



RUBICON

RUBICON MINERALS CORPORATION

Consolidated Interim Financial Statements

Third Quarter ended September 30, 2011

Unaudited

RUBICON MINERALS CORPORATION

Consolidated Balance Sheets

Unaudited

(Expressed in Canadian Dollars)

	September 30	December 31
	2011	2010 (note 16)
Assets		
Current assets		
Cash and cash equivalents (note 14)	\$ 77,233,536	\$ 11,967,867
Temporary investments (note 3)	5,498,196	52,413,576
Marketable securities (note 4)	3,290,131	68,408
Accounts receivable	2,163,599	2,111,463
Prepaid expenses and supplier advances	505,758	289,967
	88,691,220	66,851,281
Other investments (note 5)	997,405	1,248,472
Property plant and equipment (note 6)	11,223,170	5,031,532
Exploration and evaluation assets (note 7)	189,318,893	146,775,911
Reclamation deposits (note 8)	493,000	498,000
	\$ 290,723,688	\$ 220,405,196
Liabilities and Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 9,245,520	\$ 7,199,256
Corporate income tax payable	-	7,150
	9,245,520	7,206,406
Non-current liabilities		
Deferred income taxes	254,543	205,180
Provision for closure and reclamation (note 9)	490,388	394,392
	9,990,451	7,805,978
Equity		
Share capital (note 10 d)	322,611,804	251,916,237
Share-based payment reserve	16,953,778	13,715,079
Accumulated other comprehensive income (loss)	(978,194)	93,854
Deficit	(57,854,151)	(53,125,952)
	280,733,237	212,599,218
	\$ 290,723,688	\$ 220,405,196

See accompanying notes to the consolidated financial statements

Commitments (note 12)

Subsequent event (note 15)

Approved by the Board of Directors and authorized for issue on November 9, 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*)

	For the three months ended September 30		For the nine months ended September 30	
	2011	2010 (note 16)	2011	2010 (note 16)
Expenses				
Consulting	\$ 68,372	\$ 395,199	\$ 212,182	\$ 520,736
Depreciation	13,618	15,025	39,885	26,572
General mineral exploration	24,497	6,728	60,147	123,520
Insurance	142,147	122,627	409,084	379,000
Investor relations	283,874	120,092	728,604	544,085
Office and rent	67,213	72,620	213,468	179,011
Part XII.6 flow-through tax	-	-	-	(404)
Professional fees (note 11)	414,651	113,456	1,265,988	432,570
Salaries	477,775	427,451	1,480,216	1,353,176
Share-based compensation (note 10)	239,817	898,225	1,015,731	4,998,181
Transfer agent and regulatory filing fees	39,643	43,362	169,960	154,002
Travel and accommodation	20,534	116,649	124,827	290,565
Loss before other items	(1,792,141)	(2,331,434)	(5,720,092)	(9,001,014)
Foreign exchange losses	(1,137)	(3,826)	(1,895)	(3,234)
Interest and other income	135,730	135,290	328,295	327,738
Option fees received in excess of property costs	214,886	71,932	842,335	294,688
Gain (loss) on sale of investments	(134,168)	18,792	(144,290)	(425,649)
Loss before taxes	(1,576,830)	(2,109,246)	(4,695,647)	(8,807,471)
Current income tax recovery (expense)	(350)	-	16,838	(7,150)
Deferred income tax recovery (expense)	17,825	(162,873)	(49,390)	(91,308)
Net loss for the period	(1,559,355)	(2,272,119)	(4,728,199)	(8,905,929)
Other comprehensive income				
Fair value adjustment, net of tax, on available for sale financial instruments:				
Temporary investments	(914)	(13,814)	34,756	(12,816)
Other investments and marketable securities	(862,238)	9,329	(1,251,094)	(259,727)
Realized losses (gains) on marketable securities and other investments reclassified to net loss	134,168	(18,792)	144,290	425,649
Other comprehensive income (loss) for the period	(728,984)	(23,277)	(1,072,048)	153,106
Comprehensive loss	\$ (2,288,339)	\$ (2,295,396)	\$ (5,800,247)	\$ (8,752,823)
Basic and diluted loss per share	\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.04)
Weighted average number of common shares outstanding	232,902,212	213,559,435	219,465,172	213,324,654

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
Public offering – share issuance costs	-	(299,033)	-	-	-	(299,033)
Private placement	21,671,827	70,000,000	-	-	-	70,000,000
Exercise of options	224,000	478,140	-	-	-	478,140
Transfer to share capital on exercise of options	-	216,460	(216,460)	-	-	-
Share-based payments - administration	-	-	1,404,333	-	-	1,404,333
Share-based payments - property	-	-	1,750,826	-	-	1,750,826
Share issue obligation	53,097	300,000	300,000	-	-	600,000
Unrealized loss on available-for-sale investments	-	-	-	(1,216,338)	-	(1,216,338)
Realized loss on sale of available-for-sale investments	-	-	-	144,290	-	144,290
Net loss for the nine months	-	-	-	-	(4,728,199)	(4,728,199)
September 30, 2011	236,243,598	322,611,804	16,953,778	(978,194)	(57,854,151)	280,733,237

	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
Public offering – share issuance costs	-	(15,880)	-	-	-	(15,880)
Exercise of options	200,500	257,605	-	-	-	257,605
Transfer to share capital on exercise of options	-	145,470	(145,470)	-	-	-
Share-based payments - administration	-	-	4,650,198	-	-	4,650,198
Share-based payments - property	54,054	215,135	2,791,978	-	-	3,007,113
Share issue obligation	91,606	414,004	-	-	-	414,004
Unrealized loss on available-for-sale investments	-	-	-	(272,543)	-	(272,543)
Realized loss on sale of available-for-sale investments	-	-	-	425,649	-	425,649
Net loss for the nine months	-	-	-	-	(8,905,929)	(8,905,929)
September 30, 2010	213,564,174	250,841,561	12,926,483	(632,736)	(36,521,160)	226,614,148

See accompanying notes to the consolidated financial statements

RUBICON MINERALS CORPORATION

Consolidated Statements of Cash Flows

Unaudited

(Expressed in Canadian dollars)

	For the three months ended September 30		For the nine months ended September 30	
	2011	2010 (note 16)	2011	2010 (note 16)
Cash provided by (used for):				
Operating activities				
Net loss for the period	\$ (1,559,355)	\$ (2,272,119)	\$ (4,728,199)	\$ (8,905,929)
Adjustments for:				
Depreciation	13,618	15,025	39,885	26,572
Share-based compensation	239,817	898,225	1,015,731	4,998,181
Loss (gain) on sale of investment	134,168	(18,792)	144,290	425,649
Interest and other income	(108,643)	(135,290)	(325,228)	(327,738)
Option receipts in excess of property costs	(129,125)	(173,105)	(833,273)	(210,502)
Reclamation deposit expensed	-	-	5,000	-
Current income tax	17,188	-	-	7,150
Future income tax (recovery) expense	(17,825)	167,570	49,390	96,005
Changes in non-cash working capital:				
Accounts receivable and prepaid expenses	(1,007,713)	(701,507)	(252,232)	(182,935)
Accounts payable and accrued liabilities	167,428	421,467	(90,247)	847,097
Cash used in operating activities	(2,250,442)	(1,798,526)	(4,974,883)	(3,226,450)
Interest received	142,560	58,258	460,778	162,167
Net cash from (used in) operating activities	(2,107,882)	(1,740,268)	(4,514,105)	(3,064,283)
Investing activities				
Temporary & other investments	1,811,787	16,697,118	43,128,875	51,247,653
Exploration and evaluation expenditures	(13,587,352)	(10,636,146)	(37,255,700)	(37,657,957)
Recovery of property costs	-	138,998	-	180,807
Expenditures on property, plant and equipment	(1,373,080)	(1,079,334)	(6,554,044)	(2,320,379)
Proceeds on sale of available-for-sale investments	225,378	183,680	281,533	332,752
Reclamation deposits	955,360	-	-	-
Net cash from investing activities	(11,967,907)	5,304,316	(399,336)	11,782,876
Financing activities				
Issuance of common shares, net of issue costs	70,026,570	14,180	70,179,110	241,725
Net cash from financing activities	70,026,570	14,180	70,179,110	241,725
Increase in cash and cash equivalents	55,950,781	3,578,228	65,265,669	8,960,318
Cash and cash equivalents, beginning of the period	21,282,755	7,759,489	11,967,867	2,377,399
Cash and cash equivalents, end of the period	\$ 77,233,536	\$ 11,337,717	\$ 77,233,536	\$ 11,337,717

