power to the Phoenix Gold Project. The Company will also carry out during 2010 an assessment of capital requirements that may be required to allow the project to proceed into the mining phase.

## **HIGHLIGHTS**

### Drilling and Development:

Rubicon continued to drill from surface (land and ice based drills) and underground at its Phoenix Gold Project during the first quarter of 2010. To date, since its discovery in February 2008, the Company has drilled over 125,000 metres on its F2 Gold System. The Company is near completion of the March 2009 to March 2010 drilling plans and has initiated the Phase 2 programs. Positive results announced during the first quarter (see news releases February 3, 2010, March 9, 2010 and March 31, 2010) continued the trend established in 2008, confirming expansion of the F2 Gold System.

During the first quarter of 2010, the company completed 39,339 metres of drilling on the Phoenix Gold Project, including 30,947 metres on the F2 Gold System and an additional 8,392 on other targets on the property (results pending). Underground development completed the shaft extension to the 305 metre level and drilling commenced from the first station completed at the end of the quarter.

**EXPLORATION HIGHLIGHTS**

**Red Lake Exploration**

**100% Controlled Projects**

**Phoenix Gold Project**

Rubicon holds a 100% interest in the Phoenix Gold Project which is comprised of 25 Licenses of Occupation, one Mining Lease, and 16 Patented Claims that cover approximately 505.43 contiguous hectares, subject to paying certain advance annual royalty payments and a net smelter royalty on any future production from the property. The Phoenix Gold Project is underlain by a north northeast trending, west-dipping belt of deformed and intermixed metasediments, basaltic volcanics and ultramafic rocks which define the “East Bay Trend”. The rocks are Archean in age and part of the Balmer Sequence. A strong NNE trending structural fabric through the area, which is considered part of the East Bay Deformation Zone, is variably affected by later, NW-SE trending cross cutting regional structures.

**2010 Exploration Highlights to March 31, 2010**

***Drilling***

The Company drilled a total of 39,339 metres on the Phoenix Gold property during the quarter. A total of 30,947 metres of this drilling was focused on the newly discovered “F2 Gold System” announced March 12, 2008.

Mineralization within the F2 Gold System occurs in a major ultramafic-mafic structural setting which is considered similar to major deposits in the Red Lake gold district. The F2 Gold System is currently contains significant gold intercepts to 1,437 metres below surface and remains open at depth. The mineralized system comprises a number of gold zones which are located approximately 450 metres southeast of the existing exploration shaft which has been extended to 366 metres from its former depth of 130 metres. Underground drilling from the 122 metre level commenced June 28, 2009 and from the 305 metre level on March 22, 2010. Gold in the F2 Gold System is best developed within mafic volcanic rocks as multiple and complex quartz veins, breccias and silica replacement zones that typically contain visible gold and trace to 3% sulphides. Results to date indicate that sub-parallel, high-grade gold lenses or shoots are developed within a robust structural corridor that also hosts thick, lower grade intervals. Additional drilling is required to gain a better understanding of gold distribution, geometry and controls on mineralization within the F2 Gold System.

Since discovering the F2 Gold System in late February 2008, significant gold mineralization has now been intersected to a vertical depth of 4,715 feet (1,437 metres) and over an interpreted strike length of 3,368 feet (1,025 metres). For more information, see the Company’s news releases and its website ([www.rubiconminerals.com](http://www.rubiconminerals.com)). Drilling is on-going. Exploration using two to four drill rigs on the ice of East Bay has recently ceased due to break-up and is currently continuing with four underground drill rigs. Surface drilling continues from land and after spring thaw is complete will be supplemented with barge mounted drill rigs. The Company plans to increase the focus on underground drilling during 2010 by increasing the number of underground drill rigs to five.

Two NI 43-101 Technical Reports were filed during the previous year. The first, filed in January 2009 recommended a \$14 million multi-phase drilling and shaft sinking program. In March 2009, this program was expanded to a \$25 million drill program (see news release dated March 30<sup>th</sup>, 2009) including an 80,000 metre drill program and up to 20,000 metre property wide regional program. A second updated NI 43-101 Technical Report was filed in October 2009 and recommended a \$54.4 million further expanded program to include underground development and additional drilling (see “General Highlights – Overall Objectives”).

***Permitting Summary***

During 2009, Rubicon completed the previously reported Phase 1 dewatering and shaft rehabilitation. In addition, Rubicon submitted a Closure Plan to the Government of Ontario to allow underground exploration which was accepted for filing in February 2009. Rubicon has now extended the existing three compartment shaft to the 305 metre level and is advancing its underground development and drill programs pursuant to the November 12, 2009 \$86 million financing.

