



News Release

TSX: RMX | OTC: RBYCF

October 20, 2016

Rubicon Minerals Announces the Commitment of George Ogilvie as President and CEO and a Proposed Restructuring Transaction including a C\$40 million Equity Financing

/NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE U.S./

TORONTO, Ontario – **Rubicon Minerals Corporation** (TSX: RMX | OTC: RBYCF) (“**Rubicon**” or the “**Company**”) today announced that George Ogilvie, P. Eng., has committed to assume the role of President and Chief Executive Officer (“**CEO**”) of the Company, upon and subject to the completion of a refinancing and recapitalization transaction (the “**Restructuring Transaction**”). As further outlined below, the Restructuring Transaction will involve, among other things, a new equity raise of C\$40 million (the “**New Equity Financing**”) and the reduction of the Company’s outstanding obligations. The Restructuring Transaction is supported by the Company’s principal creditors, CPPIB Credit Investments Inc. (“**CPPIB Credit**”) and RGLD Gold AG (“**Royal Gold**”), who have entered into support agreements with the Company (the “**Support Agreements**”).

Rubicon also announced that it has obtained today an Initial Order from the Ontario Superior Court of Justice (the “**Court**”), which grants Rubicon and its subsidiaries (collectively, the “**Rubicon Companies**”), a stay of proceedings pursuant to the *Companies’ Creditors Arrangement Act* (“**CCAA**”), to allow the Rubicon Companies to implement the Restructuring Transaction. The Company intends to implement the Restructuring Transaction pursuant to a plan of compromise and arrangement under the CCAA (the “**Plan**”) and believes that the implementation of the Restructuring Transaction will improve the Company’s financial position and enable it to recommence exploration activities at the Phoenix Gold Project.

“The Restructuring Transaction is the best available transaction for the Company and its stakeholders and follows an exhaustive review of strategic alternatives,” stated Julian Kemp, interim President and CEO of Rubicon. “The Restructuring Transaction has been made possible with George Ogilvie’s commitment to become the President and CEO. George has an extensive background in high-grade, narrow-vein underground mining and a track record of improving mining operations and the profitability of similar mining companies. We welcome George’s involvement and believe his experience will help advance Rubicon, the Phoenix Gold Project, and our prospective exploration targets.”

“I am excited to take on the opportunity at Rubicon,” stated Mr. Ogilvie. “I believe in the exploration potential of the Phoenix Gold Project and the Company’s large land packages in Red Lake, Nevada and Utah. My vision is to systematically diamond drill, drift, sample, test mine in the main mineralized zone, and analyze the F2 Gold Deposit until we have a strong understanding of the geology hosting the gold mineralization before embarking on a new NI 43-101 mineral resource estimate. Over the long-term, our objective is to evolve into a company that is profitable and provides a healthy return on capital to our investors, in a measured and conservative manner.”

PR16-17 For more information, contact Allan Candelario, Vice President of Investor Relations

Phone: +1 (416) 766-2804 | E-mail: ir@rubiconminerals.com | www.rubiconminerals.com

Rubicon Minerals Corporation | Suite 701–1 Richmond St. W. | Toronto ON, CANADA M5H 3W4

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release

“We believe the proposed Restructuring Transaction will provide the Company with a strong balance sheet and enable us to recommence exploration activities at the Phoenix Gold Project over the next 24 months,” stated Mr. Ogilvie. “I would like to acknowledge Julian and his team for their efforts in stewarding the Company during a challenging period.”

This process is not expected to affect the Company’s day-to-day business. The Company has sufficient resources to continue without disruption while the Restructuring Transaction is being pursued. The Company intends to continue to pay employees for services rendered during the CCAA proceedings and intends to pay its suppliers for goods and services purchased by the Company following the CCAA filing.

Ernst & Young Inc. was appointed as the monitor (the “**Monitor**”) of the Rubicon Companies in the CCAA proceedings. Materials publicly filed in the CCAA proceedings, including the Initial Order, will be made available on the Monitor’s website at www.ey.com/ca/rubicon, which will be active after the filing of the materials.

Commitment of New President and CEO

The Company has received the commitment of George Ogilvie, P. Eng., to become the new President and CEO of the Company, upon and subject to the completion of the Restructuring Transaction. Mr. Ogilvie is a Professional Engineer, with more than 27 years of management, operating, and technical experience in the mining industry. Previously, George was the CEO of Kirkland Lake Gold Inc., where he and his team improved operations at the Macassa Mine and elevated the company’s profile with the acquisition of St. Andrew Goldfields. Prior to this, Mr. Ogilvie was the CEO of Rambler Metals and Mining PLC, where he and his team guided the evolution of the company from grassroots exploration to a profitable junior producer.