See Supplemental cash flow and non-cash activities (note 14)

See accompanying notes to the consolidated financial statements

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 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 identified a potentially economic amount of mineralized material on its Phoenix Gold Project and is actively pursuing the development of this project. Although a large portion of this mineralized material has been defined as mineral resources pursuant to the criteria of National Instrument 43-101, the Company has not yet been able to define any mineral reserves on any of its properties. The ability of the Company to recover the costs it has incurred to date on its 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 September 30, 2011, are not necessarily indicative of future results.

These are the Company's third 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 and 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

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

2) SIGNIFICANT ACCOUNTING POLICIES (continued)

loss, except for differences on the re-translation of available-for-sale instruments which are recognized in other comprehensive income.

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 September 30, 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)

Nine months ended September 30, 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)

Nine months ended September 30, 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 related to the flow-through share premium 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)

Nine months ended September 30, 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, reclamation deposits 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 10). 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

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

2) SIGNIFICANT ACCOUNTING POLICIES *(continued)*

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 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) 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 \$5,498,196 at September 30, 2011 (December 31, 2010 - \$52,413,576) and effective interest rates of 0.68%. Market value is determined from broker quotations.

4) MARKETABLE SECURITIES

Marketable securities consist of investments in public company shares and have an aggregate carrying value and fair value of \$3,290,131 at September 30, 2011 (December 31, 2010 - \$68,408). Market values were based on quoted prices in an active market.

5) OTHER INVESTMENTS

Other Investments consist of long-term investments in public company shares and have an aggregate carrying value and fair value of \$997,405 at September 30, 2011 (December 31, 2010 - \$1,248,472). 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)

Nine months ended September 30, 2011

6) 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, December 31, 2010	2,750,499	713,250	1,535,937	714,284	5,713,970
Additions	6,291,285	250,601	12,156	-	6,554,042
Balance, September 30, 2011	9,041,784	963,851	1,548,093	714,284	12,268,012
Accumulated depreciation					
Balance, December 31, 2010	-	402,961	229,616	49,861	682,438
Depreciation for the period	-	124,273	207,837	30,294	362,404
Balance, September 30, 2011	-	527,234	437,453	80,155	1,044,842
Carrying amounts					
Balance, December 31, 2010	2,750,499	310,289	1,306,321	664,423	5,031,532
Balance, September 30, 2011	9,041,784	436,617	1,110,640	634,129	11,223,170

7) 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, December 31, 2010	116,173,869	8,939,238	14,554,191	7,108,613	146,775,911
Costs incurred in the period	42,662,001	87,882	60,043	8,324	42,818,250
Recoveries	-	(275,268)	-	-	(275,268)
Balance, September 30, 2011	158,835,870	8,751,852	14,614,234	7,116,937	189,318,893

Alaska

Kiska (formerly Rimfire) Option

Prior to March 31, 2011, 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.

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

7) EXPLORATION AND EVALUATION ASSETS (continued)

Alaska (continued)

New Horizon Property

During the three months ended September 30, 2011, the Company reduced the size of its 100% owned New Horizon Property from 1,303 claims (195,000 acres) to 439 claims (65,560 acres).

Nevada - Utah

West Kirkland Option

On June 23, 2011, the Company entered into an agreement with West Kirkland Mining Inc. ("West Kirkland") whereby West Kirkland can earn a majority interest in all the mineral rights held by Rubicon in Nevada - Utah, covering approximately 351 square miles (909 square kilometers) along the Long Canyon Trend of north eastern Nevada. West Kirkland can earn 51% of the Company's interest in the Company's 100% owned lands, 68% of the Company's interest in the Company's 75% owned lands and 60% of the Company's interest in the Company's less than 75% owned lands by expending US\$15 million over a four year period. West Kirkland is committed to make minimum expenditures of US\$2 million in the first year. On the properties where Rubicon owns a 100% interest, West Kirkland can further increase its interest to 60% by completing a pre-feasibility study or spending an additional US\$4 million on exploration and development work.

Red Lake Ontario

Phoenix Gold Project

See note 15, Subsequent Event, for a discussion of the Company's repurchase of a pre-existing net smelter returns royalty at the Company's Phoenix Gold Project.

8) RECLAMATION DEPOSITS

The Company is required to provide financial assurance to the Ontario Ministry of Northern Development Mines and Forestry ("MNDMF") for the reclamation and closure of the Phoenix Gold Project. As at September 30, 2011, amounts on deposit with the MNDMF were \$493,000.

On October 17, 2011, subsequent to the period end, the Company submitted an amended closure plan and placed a further \$1,193,224 on deposit with the MNDMF as additional financial assurance for reclamation of future site development. This increased the total financial assurance on deposit with the MNDMF to \$1,686,224.

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

9) 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 \$490,388 (December 31, 2010 - \$394,392). Changes to this provision during the year are as follows:

Balance December, 31, 2010	\$	394,392
Accretion		10,734
Revision of estimate		85,262
Balance September 30, 2011	\$	490,388

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

10) SHARE CAPITAL

a) Stock Options

The Company's incentive stock option plan was approved by its shareholders on June 28, 2011. The plan authorizes the Company to issue up to 7.25% 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.

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:

	Nine Months Ended September 30, 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	3,431,696	5.72	3,059,000	5.02
Exercised	(224,000)	2.13	(931,000)	1.00
Expired/Cancelled	(238,500)	5.31	(305,000)	4.81
Outstanding, end of the period (1)	10,547,196	3.72	7,578,000	2.82
Exercisable, end of the period	8,938,598	3.35	6,281,000	2.37

(1) At September 30, 2011, the weighted-average remaining contractual life of stock options outstanding is 2.88 years (2010 – 3.12 years)

b) Summary of stock options outstanding:

September 30, 2011			
Option Price Range	Number Outstanding	Weighted Average Price \$	Weighted Average Life (Years)
\$0.74 - \$0.76	585,000	0.74	0.28
\$1.04	1,090,000	1.04	1.37
\$1.31 - \$1.46	1,955,000	1.31	2.25
\$1.68 - \$3.63	855,000	2.63	2.20
\$3.96 - \$4.53	595,000	4.20	3.44
\$5.22	2,310,000	5.22	3.29
\$5.80	3,157,196	5.80	4.02
Total Stock Options	10,547,196	3.72	2.88

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

10) SHARE CAPITAL (continued)

c) Stock Appreciation Rights

On August 9, 2010, the Company conditionally granted 90,000 options to new employees at an exercise price of \$3.88.

In recognition of the fact such options were not exercisable when they were scheduled to vest due to the Company not having an approved stock option plan at that time, the Company agreed to cancel the options and has issued an equal number of stock appreciation rights which, if exercised, will be settled in cash. These stock appreciation rights have now fully vested.