**RUBICON MINERALS CORPORATION – MD&A – March 31, 2010**

Rubicon is required to comply with all permits in hand which includes the obligation to continue to consult with local communities, including First Nations.

**Drilling Results**

Significant results received this quarter are summarized below (see [www.rubiconminerals.com](http://www.rubiconminerals.com) for complete F2 Gold System significant assays to date). Drilling is on-going and complete assays remain pending.

**F2 Gold System: Significant Gold Results† since January 1, 2010 and up to April 12, 2010**

Hole	Depth to Centre of Intercept (m)	Gold (g/t)	Metres	Gold (oz/t)	Feet
HW-3	69	62.0	1.0	1.81	3.3
HW-4	Anomalous				
F2-82	Anomalous - Lost hole				
F2-83	310	3.4	3.0	0.10	9.8
F2-84	81	3.6	5.0	0.11	16.4
Incl.	81	13.4	1.0	0.39	3.3
F2-84	108	5.8	8.0	0.17	26.2
Incl.	107	10.2	3.0	0.30	9.8
F2-84	838	3.3	7.0	0.10	23.0
F2-85	308	15.6	1.0	0.46	3.3
F2-85	453	4.5	17.0	0.13	55.8
Incl.	453	41.6	1.1	1.21	3.6
F2-85	481	3.0	10.0	0.09	32.8
F2-86	Anomalous				
F2-86	Hole abandoned				
F2-86B	605	3.2	4.3	0.09	14.1
F2-86B	620	3.3	6.6	0.10	21.6
F2-87	No significant assays				
F2-88	227	3.3	4.0	0.10	13.1
F2-88	285	3.3	6.7	0.10	22.0
F2-88	366	6.6	3.0	0.19	9.8
F2-88	611	7.6	11.9	0.22	39.0
Incl.	610	28.2	0.5	0.82	1.6
And	614	25.8	2.0	0.75	6.6
F2-89	264	87.6	1.5	2.56	4.9
Incl.	264	129.6	1.0	3.78	3.3
F2-89	294	4.2	3.2	0.12	10.5
122-16	755	14.0	1.0	0.41	3.3
122-28	625	13.2	3	0.39	9.8
122-29	320	3.3	8.5	0.1	27.9
122-29	391	3.9	3	0.11	9.8
122-29	404	7.9	2	0.23	6.6
Incl.	404	10.2	1	0.3	3.3
122-30	No significant assays				
122-31	Anomalous				
122-33	Lost hole				

**RUBICON MINERALS CORPORATION – MD&A – March 31, 2010**

Hole	Depth to Centre of Intercept (m)	Gold (g/t)	Metres	Gold (oz/t)	Feet
122-34	270	3.6	3.3	0.11	10.8
122-35	134	5.8	3.2	0.17	10.5
Incl.	135	21.4	0.7	0.62	2.3
122-36	Lost Hole				
122-37	No significant assays				
122-38	184	4.2	9.9	0.12	32.6
Incl.	185	16.2	2	0.47	6.6
122-39	748	7.0	5.6	0.20	18.5
Incl.	749	27.5	0.9	0.80	2.8
122-39	804	64.9	3.5	1.89	11.6
Incl.	803	444.7	0.5	12.97	1.6
122-40	413	16.8	1.0	0.49	3.3
122-40	459	24.6	1	0.72	3.3
122-40	467	20.7	14.3	0.6	46.9
Incl.	470	493.6	0.5	14.4	1.6
122-41	Anomalous				
122-42	No significant assays				
122-43	479	4.8	15.1	0.14	49.5
Incl.	474	51.9	0.5	1.51	1.6
And Incl.	484	21.8	1.0	0.64	3.3
122-43	537	19.7	3.5	0.57	11.5
122-43	537	62.7	1.0	1.83	3.3
And Incl.	536	74.3	0.5	2.17	1.6
122-44	699	3.6	7.7	0.11	25.3
122-44	835	51.2	0.5	1.49	1.6
122-45	562	7.3	3.1	0.21	10.2
Incl.	561	11.9	1.2	0.35	3.9
122-45	610	3.4	5.0	0.10	16.4
Incl.	612	20.6	0.5	0.60	1.6
122-46	134	3.4	6.1	0.1	20
122-46B	772	9.3	12.7	0.27	41.5
Incl.	768	127.9	0.5	3.73	1.6
122-46B	134	3.2	4.9	0.09	16.1
122-46B	164	16.8	0.9	0.49	3
122-47	513	7.3	2	0.21	6.6
122-47	660	16	0.7	0.47	2.3
122-48	315	43.3	0.5	1.26	1.6
122-48	336	128.6	0.5	3.75	1.6
122-48	699	10.7	1	0.31	3.3
122-49	335	11.5	1	0.34	3.3
122-49	744	3	10	0.09	32.8
122-51	500	8.5	1.3	0.25	4.3