Mr. Ogilvie began his mining career in 1989 with AngloGold in South Africa working in the ultra-deep, high-grade, gold mines in the Witwatersand Basin. In 1997, he was the Mine Superintendent at the Ruttan Mine in Northern Manitoba for HudBay Minerals Inc. (formerly Hudson Bay Mining and Smelting Co. Ltd.). In 2004, George joined Dynatec Corporation as their Area Manager for the Sudbury Basin and later worked at the McCreedy West Mine as Mine Manager. In 2007, George joined Rambler as Chief Operating Officer, later becoming President and CEO. Mr. Ogilvie received his B.Sc. (Hons.) in Mining and Petroleum Engineering from Strathclyde University in Glasgow, Scotland and holds his Mine Managers Certificate (South Africa).

Julian Kemp will leave his position as interim President and CEO upon the appointment of Mr. Ogilvie. He will remain on the Board of Directors as Chair.

New Equity Financing and Restructuring Transaction

Strategic Review Process

As previously announced by the Company on January 11, 2016, the Company retained BMO Capital Markets and TD Securities as its financial advisors to assist the Board in evaluating strategic alternatives available to the Company, including merger and divestiture opportunities either at the corporate or asset level, new financings, and capital restructurings to maximize stakeholder value. Rubicon has completed its extensive and exhaustive strategic review process, during which the Company did not receive any binding offers that would result in a transaction superior to the proposed Restructuring Transaction. The Board believes that the Restructuring Transaction is in the best interests of the Company and its stakeholders and recommends proceeding with the Restructuring Transaction.

New Equity Financing

As part of the Restructuring Transaction, the New Equity Financing is intended to raise gross cash proceeds of C\$40.0 million by way of a private placement for 60.0% of the outstanding equity interest in the Company on implementation of the Restructuring Transaction. BMO Capital Markets has been retained as the lead agent for the New Equity Financing. Pursuant to the terms of the Restructuring Transaction, BMO Capital Markets may, at its option, raise up to C\$45.0 million in equity financing, subject to a pro-rata adjustment of the equity interest to be issued to the participants in the New Equity Financing (the “**New Equity Financing Participants**”).

The proceeds of the New Equity Financing will be used to fund the Restructuring Transaction, pay down a portion of the outstanding amounts owing to CPPIB Credit (as further set out below), recommence exploration activities at the Phoenix Gold Project, and for general working capital purposes.

Restructuring Transaction

The key elements of the Restructuring Transaction include:

- The Company will seek to raise the New Equity Financing described above;
- The approximately C\$68.4 million principal outstanding to CPPIB Credit pursuant to an existing secured loan facility (the “**CPPIB Credit Loan Facility**”) will be reduced to C\$12.0 million, in exchange for a 29.0% equity interest in the reorganized Company and a cash payment of C\$20.0 million on implementation of the Restructuring Transaction;
- The CPPIB Credit Loan Facility will be amended to, among other things, reflect the reduction of the principal loan amount to C\$12.0 million; extend the maturity date to December 31, 2020; provide that interest payments will be paid-in-kind (“**PIK**”), with an effective annual interest rate of 5.0%, payable at maturity; provide that the CPPIB Credit Loan Facility can be voluntarily prepaid at any time without premium or penalty; and revise certain covenants and event of default provisions;
- The Gold Stream Facility with Royal Gold will be exchanged for:

PR16-17 For more information, contact Allan Candelario, Vice President of Investor Relations

Phone: +1 (416) 766-2804 | E-mail: ir@rubiconminerals.com | www.rubiconminerals.com

Rubicon Minerals Corporation | Suite 701-1 Richmond St. W. | Toronto ON, CANADA M5H 3W4

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release

- 1.0% Net Smelter Royalty (“NSR”) on all of the Company’s land holdings in Red Lake, Ontario, including the Phoenix Gold Project, subject to a maximum 4.0% NSR on any one property;
 - 2.5% NSR on the Nevada/Utah properties, subject to a maximum 5.0% NSR on any one property;
 - 6.0% equity interest in the Company on implementation of the Restructuring Transaction; and
 - An assignment of Rubicon’s rights to acquire any portion of an existing NSR that is subject to a buyback provision and a right of first refusal in respect of any royalty, stream, participating interest in production or amount of gold or other minerals based on production, that the Company wishes to offer for sale in relation to the Company’s current properties.
- Existing Rubicon shareholders will, in aggregate, retain approximately 5.0% of the equity interest in the Company on implementation of the Restructuring Transaction;
 - In the event the New Equity Financing is greater than C\$40.0 million, the equity interests to be held by the New Equity Financing Participants, CPPIB Credit, Royal Gold and existing shareholders will be adjusted on a pro-rata basis;
 - Unsecured creditors with valid claims will receive at their option either (i) the lesser of the amount owed to such creditor or C\$5,000, or (ii) 2.5% of the amount owed to such creditor, subject to certain restrictions;
 - The Restructuring Transaction is intended to be implemented pursuant to the Plan, subject to the approval by the requisite majorities of creditors and the Court pursuant to the CCAA proceedings; and
 - The outside date for completing the Restructuring Transaction is January 15, 2017.