As these stock appreciation rights required no further shareholder or director approval, they were considered granted as of the date of the option grant. For the nine months ended September 30, 2011, the Company has recorded \$61,836 as an addition to mineral properties in relation to the unexercised rights, based on the original grant date fair value. Re-measurement of the liability at September 30, 2011 and conversion of certain of the rights to stock options resulted in a reduction to share based compensation of \$326,766 which was credited to expense in the period.

On September 7, 2011, the Company granted a further 200,000 stock appreciation rights to a new director at an exercise price of \$4.18. These stock appreciation rights have a 5 year life. 100,000 of these stock appreciation rights will vest on March 7, 2012 and the remaining 100,000 will vest on September 7, 2012. These stock appreciation rights may be cancelled and issued as stock options with the same terms should shareholder approval be obtained for the grant. For the nine months ended September 30, 2011, \$53,333 has been charged to share based compensation in regard to these stock appreciation rights.

The 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.

d) Share issuance

On July 28, 2011, the Company closed a non-brokered private placement with Agnico-Eagle Mines Limited (“Agnico-Eagle”) under which Agnico-Eagle was issued 21,671,827 common shares of the Company at a price of \$3.23 per common share for total proceeds of \$70 million. Agnico-Eagle owned approximately 9.2% of the issued and outstanding shares of the Company upon closing. The terms of the private placement provide Agnico-Eagle with the right, for a period of two years, to participate in certain subsequent issuances by the Company to maintain its interest.

11) RELATED PARTY TRANSACTIONS

For the three and nine months ended September 30, 2011, the Company incurred legal fees to a law firm, of which a partner is a director of the Company, aggregating to \$450,594 and \$1,123,144 (2010 - \$366,087 and \$553,706). The fees are recorded within professional expenses in these financial statements. As at September 30, 2011, this law firm was owed \$450,594 (December 31, 2010 - \$375,044), which was paid in full subsequent to the period end. All these transactions were recorded at their exchange amounts and were incurred in the normal course of business.

12) COMMITMENTS

The following is a summary of the Company’s lease, rental and contractual commitments at September 30, 2011:

	Due within One Year	Due One to Three Years	Total
Lease and Rental Commitments	\$ 151,311	\$ 162,114	\$ 313,425
Contractual Commitments	591,966	-	591,966
Total	\$ 743,277	\$ 162,114	\$ 905,391

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

12) COMMITMENTS *(continued)*

- (a) At September 30, 2011, the Company has \$260,425 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.

13) 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.

14) SUPPLEMENTAL CASH FLOW AND NON-CASH ACTIVITIES

Cash and cash equivalents are comprised of the following:

	September 30, 2011	December 31, 2010
Cash	\$ 4,060,016	\$ 2,916,371
Government of Canada treasury bills and bank guaranteed investment certificates	73,173,520	9,051,496
	<u>\$ 77,233,536</u>	<u>\$ 11,967,867</u>

During the nine months ended September 30, 2010, the Company received common shares of other companies valued at \$833,272 (2010 - \$210,502) pursuant to the terms of mineral property option agreements. The Company has excluded from its investing cash flows \$5,977,492 (2010 - \$7,432,011) in accounts payable relating to exploration and evaluation expenditures. Other non-cash investments included \$1,750,826 (2010 - \$2,805,241) recorded in exploration and evaluation expenditures for stock-based compensation awarded to personnel working on mineral properties and \$322,519 (2010 - \$629,139) recorded in exploration and evaluation expenditures for depreciation.

15) SUBSEQUENT EVENT

Subsequent to the end of the period, the Company acquired and thereby extinguished a pre-existing 3% net smelter returns royalty payable on the mining properties included in the land portion of the Company's Phoenix Gold Project. The Company issued a total of 1,216,071 of its common shares valued at \$4,256,249 to acquire the net smelter returns royalty.

16) TRANSITION TO IFRS

As stated in note 2, these are the Company's third 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 and nine months ended September 30, 2011, the comparative information for the three and nine months ended September 30, 2010 and the financial statements at December 31, 2010.

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

16) TRANSITION TO IFRS *(continued)*

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.

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.

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

16) TRANSITION TO IFRS (continued)

The effects of the IFRS differences for deferred income tax calculations on the September 30, 2010 and December 31, 2010 financial statements are summarized as follows:

Impact on Consolidated Balance Sheets	December 31, 2010	September 30, 2010
	\$	\$
Mineral properties/exploration and evaluation assets	(7,727,892)	(14,797,848)
Future income taxes/deferred income taxes	4,930,853	12,882,735
Deficit	2,797,039	1,915,113

Impact on Consolidated Statements of Comprehensive Loss	December 31, 2010	September 30, 2010
	\$	\$
Mineral property impairment	(7,069,956)	No Impact
Foreign exchange gains	724,580	(285,563)
Future Income tax expense/deferred tax expense	7,580,260	(67,395)
Comprehensive loss	1,234,884	352,958

(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 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 September 30, 2010 and December 31, 2010 financial statements is as follows:

Impact on Consolidated Balance Sheets	December 31, 2010	September 30, 2010
	\$	\$
Share capital	(3,433,637)	(3,433,637)
Deficit	3,433,637	3,433,637

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

16) TRANSITION TO IFRS (continued)

Impact on Consolidated Statements of Comprehensive Loss	December 31, 2010	September 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. These 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 – September 30, 2010 and December 31, 2010 financial statements is as follows:

Impact on Consolidated Balance Sheets	December 31, 2010	September 30, 2010
	\$	\$
Mineral properties/exploration and evaluation assets	(80,500)	(80,500)
Contributed surplus/share based payments reserve	81,625	127,219
Deficit	(1,125)	(46,719)

Impact on Consolidated Statements of Comprehensive Loss	December 31, 2010	September 30, 2010
	\$	\$
Share-based compensation	39,125	(6,469)
Comprehensive loss	39,125	(6,469)

(d) Stock Appreciation Rights

In 2010, the Company issued stock appreciation rights ("SAR's") to three employees (Note 10). 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.

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

16) TRANSITION TO IFRS (continued)

The expected quantitative impact on the transitional September 30, 2010 and December 31, 2010 financial statements is as follows:

Impact on Consolidated Balance Sheets	December 31, 2010	September 30, 2010
	\$	\$
Mineral properties/exploration and evaluation assets	20,226	54,843
Accounts payable	(207,232)	(416,090)
Contributed surplus/share based payments reserve	-	67,515
Deficit	187,006	293,732

Impact on Consolidated Statements of Comprehensive Loss	December 31, 2010	September 30, 2010
	\$	\$
Contributed surplus/share-based compensation	187,006	293,732
Comprehensive loss	187,006	(293,732)

(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	September 30, 2010
	\$	\$
Mineral properties/exploration and evaluation assets	270,385	No Impact
Asset retirement obligation/provision for closure and reclamation	(270,385)	No Impact

Impact on Consolidated Statements of Comprehensive Loss	December 31, 2010	September 30, 2010
Comprehensive loss	No Impact	No Impact

(f) Reconciliation to previously reported financial statements

Reconciliations of the above September 30, 2010 changes are included in the following balance sheet and statement of comprehensive loss. A reconciliation of the December 31, 2010 changes noted above was included in the March 31, 2011 financial report. 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.