## RUBICON MINERALS CORPORATION – MD&A – March 31, 2010

Hole	Depth to Centre of Intercept (m)	Gold (g/t)	Metres	Gold (oz/t)	Feet
122-51	588	87.5	0.5	2.55	1.6
122-51	595	6.1	2.3	0.18	7.5
122-56	926	7.7	26.4	0.22	86.6
Incl.	919	24	5.5	0.7	18
And Incl.	917	100.5	0.5	2.93	1.6

All assays are uncut

†Significant gold results satisfy the following cut-off criteria: > 10.0 gram gold x metre product and > 3.0 g/t gold.

Anomalous holes satisfy the following criteria: > 2.5 gram gold x metre product and < 10.0 gram gold x metre product and greater than 2 g/t gold.

### Other Red Lake projects

Rubicon's strategy in Red Lake is predicated on its control of major ultramafic trends in this important gold-producing district. Ultramafic units are important because there is a close empirical relationship in Red Lake between ultramafic rocks and gold deposits as detailed in numerous public domain articles and publications. As such, all of Rubicon's current land holdings in Red Lake projects are considered strategic to our plans. While the current focus of the Company is on exploration at its Phoenix Gold Project, high geological potential and numerous gold zones are known to exist elsewhere on the Company's regional land holdings. These provide an important and unique pipeline of future exploration projects in Red Lake for the Company.

During the first quarter of 2010, the Company performed Titan 24 deep penetration IP survey on four of its regional target areas: DMC Property, Slate Bay Property, East Bay Property and the McCuaig JV Property. Final data is pending and will be reviewed to aid regional drill targeting.

#### Adams Lake Property

The Adams Lake property comprises 35 unpatented mining claims (236 units) located approximately 5 kilometres east of the Red Lake mine complex. Titan 24 geophysical surveys support the presence of large structures extending to depth that are thought to be similar to structures which host gold mineralization elsewhere in this prolific gold district. The Company conducted a two-hole reconnaissance program at Adams Lake in 2008. The drilling confirmed the presence of prospective Balmer rocks and validated the Titan 24 survey in the area below iron formation located close to the Balmer formation contact. The Company believes these results confirm the presence of prospective units in a major fold closure at Adams Lake. Due to the focus on the Phoenix Gold Project, drilling at Adams Lake was curtailed to allow maximum resources to be directed to the F2 Gold System discovery.

#### East Bay Property

The East Bay Property comprises 43 unpatented mining claims (123 units) that occupies four-kilometres of strike length of the East Bay Trend, immediately adjacent to, and on strike with, the GAZ zone of the East Bay property of Goldcorp/Premier Gold (an inferred resource of 1.4 million tonnes grading 8.0 g/t gold - Source: Premier Gold News Releases). The East Bay claims are underlain by the East Bay ultramafic body, an important unit associated with gold elsewhere along the trend, including at the Phoenix Gold Project. East Bay is considered strategic and a priority target. Exploration plans for East Bay in 2009 were postponed to allow maximum resources to be directed to the F2 Gold System discovery. Subsequent to the 2009 fall net \$82 million financing, a Titan 24 survey was completed on the East Bay property.

#### DMC Property

The DMC property comprises 130 contiguous unpatented mining claims (263 units) located 7.5 kilometres northwest of the Red Lake mine complex and covers over 17 kilometres strike length of the northeast-trending Red Lake Greenstone Belt ("RLGB"). The property is considered strategic to the Company and a Titan 24 geophysical survey covering the core of the DMC property was completed in April, 2009. This survey technique has the potential to provide targeting information from surface to up to one kilometre below surface. At the Company's Phoenix Gold Project, similar Titan 24 surveys are correlated with the F2 Gold System mineralized sequence.