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

16) TRANSITION TO IFRS (continued)

The September 30, 2010 Canadian GAAP consolidated balance sheet has been reconciled to IFRS as follows:

					September 30, 2010		
	Note 16	Canadian GAAP	Effect of transition to IFRS	IFRS			
Assets							
Current assets:							
Cash and cash equivalents		\$ 11,337,717	\$ -	\$ 11,337,717			
Temporary investments		74,323,332	-	74,323,332			
Marketable securities		154,934	-	154,934			
Accounts receivable		1,326,609	-	1,326,609			
Prepaid expenses and supplier advances		298,180	-	298,180			
		87,440,772	-	87,440,772			
Other investments		657,443	-	657,443			
Buildings and equipment/property, plant and equipment		3,051,911	-	3,051,911			
Mineral properties/exploration and evaluation assets	(a,c,d)	159,909,494	(14,823,505)	145,085,989			
Reclamation deposits		498,000	-	498,000			
		\$ 251,557,620	\$ (14,823,505)	\$ 236,734,115			
Liabilities and Equity							
Current liabilities:							
Accounts payable and accrued liabilities	(d)	\$ 9,445,088	\$ 416,090	\$ 9,861,178			
Corporate income tax payable		7,150	-	7,150			
		9,452,238	416,090	9,868,328			
Non-current liabilities:							
Future income taxes/deferred income taxes	(a)	13,134,374	(12,882,735)	251,639			
		13,134,374	(12,882,735)	251,639			
Equity:							
Share capital	(b)	247,407,925	3,433,637	250,841,562			
Contributed surplus/share-based payments reserve	(c,d)	13,121,217	(194,734)	12,926,483			
Accumulated other comprehensive loss		(632,736)	-	(632,736)			
Deficit	(a,b,c)	(30,925,398)	(5,595,763)	(36,521,161)			
		228,971,008	(2,356,860)	226,614,148			
		\$ 251,557,620	\$ (14,823,505)	\$ 236,734,115			

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

16) TRANSITION TO IFRS (continued)

The Canadian GAAP statement of comprehensive loss for the three months ended September 30, 2010 has been reconciled to IFRS as follows:

Three Months Ended September 30, 2010				
	Note 16	Canadian GAAP	Effect of transition to IFRS	IFRS
Expenses:				
Depreciation		\$ 15,025	\$ -	\$ 15,025
Consulting		395,199	-	395,199
General mineral exploration		6,728	-	6,728
Insurance		122,627	-	122,627
Investor relations		120,092	-	120,092
Office & rent		72,620	-	72,620
Part XII.6 tax on flow-through		-	-	-
Professional fees		113,456	-	113,456
Salaries		427,451	-	427,451
Share-based compensation	(c,d)	687,873	210,352	898,225
Transfer agent and regulatory filing fees		43,362	-	43,362
Travel and accommodation		116,649	-	116,649
Loss from operations		(2,121,082)	(210,352)	(2,331,434)
Foreign exchange gains (losses)	(a)	455,364	(459,190)	(3,826)
Interest and other income		135,290	-	135,290
Option and administration fees received in excess of property costs		71,932	-	71,932
Loss on sale of investments		18,792	-	18,792
Loss before income taxes		(1,439,704)	(669,542)	(2,109,246)
Current income tax expense		-	-	-
Future income tax/deferred income tax expense	(a)	(214)	(162,659)	(162,873)
Net loss for the period		(1,439,918)	(832,201)	(2,272,119)
Other comprehensive income				
Fair value adjustment, net of tax, on available for sale financial instruments:				
Temporary investments		(13,814)	-	(13,814)
Other investments and marketable securities		9,329	-	9,329
Realized losses on marketable securities and other investments reclassified to net income		(18,792)	-	(18,792)
Other comprehensive loss		(23,277)	-	(23,277)
Comprehensive loss		\$ (1,463,195)	\$ (832,201)	\$ (2,295,396)

RUBICON MINERALS CORPORATION

Notes to the Consolidated Financial Statements - Unaudited

(Expressed in Canadian dollars)

Nine months ended September 30, 2011

16) TRANSITION TO IFRS (continued)

The Canadian GAAP statement of comprehensive loss for the nine months ended September 30, 2010 has been reconciled to IFRS as follows:

Nine Months Ended September 30, 2010			
Note 16	Canadian GAAP	Effect of transition to IFRS	IFRS
Expenses:			
Depreciation	\$ 26,572	\$ -	\$ 26,572
Consulting	520,736	-	520,736
General mineral exploration	123,520	-	123,520
Insurance	379,000	-	379,000
Investor relations	544,085	-	544,085
Office & rent	179,011	-	179,011
Part XII.6 tax on flow-through	(404)	-	(404)
Professional fees	432,570	-	432,570
Salaries	1,353,176	-	1,353,176
Share-based compensation (c,d)	4,710,919	287,262	4,998,181
Transfer agent and regulatory filing fees	154,002	-	154,002
Travel and accommodation	290,565	-	290,565
Loss from operations	(8,713,752)	(287,262)	(9,001,014)
Foreign exchange gains (losses) (a)	282,329	(285,563)	(3,234)
Interest and other income	327,738	-	327,738
Option and administration fees received in excess of property costs	294,688	-	294,688
Loss on sale of investments	(425,649)	-	(425,649)
Loss before income taxes	(8,234,646)	(572,825)	(8,807,471)
Current income tax expense	(7,150)	-	(7,150)
Future income tax/deferred income tax expense (a)	(23,913)	(67,395)	(91,308)
Net loss for the period	(8,265,709)	(640,220)	(8,905,929)
Other comprehensive income			
Fair value adjustment, net of tax, on available for sale financial instruments:			
Temporary investments	(12,816)	-	(12,816)
Other investments and marketable securities	(259,727)	-	(259,727)
Realized losses on marketable securities and other investments reclassified to net income	425,649	-	425,649
Other comprehensive income	153,106	-	153,106
Comprehensive loss	\$ (8,112,603)	\$ (640,220)	\$ (8,752,823)



RUBICON

RUBICON MINERALS CORPORATION

Management's Discussion & Analysis

For the Third Quarter Ended September 30, 2011

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INTRODUCTION

This Management Discussion and Analysis (“MD&A”) prepared as of November 9, 2011 includes financial information from, and should be read in conjunction with the condensed consolidated interim financial statements for the three and nine months ended September, 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 third IFRS financial statements. In the prior year 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 Q3 2011

Phoenix Gold Project Development Highlights

Rubicon holds a 100% interest in the Phoenix Gold Project which has been the main focus of the Company’s exploration and development efforts since the discovery of the F2 Gold System in early 2008.

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

- Lateral development of 443 metres. The bulk of the lateral development was to establish access to the mineralized zone on the 244 Level. Other advancements included the completion of the eighth drill station on the 305 Level and commencement of a new drift towards a new drill station on the 305 Level. Work on the 244 Level included the excavation of and installation of a waste pass and a cross cut to connect to the second egress as well as the establishment of a new refuge chamber. The vertical component of the development was the completion of the waste pass from the 305 Level to the 244 Level.
- Assembly of the 14’ double drum hoist was completed, as well as construction of the hoist building.
- Surface re-distribution of on-site grid power is ongoing. Grid power energized on-site during October 2011.

Exploration Highlights

Red Lake Exploration

Phoenix Gold Project

Drilling

The Company drilled a total of 75,527 metres on the Phoenix Gold property during 2011 to the end of September on the “F2 Gold System”. Drilling was carried out utilizing up to five underground rigs on the 305 metre level and two surface rigs. 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 expansion (see updated resource and PEA 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, June 1, 2011, June 29, 2011, and September 12, 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.

Preliminary Economic Assessment Report

On June 29, 2011, the Company issued a press release to announce positive results of a PEA for its 100% owned F2 Gold System, part of its Phoenix Gold Project. A copy of the press release is available on SEDAR. A copy of the PEA was filed on SEDAR on August 11, 2011. The PEA was prepared by AMC Mining Consultants (Canada) Ltd. ("AMC") with metallurgical sections prepared by Soutex Inc. ("Soutex") both of which are independent of the Company. The highlights of the PEA are included below.

Preliminary Economic Assessment Highlights

All amounts in US Dollars

	Base Case	Spot Price Case
	(\$1,100 oz gold)*	(\$1,500 oz gold)
Average mined gold grade	13.87 g/t	13.87 g/t
Steady state annual gold production	180,000 ounces	180,000 ounces
Life of Mine from production start	12 Years	12 Years
Planned Steady State Production Rate	1,250 tpd	1,250 tpd
IRR Pre tax	28%	48%
NPV Pre tax (5% discount rate)	\$433 million	\$933 million
Payback period from start of production	3.3 Years	2 Years
NPV Pre tax (0% discount rate)	\$739 million	\$1,482 million
Initial Capital (30% contingency)	\$214 million	\$214 million
Cash costs	\$214/tonne	\$214/tonne

	Base Case	Spot Price Case
Metallurgical recovery	92.5%	92.5%
Total Mined Gold to Mill**	2,006,000 ounces	2,006,000 ounces

* Three-Year trailing average gold price. Tabulated results exclude NSR royalty of 1.5%. Results based on \$1Can = \$1US exchange rate.

** The mine plan and financial outputs are based on a mining cut off grade of 6.0 g/t and a life of mine of 12 years, utilizing 2.0 million ounces (72% recovery) of the currently identified resources.

This PEA is preliminary in nature as it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

The PEA is based on an updated mineral resource estimate containing an Indicated Mineral Resource of 1,028,000 tonnes grading 14.5 g/t gold (477,000 ounces of gold) and an Inferred Mineral Resource of 4,230,000 tonnes grading 17.0 g/t gold (2,317,000 ounces of gold); both the PEA and the resource estimate have been prepared by AMC. The mineral resource estimates were prepared by Dinara Nussipakynova P.Ge., Cath Pitman P. Geo. and J.M (Mort) Shannon, P. Geo., consulting geologists of AMC and independent Qualified Persons as defined by NI 43-101.

The table below shows a summary of the mineral resource estimates:

Summary of AMC Mineral Resource Estimates

Classification	Tonnes (millions)	g/t Gold	oz Gold (millions)
Indicated	1.028	14.5	0.477
Inferred	4.230	17.0	2.317

Notes:

1. CIM definitions were used for mineral resources
2. The cut-off grade applied is 5.0 g/t Au
3. A capping value of 270g/t Au has been applied to the composites
4. Using drilling results to February 28, 2011
5. The figures above are "Total" resources

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.

If the data are not capped, the totals are 1.135 M tonnes at 17.2 g/t Au for 0.634 M oz for the Indicated category and 4.129 M tonnes at 21.2 g/t Au for 2.842 M oz for the Inferred category.

Mining Plan

The PEA considers development of the F2 Gold System as an underground mine at a steady state rate of 1,250 tonnes per day. The primary mining method is conventional cut and fill utilising paste fill to maximise the material returned underground. The mine plan and financial outputs are based on a two-year pre-production phase and a producing mine life of 12 years, utilizing 2.0 million ounces, representing 72% of the currently identified resources. It should be noted that, in determining the mining inventory, AMC decided to take a conservative mine planning approach in applying the average diluted resource grade to the bottom five mining horizons (bottom 305 metres of the resource) rather than use the

modelled average grade of 33.8 g/t, thus reducing the total ounces on these levels. The Company aims to continually upgrade the available resource for mining through definition drilling. An opportunity may also exist to drive a ramp from surface to accelerate the production in the upper part of the deposit in the early years of the project, thus changing the cash flow of the potential mine.

Metallurgy and Processing

Rubicon extracted one approximately 1,200 tonne bulk sample from the top of the F2 Core Zone and a second approximately 1,000 tonne bulk sample to the west from the WLB2 zone. The purpose of these samples was to establish the metallurgical performance of the two zones. Soutex was retained to conduct the mill design and engineering and manage the laboratory work required to ensure the mill design criteria were understood. Two ten (10) tonne sub-samples were sent to G&T Laboratories for further process analysis. The remainder of the material was shipped to SMC McAlpine Mill. During milling, the material was sampled and tested at Swastika Laboratories Ltd. under the supervision of Soutex. The samples were taken at periodic intervals from the mill stream (float concentrate, gravity concentrate and tailings) and combined to provide a metallurgical balance for the total gold content of the bulk sample.

Results of processing work indicate processing will be straightforward and will be a combination of gravity followed by a conventional carbon-in-leach process. Gold recoveries are estimated to be 92.5% with potential for further optimization. Estimated gravity recoveries are 50%.

The results of the bulk sample testing to date (which does not include final refining of gold) are compared in the table below to the results of delineation drilling which intersect the respective bulk sample zones:

	WLB2	F2 Core
Delineation Drilling Weighted Average	5.8 g/t gold	9.1 g/t gold
Milled Bulk Sample Testing Results	7.1 g/t gold	8.2 g/t gold

Note: Delineation Drilling Weighted Averages utilise a cap of 270 g/t gold as utilised in the AMC resource estimates and are diluted by 17.9% (AMC used 17.9% dilution outside the nominal 2 metre mining width in its PEA).

Although the bulk sampling is located in part of the deposit that is lower grade than the overall resource average grade, it successfully confirms that the capped, diluted delineation drilling weighted average grade in this area is a reasonable determinant of recovered grade.

Tailings Management Facility

The Tailings Management Facility ("TMF") design incorporates engineered features to manage the chemical and physical stability of the deposited tailings in accordance with current best-in-class practices. Approximately 55% of the tailings will be converted to paste fill and deposited underground to minimize the amount of tailings that will be deposited on surface and also to provide a suitable backfill for the underground mine. The remaining tailings will be thickened to greater than 75% solids prior to deposition in the TMF, which has a capacity of approximately 25 years (based on a deposition rate of 190,000 tonnes of tailings per year following the ramp-up period) with the potential for optimization and expansion.

Capital Costs

The initial capital costs (including a 30% contingency or approximately \$50 million) are estimated to be \$214 million. Sustaining capital and capital development for the life-of-mine average \$4.3 million/year and \$6.1 million/year respectively and would be derived from cash flows.

Operating Costs

The following average life-of-mine costs are projected for the operating phase of the project:

Items	Cost per processed tonne	Cost per recovered ounce
	(\$)	(\$)
Mining Cost	189	458
Processing and refining costs	22	53
G&A	2	4
Reclamation	1	2
Total*	214	519

*Numbers may not add up due to rounding.

Closure and Rehabilitation Costs

Rehabilitation measures have been designed to ensure the long-term physical and chemical stability of the site in accordance with Ontario's closure plan approval process. The rehabilitation measures will return the site to a productive land use that will not require long-term care and maintenance. The rehabilitation cost is estimated to be approximately \$6 million net of salvage value for remaining assets on closure.

Sensitivity Analysis

	Net Cash Flow \$M (NPV _(0%) \$M)	NPV _(5%) \$M	IRR	Payback yrs - Project Start	Payback yrs - Production Start
Au = \$1,100/oz	739	433	28%	5.3	3.3
Au = \$1,500/oz	1,482	933	48%	4.0	2.0
Au = \$900/oz	368	183	16%	7.5	5.5

Resource Estimation Methodology

AMC prepared updated resource estimates which utilized the block model approach with Datamine™ software and included the results from all drilling carried out on the project by Rubicon up to February 28, 2011. The estimates are in-situ and undiluted.