## **RUBICON MINERALS CORPORATION – MD&A – March 31, 2010**

Rubicon views Titan 24 geological surveys as potentially useful in identifying new targets beyond the Phoenix Gold Project itself. The results of the Titan 24 survey were evaluated in the fall of 2009 and used as a targeting tool for a 2010 planned winter drill program. A total of 6560 metres of reconnaissance drilling (no significant results) was completed during the first quarter, and additional Titan 24 surveys were completed on the property.

### Humlin Property

The Humlin Property comprises 31 unpatented mining claims (294 units) located in Fairlie Township. No work was conducted on the property in 2009.

### Slate Bay Property

The Company has a 100% interest in 30 unpatented mining claims (153 units) located in McDonough and Graves Township. Approximately \$500,000 in exploration work has been completed on the property since 2001. Slate Bay, located in the core of Red Lake, is a large property with extensive gold-bearing highly prospective Balmer stratigraphy, which includes key mafic-ultramafic contacts in proximity to a regional scale angular unconformity. The setting is analogous to that at the producing mines in the camp. In the fall of 2009, a Titan 24 survey was completed on the property.

### Wolf Bay Property

The Wolf Bay Property comprises 23 unpatented mining claims located in the Todd and Hammell Lake Townships of west Red Lake. The property is currently inactive.

### Advance Property

The Advance Property comprises 13 patented mining claims (approximately 39 ha) in the Todd Township of west Red Lake. The property is southwest of, and contiguous to, the Newman Todd Property currently being drilled by Redstar Gold Corporation. The property is inactive but remains a prospective target and is adjacent to properties being actively explored and drilled by competitors.

### ***Partnered Projects***

#### McCuaig JV Property

The McCuaig Property comprises three unpatented mining claims (10 claim units) seven kilometres northwest of the Red Lake mine complex and is a Joint Venture between Rubicon (60%) and Golden Tag Resources (40%). The property is strategically located in the heart of the Red Lake gold camp and is underlain in part by the Balmer stratigraphy of the RLG. The geological setting is considered to be analogous to the Bruce Channel mineralization previously being explored on the adjacent Gold Eagle Mines property (now controlled by Goldcorp Inc.) and to the setting of the major gold deposits of the camp hence is well located for future exploration. Notwithstanding the foregoing, the Company's focus at the Phoenix Gold Project meant that no work was carried out in 2008 and 2009. , a Titan 24 survey was completed on the McCuaig Property in conjunction with surveys completed over the adjacent DMC Property.

#### Red Lake North Property

The Company has optioned a 55% interest in its 48 unpatented mining claims (337 units) known as the Red Lake North Project located in Bateman, Black Bear, Coli Lake and McDonough Townships to Solitaire Minerals Corporation ("Solitaire"). Solitaire is required to spend \$751,000 by May 1, 2011 (as amended in 2009) in order to maintain its option in good standing, at which time if all payments are made Solitaire will have earned a 55% interest in the project. The main focus of exploration on the property is in the area referred to as the Sidace Area claims.

## **RUBICON MINERALS CORPORATION – MD&A – March 31, 2010**

### Westend Property

In July 2008, the Company optioned a 60% interest in 30 unpatented mining claims (153 units) known as the Westend Project located in Ball Township to Halo Resources Ltd. (“Halo”). Under the terms of the Letter Agreement dated July 10, 2008, Halo must incur \$1 million in expenditures on the property over four years including \$75,000 firm in Year 1 (completed), make an initial cash payment of \$20,000 (completed) and issue to the Company 50,000 shares of Halo (completed) to earn a 60% interest in the property. Halo is required to complete \$225,000 in exploration expenditures before July 31, 2010 to maintain its option.

### English Royalty Division

The English Royalty Division refers to Rubicon’s active program of acquiring mineral properties 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.

During the quarter, the Company spent \$36,850 on acquisition and maintenance costs and recovered \$158,673 in cash and shares.

### Exploration Accommodation Agreement

On January 21, 2010, the Company signed an Exploration Accommodation Agreement with the Lac Seul First Nation (“LSFN”) covering Rubicon’s exploration properties within lands considered by LSFN to be their traditional territory. The LSFN has agreed to support Rubicon’s exploration work within their traditional territory and in turn, Rubicon will respect the LSFN concerns over land usage, endeavor to provide work and business opportunities to band members and provide other benefits to the LSFN based on exploration expenditures. For more information see our news release dated January 21, 2010.