Constrained wireframes for the mineralized domains were created by AMC using a 0.1 g/t Au threshold which was locally further expanded to incorporate all significant mineralized zones. A total of 10 mineralized domains were created and utilized for the resource estimation. Sample composite length of 1.0 metre was used and grades were capped at 270 g/t Au after compositing (a 270 g/t Au cap was selected based on cumulative frequency plot analysis).

The block model parameters are as follows:

Item	Dimensions	Samples Used (Min and Max)
Parent Block Size	2 X 8 X 12 metres	
Search Ellipse 1	8 X 24 X 36 metres	3 and 10
Search Ellipse 2	16 X 48 X 72 metres	1 and 10
Search Ellipse 3	24 X 72 X 108 metres*	1 and 10

*Compares to block model validation figures in previous NI 43-101 resource estimate published on March 31, 2011.

Bulk density used was 2.90 tonnes per cubic metre and the estimation method was inverse distance cubed.

The resource is constrained by the base of overburden at surface, and no allowance is made for any crown pillar. There is no lower elevation constraint to the estimate. The cut off applied to the resource is 5 g/t Au which is the same as used in previous estimates.

Preparation of PEA

The PEA has been prepared by AMC (all sections except metallurgy) and Soutex (metallurgy). AMC is an international geology and mining engineering consultancy group with extensive experience in resource estimation, mining studies and provision of assistance to mining development projects and operating mines. Soutex is a Canadian based consulting firm specializing in mineral process evaluation. A NI 43-101 Technical Report for the PEA, was filed on SEDAR on August 11, 2011.

Permitting and Continuing Consultations

On October 17, 2011, the Company resubmitted a closure plan to the Ministry of Northern Development Mines and Forests (“MNDMF”) which expanded the prior closure plan to include additional closure costs that would be required if the project achieves commercial production. Only three other material permits need to be acquired to allow for commercial production: the consolidated amendment to the Certificate of Air Approval 9500-7NGTTC, the amendment to the Permit to Take Water 2342-7LWRQU and the new Industrial Sewage Certificate of Approval. The Company expects these 3 permits to be in hand before the end of Q4, 2011. The Canadian Environmental Assessment Agency has also confirmed that the project will not trigger a federal environmental assessment.

The Company is continuing its consultations with First Nations and the Métis Nation of Ontario.

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. A copy of this report is available on SEDAR and a copy of the March 31, 2011 press release summarizing the technical report is available on the Company’s website.

Power

On October 20, 2011, Rubicon announced that it had turned on its first grid power allocation (up to 5.3MW) from Hydro One at the Phoenix Gold Project. The Company has completed its power line connection and infrastructure and has obtained the requisite approvals and agreements from adjacent

surface rights holders. Accessing grid power represents a major milestone in the further development of the Phoenix Gold Project. Hydro-electric grid power will now replace and increase the Company's power capabilities compared to existing diesel power, giving the Company significant cost savings and enabling the Company to use environmentally friendly, cleaner power. The ability to readily access grid power underscores the advantage of the project being situated in the heart of the established Red Lake gold district.

Rubicon further expects that an additional 4.7MW of electrical power will be required should the Phoenix Gold Project proceed to the production phase and is engaging Hydro One to secure this additional electricity allotment from the grid.

Phoenix Gold Project Royalties

The Phoenix Gold Project until recently was subject to two net smelter returns royalties. The first covered gold production from the mineral properties included in the water portion of the Phoenix Gold Project and amounted to 2% with a buy back right in favour of the Company on a 0.5% portion of the royalty for US\$675,000. These claims include the F2 Gold Zone. The second NSR royalty covered gold production from the mineral properties included in the land portion of the Phoenix Gold project and amounted to 3% with a buy back right in favour of the Company on a 0.5% portion of the royalty for \$1 million.

On August 31, 2011, Rubicon announced that Franco-Nevada Corporation had purchased the pre-existing NSR royalty on the water claims from the underlying owner for 550,000 Franco-Nevada shares valued at \$23,232,000. No right of first refusal was triggered in this transaction.

In October, 2011 an offer was made for the remaining royalty that covered the land claims. In this case, the Company exercised a right of first refusal by matching the original offer and bought out the 3% NSR royalty with a payment of 1,216,071 common shares valued at a deemed amount of \$4,256,248.

As noted in the news release of October 25, 2011, Rubicon, by this purchase, realized the following synergies:

- 1) Very little drilling to depth has been carried out on the Land Claims. Specifically, the area south of the current shaft contains an historical mineral resource of 334,000 tons grading 6.9 g/t gold between surface and 122 metres below surface which is open to depth* (see caution below). In addition, Rubicon has drilled over 60 shallow diamond drill holes on the Land Claims at the "Island Zone" located approximately 2,000 metres north of the existing shaft, where encouraging results warrant follow up.
- 2) Future advance royalty payments of \$825,000 are now eliminated.
- 3) Prior to this acquisition, if a mineral deposit on the Land Claims was put into commercial production, Rubicon would have been required to make a one-time advance royalty payment of \$1 million. This requirement is now eliminated.
- 4) Also prior to this acquisition, Rubicon had the right to purchase a 0.5% net smelter returns royalty out of the total 3% net smelter returns royalty for a payment of \$1 million. This is also now eliminated.
- 5) As a result of this acquisition, there is no production royalty or any advance royalty payment due to any third party on the Land Claims.

**Historical Mineral Resource*

The reader is cautioned that paragraph 1 above contains information regarding an historical mineral resource derived from historical resource estimates prepared before the development of NI 43-101 guidelines and, accordingly, such information should not be relied upon. As previously disclosed in Section 6.2 of the Preliminary Economic Assessment Technical Report under NI 43-101, prepared on behalf of the Company by AMC Mining Consultants (Canada) Ltd.(the "authors" or "AMC") and having an effective date of August 8, 2011 (the "PEA"), the historical estimates were prepared prior to the implementation of NI 43-101. As disclosed in the PEA, a non-compliant NI 43-101 resource estimate was completed by McFinley Red Lake Mines staff in 1986 and was reported and discussed by G.M. Hogg (May, 2002, 2003). Although presented and discussed by the authors in the PEA, neither the Company nor the authors of the PEA have audited these estimates, nor made any attempt to classify them according to NI 43-101 standards or the Canadian Institute of Mining, Metallurgy and Petroleum Standing Committee on Reserve Definitions (CIM Standards). The information regarding the historical mineral resource is contained in this news release and is presented in the PEA because the information and historical resource estimates are considered relevant and of historical significance. The reader should not rely on the information or these historical estimates. A qualified person has not done sufficient work to classify the information or historical estimates as current mineral resources or mineral reserves. Neither the Company nor AMC has treated the historical estimates as current mineral resources or mineral reserves

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 2011/2012 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 December 31, 2011 (as amended in September 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. Solitaire has conducted line cutting, prospecting and mapping, and geophysics to date in 2011 in order to identify the best drill targets for a planned drill program to meet its obligations (see July 19, 2011 news release at www.solitaireminerals.com).

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 three and nine months ended September, 2011, the Company spent \$52,355 and \$163,235 respectively on acquisition and maintenance costs and recovered \$680,279 and \$1,279,119 respectively in cash and shares.

Objectives for 2011-2012

Following on the \$70 million financing from Agnico-Eagle Mines Ltd., the Company announced a 12 month, \$55 million exploration and development program on October 19, 2011.

The program is designed to both maintain the Company on its critical path of development to support possible production in Q4 2013 and also to optimize its current positive PEA¹, which was filed in August, 2011. The key elements of the 12 month program are outlined below.

Operational

The Company's objective is to define sufficient additional indicated resources to support a minimum of five years of potential production at rates envisaged in the current PEA. In order to achieve this, the current shaft will be extended from 338 metres to 610 metres below surface to allow better access for development and exploration drilling.