### ***Qualified Person***

The 2010 exploration work in Red Lake is supervised by Terry Bursey, P.Geo., Regional Manager and the Qualified Person under the definition of NI 43-101. Assays were conducted by SGS Minerals Services using standard fire assay on a 30 gram (1 assay ton) sample with a gravimetric finish procedure. Standards, blanks and check assays were included at regular intervals in each sample batch. Independent lab check assays were performed by ALS Chemex. Gold standards were prepared by CDN Resource Laboratories Ltd.

## **ALASKA EXPLORATION**

Pursuant to its obligations under the McEwen agreement (the “McEwen Transaction”; see our news releases dated February 26, 2007 and May 22, 2007), Rubicon has carried out a total of Cdn\$5.1 million worth of exploration since May 2007 on its land holdings, located in the Pogo area of Alaska. This includes US\$2.6 million on claims under option from Rimfire Minerals Corporation. The Company has therefore met all current and future exploration obligations for Alaska pursuant to the McEwen Transaction. Additional work will be required to keep the Rimfire option in good standing but all requirements have been satisfied up until 2011.

The Alaska claims are at an early stage of exploration and accordingly, work has focused on mapping and prospecting of this large area to identify and prioritize targets for follow-up. The 2008 program also included a minor diamond drilling program testing priority areas. Prospecting of the ER claims, under option from Rimfire, led to the discovery of intermittently exposed sub-cropping surface mineralization hosted by quartz rich breccias and elevated gold mineralization. While subsequent drilling failed to return significant gold values, additional drilling is required to test this promising area.

Due to the F2 Gold System discovery, the Company has elected to reduce its 2009-2010 exploration in Alaska but it continues to view its holdings as prospective for new high grade gold discoveries in the area.

The Alaska projects are under the supervision of Curt Freeman, MS., P.Geo., Independent Consultant and Qualified Person as defined by NI 43-101.

## **RUBICON MINERALS CORPORATION – MD&A – March 31, 2010**

### **NEVADA EXPLORATION**

Rubicon holds a 225,000 acre land package in Elko County, Northeastern Nevada which it acquired pursuant to the McEwen Transaction. Exploration of this property is in the preliminary stage.

To the end of March 2010, the Company has expended Cdn\$982,000 on exploration on the property and has met all current and future exploration obligations pursuant to the McEwen Transaction.

Due to the F2 Gold System discovery, the Company has elected to reduce its 2010 exploration in Nevada but it continues to view its holdings as prospective for bulk mineable gold discoveries in the area.

### **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 2009 Annual Information Form, on file at [www.sedar.com](http://www.sedar.com).

### **RESTATEMENT OF FINANCIAL STATEMENTS**

During 2009, the Company undertook a review of previously issued financial statements for the years ended December 31, 2007 and 2008 and the 9 months ended September 30, 2009. As a result of the items arising from this review, the Company determined that the following amendments should be reflected in a set of restated financial statements for the quarter ended March 31, 2009.

The Company recalculated the foreign exchange gain or loss on translation of future income tax liabilities arising in subsidiaries with assets located in foreign jurisdictions and recorded the following:

- a) A foreign exchange loss for the quarter ended March 31, 2009 of \$552,797 and an increase in future income tax liabilities of \$1,304,754.

These adjustments had no effect on the Company's cash flows.

See note 15 to the consolidated financial statements for further details.

### **OPERATING RESULTS**

#### **3 Months ended March 31, 2010 compared to the restated 3 Months ended March 31, 2009**

For the 3 months ended March 31, 2010, the Company had a net loss of \$2,831,903 (\$0.01 per share) compared to net income of \$462,607 (\$0.00 per share) in the 3 months ended March 31, 2009, a change from income to loss of \$3,295,510. During the quarter, the Company recorded other comprehensive income ("OCI") of \$204,520 compared to OCI income of \$158,606 in the prior year comparative quarter. Comprehensive loss (the total of net loss and other comprehensive income) for the quarter was \$2,627,383 compared to comprehensive income of \$621,213 in the prior year comparative quarter, a decrease in comprehensive income of \$3,248,596.

The change in income was mainly the result of recording future income tax recoveries arising from the renunciation of flow-through share expenditures in the prior year and higher stock based compensation in the current year. Significant changes in line items were as follows:

- Foreign exchange gains increased from losses by \$1,001,735 due to the effect of exchange rate changes on the Company's future income tax liability related to assets that have a US dollar tax basis.
- Salaries were higher by \$244,587 due to increased staff, salary increases and a new staff health plan.
- Stock based compensation was higher by \$1,411,607 as options granted in early 2010 had a much higher valuation per option due to the Company's increased share price.
- Loss on sale of investments was higher by \$271,690 due to the sale of share in a loss position.
- Future income tax recovery was lower by \$2,058,332 as the Company did not renounce any flow-through expenditures in 2010 compared to \$6.5 million of flow-through share expenditures renounced in 2009.