It is planned to complete approximately 600 metres of new underground development on three levels (244 metre, 305 metre and 585 metre) to support further development and potential future mining and also to provide new drill access for infill and delineation drilling. As well, a rock pass and a new loading pocket will be constructed between the 585 metre and 610 metre levels.

Approximately \$3.6 million will be committed to secure key long lead orders including a SAG mill, a ball mill, a mill engineering, procurement and construction management contract and initial Tailings Management Facility upgrades.

Drilling

A total of approximately 70,000 metres of drilling is planned over the next 12 months. The objectives of this drilling will be twofold. Firstly, approximately 30,000 metres will be directed towards infilling and delineation of known zones with the objective of expanding current indicated resources. Secondly, approximately 40,000 metres will test for expansions to known gold mineralization and will also test new areas for new potential resources. One important target area in this respect lies between 1,220 metres and 1,464 metres below surface where additional drilling will be carried out to establish whether the current average resource grade of 33.8 g/t gold is maintained when drill density is increased and when a larger area is tested. It should be noted that, in determining the mining inventory in the current PEA, AMC elected to take a conservative mine planning approach in this area by applying the average diluted resource grade to the bottom five mining horizons (bottom 305 metres of the resource) rather than use the modeled average grade of 33.8 g/t, thus reducing the total ounces on these levels.

PEA optimization

While the development and drill programs outlined above are designed to keep the Company on its critical path to allow it to maintain the target of potential production in Q4 2013, additional and ongoing studies, along with the drill program outlined above will allow the Company to evaluate optimization of its current economically positive PEA. These studies will include:

¹ Preliminary Economic Assessment Technical Report under NI 43-101, prepared by AMC Mining Consultants (Canada) Ltd. and having an effective date of August 8, 2011(the "PEA")

- evaluation of possible ramp access to examine the cost benefit of more mechanized mining techniques;
- structural studies to aid in understanding mineralization controls and aid in future drill targeting;
- a review of the ability to employ alternative, lower cost, mining methods (currently captive cut and fill) in parts of the deposit; and
- continued metallurgical studies designed to evaluate potential to increase current estimated gold recoveries of 92.5%.

The programs and budget laid out above are largely consistent with the recommendations laid out in the August, 2011 PEA.

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 except with regard to the third party prepared PEA report were verified by Terry Bursey, P.Geo. Regional Manager for Rubicon and a Qualified Person as defined in 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 by ALS Minerals 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 a Qualified Person as defined in NI 43-101.

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

This filing uses the terms “indicated mineral resources” and “inferred resources”. We advise U.S. investors that while these terms are recognized and required by Canadian regulations, they are 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” or “indicated 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, such as with an initial PEA. 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.**

NEVADA-UTAH WEST KIRKLAND OPTION

Rubicon holds a 100% interest in a large land package in Elko County, Northeastern Nevada (225,000 acres) extending into Box Elder County, Utah (608 acres). The property is considered to be prospective for ‘Long Canyon’ style gold mineralization, which refers to a deposit in a similar geological setting currently being developed by Newmont. Exploration on the properties is being carried out by West Kirkland Mining Inc. (“West Kirkland”) pursuant to the following option agreement:

On June 23, 2011, the Company entered into an agreement with West Kirkland whereby they can earn a majority interest in all the mineral rights held by Rubicon in Nevada - Utah, covering approximately 351 square miles (909 square kilometers) along the Long Canyon Trend of north eastern Nevada. West Kirkland can earn 51% of the Company’s interest in the Company’s 100% owned lands, 68% of the

Company's interest in the Company's 75% owned lands and 60% of the Company's interest in the Company's less than 75% owned lands by expending US\$15 million over a four year period. West Kirkland is committed to make minimum expenditures of US\$2 million in the first year. On the properties where Rubicon owns a 100% interest, West Kirkland can further increase its interest to 60% by completing a pre-feasibility study or spending an additional US\$4 million on exploration and development work.

ALASKA EXPLORATION

During the period, the Company reviewed its strategy for its Alaska property, located in the Goodpaster Mining District. In light of the Company's focus on the Phoenix Gold project and the significant cost of claim ownership, including the Kiska option, it was decided to reduce the claim ownership down to those claims with the most favourable exploration potential. In that regard, during the first quarter, the Company elected to cancel its Option from Kiska Minerals Corporation. In addition, in the current quarter, the Company reduced its, 100% owned, mineral exploration claims from 195,000 acres to 65,560 acres retaining those areas considered most prospective based on exploration work to date .

Given its focus in Red Lake, Ontario, the Company considers its Alaska properties are best advanced through partnerships and is currently in discussions regarding possible option/joint ventures with several parties. There can be no assurance that such a partnership will be realized.

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

Nine Months ended September 30, 2011 compared to the Nine Months ended September 30, 2010

For the nine months ended September 30, 2011, the Company had a net loss of \$4,728,199 (\$0.02 per share) compared to a net loss of \$8,905,929 (\$0.04 per share) in the nine months ended September 30, 2010, a decrease of \$4,177,730. The major factor that caused a decrease in net loss was a decrease of \$4.0 million in share based compensation expense in the current period. The decrease in the share based compensation charge resulted from a decline in the Black-Scholes calculated option fair value calculation for options issued during 2011. During the nine months ended September 30, 2011, the Company recorded other comprehensive loss of \$1,072,048 compared to other comprehensive income ("OCI") of \$153,106 in the prior year comparative period. Comprehensive loss (the total of net loss and other comprehensive loss) for the nine months ended September 30, 2011 was \$5,800,247 compared to comprehensive loss of \$8,752,823 in the prior year comparative period, a decrease in comprehensive loss of \$2,952,576.

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

- Share-based compensation was lower by \$3,982,450 as options issued in 2011 had a significantly lower Black-Scholes calculated fair value than those issued in the comparative period.

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- Professional fees consisting of legal, tax, accounting and audit fees increased by \$833,418 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 \$281,359 due to decreased sale of shares in a loss position in the first nine months of 2011.
- Option receipts in excess of property costs, which represent amounts received from optionees of the Company's staked properties were higher by \$547,647 mainly due to increased activity by the Company's English Royalty Division.
- Other comprehensive loss for the nine months ending September 30, 2011 was \$1,072,048 compared to other comprehensive income of \$153,106 in the nine months ended September 30, 2010. The decrease in OCI is attributable to share price decreases in the Company's marketable securities and long- term share holdings as well as a decrease in losses realized on sale of marketable securities and other investments reclassified to net income.

Three Months ended September 30, 2011 compared to the Three Months ended September 30, 2010

For the three months ended September 30, 2011, the Company had a net loss of \$1,559,355 (\$0.01 per share) compared to net loss of \$2,272,119 (\$0.01 per share) in the three months ended September 30, 2010, a decrease of \$712,764. During the quarter, the Company recorded other comprehensive loss of \$728,984 compared to other comprehensive loss of \$23,277 in the prior year's comparative quarter. Comprehensive loss (the total of net loss and other comprehensive loss) for the quarter was \$2,288,339 compared to comprehensive loss of \$2,295,396 in the prior year comparative quarter, a decrease in comprehensive loss of \$7,057.

Significant changes in line items were as follows:

- Stock based compensation was lower by \$658,408 as options issued in 2011 had a significantly lower Black-Scholes calculated fair value than those issued in the comparative period.
- Loss on sale of investments was \$152,959 higher due to increased volume of marketable securities in a loss position during the third quarter of 2011.
- Option fees received in excess of property costs which represent amounts received from optionees of the Company's staked properties were higher by \$142,954 mainly due to increased activity by the Company's English Royalty Division.
- Other comprehensive loss for the quarter ending September 30, 2011 was \$728,984 compared to \$23,277 in Q3 2011. The increase in other comprehensive loss was mainly attributable to the Company incurring unrealized losses on marketable securities and other investments in the quarter.