## RUBICON MINERALS CORPORATION – MD&A – March 31, 2010

- Other comprehensive income for the quarter ending March 31, 2010 was \$204,510 compared to \$158,606 in Q1 2009. The increase in OCI was mainly attributable to the transfer of realized losses, on the sale of investments, to the income statement.

### USE OF PROCEEDS FROM FINANCINGS

Planned Use of Proceeds as Previously Disclosed	Actual Use of Proceeds to December 31, 2009
<b>November 18, 2008 Financing</b>	
<ul style="list-style-type: none"> <li>• \$6.6 million to be used to incur eligible Canadian Exploration Expenses on the Phoenix Gold Property.</li> </ul>	<ul style="list-style-type: none"> <li>• All funds have been applied as committed.</li> </ul>
<ul style="list-style-type: none"> <li>• \$3.6 million to be used for general and administrative and working capital purposes.</li> </ul>	<ul style="list-style-type: none"> <li>• All funds have been applied as committed.</li> </ul>
<b>March 5, 2009 Financing</b>	
<ul style="list-style-type: none"> <li>• \$25 million to be used for exploration and development of the Phoenix Gold Property (Phase I).</li> </ul>	<ul style="list-style-type: none"> <li>• All funds have been applied as committed.</li> </ul>
<ul style="list-style-type: none"> <li>• \$15 million to be used for exploration and development of the Phoenix Gold Property and general and administrative and working capital purposes</li> </ul>	<ul style="list-style-type: none"> <li>• \$4.1 million has been used for G&amp;A and working capital. \$10.9 million remains to be spent.</li> </ul>
<b>November 12, 2009 Financing</b>	
<ul style="list-style-type: none"> <li>• \$58 million on exploration on the Phoenix Gold Property (Phase II).</li> </ul>	<ul style="list-style-type: none"> <li>• \$7.3 million has been used for exploration and development of the Phoenix Gold Property. \$50.7 million remains to be spent.</li> </ul>
<ul style="list-style-type: none"> <li>• \$5.2 million on exploration on other Red Lake properties and Red Lake administration.</li> </ul>	<ul style="list-style-type: none"> <li>• \$1.8 million has been used for exploration and development on other Red Lake properties. \$3.4 million remains to be spent.</li> </ul>
<ul style="list-style-type: none"> <li>• \$22.8 million on working capital or other exploration.</li> </ul>	<ul style="list-style-type: none"> <li>• \$4.9 million has been applied to financing expenses. \$17.9 million remains to be spent.</li> </ul>

### SUMMARY OF QUARTERLY RESULTS (Based on Canadian GAAP)

Quarter	2010 First	2009 Fourth	2009 Third (Restated)	2009 Second (Restated)	2009 First (Restated)	2008 Fourth (Restated)	2008 Third (Restated)	2008 Second (Restated)
	\$	\$	\$	\$	\$	\$	\$	\$
Interest and other income	87,706	63,587	45,787	52,567	52,302	215,364	161,382	67,762
Gain (loss) on sale of investments	(295,114)	(3,338)	2,382	(72,341)	(23,424)	(85,912)	(111,252)	7,744
Net loss (income)	2,831,903	1,249,415	(76,195)	(154,284)	(462,607)	2,808,473	1,097,944	994,035
Basic and fully diluted net loss (income) per share	0.01	0.01	(0.01)	(0.00)	(0.00)	0.02	0.01	0.01

Overall, quarterly losses are tending to increase due to increased administration costs to support an expanding exploration program. In the first quarter of 2009 a \$2.0 million tax recovery was recorded on renunciation of flow-through share exploration expenditures. 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 will be reflected in the results of operations throughout 2010. 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.

## **RUBICON MINERALS CORPORATION – MD&A – March 31, 2010**

### **LIQUIDITY AND CAPITAL RESOURCES**

#### **Liquidity and Capital Resources – 3 months ended March 31, 2010.**

The Company had working capital of \$108.7 million as at March 31, 2010 which management estimates will be sufficient for the Company to continue its operations and meet planned objectives for the current year. The Company's current investment policy is to invest excess funds in Canadian federal or provincial government instruments.

#### **Operating Cash Flows – 3 months ended March 31, 2010.**

Cash used in operations of \$0.98 million, before working capital changes, were higher than cash used in the prior comparative quarter of \$0.5 million reflecting the increased administration activity by the Company.

#### **Investing Activities – 3 months ended March 31, 2010.**

The Company had a cash inflow of \$19 million from maturing investments and cash outflows of \$13.3 million which included \$12.8 million cash on mineral property acquisition and exploration.

#### **Financing Cash Flows – 3 months ended March 31, 2010.**

Financing inflows of \$171,375 were from the exercise of employee options.

### **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 the asset retirement obligations described below.

### **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 the first quarter, to estimate the current cost to rehabilitate the site, if it were abandoned today. The total cost was estimated to be \$493,000 and this amount was deposited with the Ontario Ministry of Northern Development and Mines. No amount was recorded on the balance sheet for this obligation as a reasonable estimate of the likely date of asset retirement could not be determined and therefore a discounted amount of future cash flows could not be calculated. If such a calculation could be made, the result would be the recording of a liability at the discounted amount and therefore it would be significantly less than the current cost estimate of \$493,000.

### **COMMITMENTS**

At March 31, 2009, the Company has \$45,233 in remaining lease payments for the use of its Vancouver office to September, 2010.

The Company is required to make certain cash and share 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 the law firm Davis LLP. For the three months ended March 31, 2010, the Company paid legal fees to Davis LLP, aggregating to \$99,589 (2009 - \$182,949). As at March 31, 2010, Davis LLP is owed \$103,350 (2009 - \$5,000).

## **CRITICAL ACCOUNTING ESTIMATES**

The Company's accounting policies are described in detail in Note 2 of the consolidated financial statements for the year ended December 31, 2009. The Company considers the following policies to be most critical in understanding its financial results:

### Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are based on past experience, industry trends and known commitments and events. By their nature, these estimates are subject to measurement uncertainty and the effects on the financial statements of changes in such estimates in future periods could be significant. Actual results will likely differ from those estimates.

### Carrying value of mineral property costs

The Company has capitalized the cost of acquiring mineral property interests and on-going exploration and maintenance costs. Capitalized property costs are expensed in the period in which the Company determines that the mineral property interests have no future economic value. Capitalized property costs may also be written down if future cash flow, including potential sales proceeds and option payments, related to the property are estimated to be less than the carrying value of the property. The Company reviews the carrying value of its mineral properties periodically, and whenever events or changes in circumstances indicate the carrying value may not be recoverable, reductions in the carrying value of each property would be recorded to the extent that the carrying value of the investment exceeds the property's estimated fair value.

### Stock-based compensation

The Company has adopted the fair value based method of accounting for stock option and compensatory warrant awards granted to directors, employees and consultants. Under this method, the fair value of stock options is calculated at the date of grant or vesting and is expensed, capitalized or recorded as share issue costs over the vesting period, with the offsetting credit to contributed surplus. If the stock options are exercised, the proceeds are credited to share capital.

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock options and compensatory warrants granted. This model is subject to various assumptions. The assumptions the Company makes will likely change from time to time. The methodology, the Company uses, to determine fair value is based on historical information, as well as anticipated future events.

### Future Income Taxes

The determination of our future tax assets and liabilities involves significant management estimation and judgment involving a number of assumptions. In determining these amounts we interpret tax legislation in a variety of jurisdictions and make estimates of the expected timing of the reversal of temporary taxable and deductible timing differences. We also make estimates, of our future earnings, which affect the extent to which potential future tax benefits may be used. We are subject to assessment by various taxation authorities, which may interpret tax legislation in a manner different from our view. These differences may affect the final amount or the timing of the payment of taxes. When such differences arise we make provision for such items based on our best estimate of the final outcome of these matters.

## **CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION**

### **New Accounting Pronouncements**

The following pronouncements recently issued by the Canadian Institute of Chartered Accountants (“CICA”) will likely impact the Company’s future accounting policies:

#### Business Combinations

In January 2009, the CICA issued Handbook Sections 1582 – Business Combinations, 1601 – Consolidated Financial Statements, and 1602 – Non-Controlling Interests. These standards are effective January 1, 2011. Section 1582 replaces Section 1581 – Business Combinations and establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under International Financial Reporting Standards (“IFRS”). Sections 1601 and 1602 replace Section 1600 – Consolidated Financial Statements. Section 1601 provides revised guidance on the preparation of consolidated financial statements and Section 1602 addresses accounting for non-controlling interests in consolidated financial statements subsequent to a business combination.