USE OF PROCEEDS FROM FINANCINGS

Planned Use of Proceeds as Previously Disclosed	Actual Use of Proceeds to September 30, 2011
November 12, 2009 Financing of \$86 million	
<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 but may be reallocated to the Phoenix Gold Project.
<ul style="list-style-type: none"> \$22.8 million on working capital or other exploration. 	<ul style="list-style-type: none"> All funds have been applied as committed.

SUMMARY OF QUARTERLY RESULTS

(Based on Canadian GAAP through 2009 and a presentation currency of C\$ for all quarters)

Quarter	2011 Third	2011 Second	2011 First	2010 Fourth	2010 Third	2010 Second	2010 First	2009 Fourth
Accounting principles:		IFRS						Canadian GAAP
	\$	\$	\$	\$	\$	\$	\$	\$
Interest and other income	135,730	77,554	115,011	135,845	135,290	104,742	87,706	63,587
Gain (loss) on sale of investments	(135,730)	(577)	(9,545)	59,231	18,792	(149,327)	(295,114)	(3,338)
Net loss (income)	1,559,355	1,669,859	1,498,985	16,959,244	1,917,667	3,207,840	3,425,971	1,249,415
Basic and fully diluted net loss (income) per share	0.01	0.01	0.01	0.08	0.01	0.02	0.02	0.01

Overall, quarterly losses should tend to increase due to increased head office administration costs to support an expanding exploration and development program. However, this trend has been more than offset by a decrease in share based compensation charges. In the fourth quarter of 2010, the \$14 million (\$21.2 million under Canadian GAAP) property write-off caused an unusually large loss. 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 –Nine months ended September 30, 2011

The Company had working capital of \$79.4 million at September 30, 2011 compared to \$59.6 million at December 31, 2010. Working capital increased in the current year by \$19.8 million primarily due to the Company receiving \$70 million pursuant to a private placement by Agnico-Eagle Mines Ltd. (“Agnico-Eagle”) described in more detail below. This inflow was offset by approximately \$43.8 million during the period on mineral property expenses and capital equipment, primarily to further exploration at its Phoenix Gold Project.

Operating Cash Flows – Nine months ended September 30, 2011

Net cash used in operating activities of \$4.5 million, was higher than net cash used in operating activities in the nine months ended September 30, 2010 of \$3.1 million reflecting the increased administration activity that occurred within the Company during the current period.

Investing Cash Flows – Nine months ended September 30, 2011

The Company had a cash outflow of \$0.4 million from investing activities which included \$43.1 million of funds transferred from temporary investments (T-Bills of greater than 90 day terms) and \$37.2 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 – Nine months ended September 30, 2011

Financing inflows of \$70.2 million reflected the Company receiving \$70 million pursuant to a private placement by Agnico-Eagle Mines Ltd. ("Agnico-Eagle").

During the nine months ended September 30, 2011 the Company closed a non-brokered private placement with Agnico-Eagle Mines Limited under which Agnico-Eagle made a strategic investment of \$70 million in common shares of the Company. This resulted in the issuance of a total of 21,671,827 common shares at \$3.23 per common share. Agnico-Eagle owned approximately 9.2% of the issued and outstanding shares of the Company after closing. The terms of the private placement provide Agnico-Eagle with rights to participate in certain subsequent issuances by the Company to maintain their interest. The proceeds of this placement will be used for additional drilling, studies, testing and other development work in connection with the F2 Gold System at the Phoenix Gold Project. The parties have also agreed to negotiate a technical services agreement that will provide Rubicon access to Agnico-Eagle's geological and engineering mining team.

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 MNDMF. No significant changes have been made to the Phoenix site since that date. Based on a reasonable estimate of the date of rehabilitation, the Company calculated the current value of the cost to rehabilitate the current condition of the site to be \$490,388 and recorded that amount as an asset retirement obligation on its balance sheet as of September 30, 2011.

As previously noted, a revised closure plan was resubmitted on October 17, 2011. With this plan, a further \$1,193,244 was deposited with the MNDMF as assurance for closure costs of future disturbances. Total deposits with the MNDMF, as of November 9, 2011, amount to \$1,686,224.

COMMITMENTS

At September 30, 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	151,311	162,114	313,425
Contractual commitments	591,966	-	591,966
Total	743,277	162,114	905,391

The Company is required to make certain cash payments including advance royalties 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 and nine months ended September 30, 2011, the Company incurred legal fees to the law firm, aggregating to \$450,594 and \$1,123,144 respectively (2010 - \$366,087 and \$553,706). As at September 30, 2011, the law firm is owed \$450,594 (December 31, 2010 - \$375,044). All these transactions were recorded at their fair value amounts and incurred in the normal course of business.

CRITICAL ACCOUNTING ESTIMATES

The Company's accounting policies are described in detail in Note 2 of the consolidated financial statements for the nine months ended September 30, 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.

INTERNATIONAL FINANCIAL REPORTING STANDARDS

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 was the Company's first reporting period under IFRS. An explanation of how the transition from previous GAAP to IFRS affected the Company's financial position, financial performance and cash flows was presented in Note 16 to the Company's interim consolidated financial statements for the first quarter ended March 31, 2011. The transition impact was also discussed in the Company's March 31, 2011 and

December 31, 2010 MD&A both of which are filed on SEDAR at www.sedar.com. The effects of conversion to IFRS on the 2010 September 30 financial statements is discussed in Note 17 to the Company's interim consolidated financial statement for the three and nine months ended September 30, 2011.

The International Accounting Standards Board 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 and nine months ended September 30, 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 November 9, 2011, the Company had the following common shares and stock options outstanding:

Common shares	237,715,919
Stock options ¹	10,134,746
Fully diluted share capital	247,850,665

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.

There have been no changes in the Company's internal control over financial reporting during the three months ended September 30, 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 MD&A and the documents incorporated by reference herein contain "forward-looking information" within the meaning of securities legislation, including the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian provincial 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 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. 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 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 timelines, potential mine lives, expected reclamation costs, currency fluctuations, future gold prices, requirements for additional capital, potential opportunities to optimize the PEA and mining plan and all assumptions of future results forming the basis of the conclusions of the PEA. Forward-looking statements often, but not always, are identified by the use of words such as "seek", "plan", "targeting", "expect" or "does not expect", "is expected", "estimate", "intend", "anticipate" or "does not anticipate", or "believe", and statements that an event or result "will", "may", "could", "would", "might" or "should" occur or be achieved and other similar expressions.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that 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. Factors that could cause the actual results to differ include risks relating to fluctuations in the price of gold, the inherently hazardous nature of mining-related activities, uncertainties concerning reserve and resource estimates, 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, outcome of further studies, market conditions and general business, economic, competitive, political and social conditions. These statements are based on a number of assumptions, including assumptions regarding general market conditions, timing and receipt of regulatory approvals, 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 and the ability of third-party service providers to deliver services in a timely manner. 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. Accordingly, readers should not place undue reliance on forward-looking statements.

The description of mineralized zones is not intended to imply that any economically mineable estimate of reserves or resources exists on the Phoenix Gold Project. Similarly, although geological features of the F2 Zone are interpreted to show similarities to nearby gold producing mines owned by third parties, this should not be interpreted to mean that the F2 Zone has, or that it will, generate similar reserves or resources. Significant additional drilling is required at F2 to fully understand system size.

APPROVAL

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