#### International Financial Reporting Standards (“IFRS”)

In February 2008, the Canadian Accounting Standards Board announced 2011 as the changeover date for publicly-listed companies to use IFRS, replacing Canadian generally accepted accounting principles. The specific implementation is set for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The changeover date of January 1, 2011 will require restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. The SEC has indicated that foreign private issuers, like the Company, will no longer have to append US GAAP reconciliations to their SEC filings upon their conversion to IFRS.

The key elements, timing and status of the Company’s changeover plan are outlined below:

1. Develop internal knowledge to manage changeover, design systems and produce IFRS reports.

Senior accounting staff are continuing to upgrade their knowledge and will continue throughout the process. A major CA firm has been engaged to provide advice and improve the quality of the conversion.

2. Review accounting policy changes that are required or are optional under IFRS1 on conversion and make choices where necessary.

An internal review has been completed of major differences between IFRS and Canadian GAAP, where it is likely to affect Rubicon. It is felt at this stage that further review is needed with the Company’s advisors before conclusions can be published. It is expected that this review will be completed mid year. When these changes and proposed decisions have been made, the audit committee and board will be provided with the knowledge to evaluate the proposed changes.

3. Prepare 2010 opening balance sheets and reconciliations of 2010 interim and year end statements to Canadian GAAP statements of the same periods.

The target will be to prepare these statements as soon as practicable through 2010. It is expected that draft opening balance sheets will be prepared during the second quarter.

4. Review accounting software and other information technology issues for IFRS compliance.

Software is planned to be compliant before the transition date of January 1, 2010. Meetings have been held with software vendors and an implementation decision is expected to be made mid year.

## RUBICON MINERALS CORPORATION – MD&A – March 31, 2010

5. Review internal control implication of new policies and changeover.

Internal control implications are targeted to be determined before the changeover date of January 1, 2011. A review of conversion risks has been completed and control procedures implemented.

6. Review disclosure controls and procedures in light of change to IFRS.

Disclosure controls and procedures implications will be determined before the changeover date of January 1, 2011. Procedures have been implemented to ensure compliant disclosures of pre-conversion progress.

7. Review business implications of conversion such as compensation formulas, key performance indicators and contract requirements.

Target completion date is mid 2010. Business implications will be reviewed following completion of policy change review. No significant implications are anticipated as the key performance indicators of the business are not based on financial results of operations. There are no compensation formulas based on financial results nor does that Company have any contractual requirements for financial condition.

It is expected that policy changes implemented pursuant to IFRS may have a material effect on the Company's financial statements.

### OUTSTANDING SHARE DATA

As at May 13, 2010, the Company had the following common shares and stock options:

Common shares issued and outstanding	213,454,568
Stock options	8,351,500
Fully diluted share capital	221,806,068

### 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.

There have been no changes in the Company's internal control over financial reporting during the 3 months ended March 31, 2010, 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](http://www.sedar.com). Other information can be viewed at the Company's website at [www.rubiconminerals.com](http://www.rubiconminerals.com).

### CAUTIONARY NOTICE

This MD&A and the documents incorporated by reference herein contain statements that constitute "forward-looking statements" within the meaning of Section 21E of the *United States Securities Exchange Act of 1934* and "forward-looking information" within the meaning of applicable Canadian provincial securities legislation collectively referred to herein as "forward-looking statements".

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 judgment 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.

## **RUBICON MINERALS CORPORATION – MD&A – March 31, 2010**

Forward-looking statements include, but are not limited to statements regarding the use of proceeds, costs and timing of the development of new deposits, statements with respect to success of exploration and development activities, permitting time lines, currency fluctuations, environmental risks, unanticipated reclamation expenses, and title disputes or claims.

Forward-looking statements often, but not always are identified by the use of words such as “plans”, “seeks”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “targets”, “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”, “should”, “could”, “would”, “might”, “will”, 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. These statements are based on a number of assumptions and factors, including assumptions regarding general market conditions; future prices of gold and other metals; possible variations in ore resources, grade or recovery rates; actual results of current exploration activities; actual results of current 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; 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 Company’s 2009 Annual Information Form, filed on SEDAR, at [www.sedar.com](http://www.sedar.com), in the section titled “*Risk Factors*”. 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. Significant additional drilling is required by the Company at its Phoenix Gold Property to fully understand the system size before a meaningful resource can be calculated and completed. 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.