The Restructuring Transaction and the proceedings under the CCAA are expected to be completed during the fourth quarter of 2016. A copy of the Term Sheet and the Support Agreements are available on the Company’s profile on SEDAR and on the Company’s website at: <http://www.rubiconminerals.com>. The new capital structure of Rubicon is summarized in Table 1 below.

Table 1: Summary of the New Capital Structure of Rubicon after the Implementation of the Restructuring Transaction*

Equity:	% Ownership on C\$40 million equity raise	
New Equity Financing Participants	60.0%	
CPPIB Credit	29.0%	
Royal Gold	6.0%	
Existing Rubicon shareholders	<u>5.0%</u>	
Total:	100.0%	
In the event the New Equity Financing is greater than C\$40.0 million, the equity interests to be held by the New Equity Financing Participants, CPPIB Credit, Royal Gold and existing shareholders will be adjusted on a pro-rata basis.		
Secured Debt:	Amount:	Terms:
CPPIB Credit Loan Facility	C\$12.0 million	December 31, 2020 maturity 5.0% annual PIK interest
Estimated Cash & Cash Equivalents:	~C\$25.0 million	
Royalties:		
Royal Gold:		
<ul style="list-style-type: none">1.0% NSR on Rubicon’s Red Lake assets, including Phoenix Gold Project (subject to an aggregate 4.0% NSR cap on any one property)2.5% NSR on Rubicon’s Nevada/Utah properties (subject to an aggregate 5.0% NSR cap on any one property)Rubicon’s rights to acquire any portion of an existing NSR that is subject to a buyback provision and a right of first refusal in respect of any royalty, stream, participating interest in production or amount of gold or other minerals based on production, that the Company wishes to offer for sale in relation to the Company’s current properties.		
Franco-Nevada Corporation (existing NSR):		
<ul style="list-style-type: none">2.0% NSR on the water claims at the Phoenix Gold Project (the right to purchase 0.5% NSR for US\$675,000 to be assigned to Royal Gold)		
Various other royalties on Rubicon’s Red Lake and Nevada/Utah regional properties of varying amounts.		

*Please consult the Term Sheet for further details.

Initial Order

The Initial Order provides for, among other things, a stay of proceedings against the Rubicon Companies. A comeback hearing in respect of the relief granted pursuant to the Initial Order will be scheduled on a date to be set by the Court (the "**Comeback Hearing**"). Interested parties wishing to bring a motion at the Comeback Hearing are required to provide notice to the affected parties prior to the Comeback Hearing, pursuant to the Initial Order.

PR16-17 For more information, contact Allan Candelario, Vice President of Investor Relations

Phone: +1 (416) 766-2804 | E-mail: ir@rubiconminerals.com | www.rubiconminerals.com

Rubicon Minerals Corporation | Suite 701-1 Richmond St. W. | Toronto ON, CANADA M5H 3W4

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release

The Company continues to operate in the ordinary course pursuant to and subject to the terms of the Initial Order. Goodmans LLP is acting as legal counsel to Rubicon in connection with the Restructuring Transaction and the CCAA proceedings.

Claims Process

Together with the Initial Order, the Court also granted today an order approving a claims process (the “**Claims Procedure Order**”) to identify and determine claims against the Rubicon Companies and their present and former directors and officers. Pursuant to the Claims Procedure Order, the Monitor will be sending out notices (each a “**Notice of Claim**”) to known creditors of the Rubicon Companies setting out the amounts and nature of the claims that are owed to such known creditors based on the books and records of the Company. The Claims Procedure Order and the Notices of Claim set out the process for disputing the amounts of any such claims. Any party who believes it has a claim against any of the Rubicon Companies and does not receive a Notice of Claim may request a Proof of Claim package from the Monitor. Additional information in respect of the claims process will also be available on the Monitor’s website.

Meetings Order

The Company will be seeking an order (the “**Meetings Order**”) from the Court, on a date to be set by the Court, authorizing the Company to file the Plan with the Court and call meetings of its creditors to vote on the Plan, and will be filing its motion materials in respect of the Meetings Order in due course. Details of the Restructuring Transaction and the Plan will be provided in an information circular to be distributed to affected creditors pursuant to the Meetings Order, if granted.

Materials publicly filed in the CCAA proceedings, including the Company’s motion materials to be filed in connection with the Meetings Order, will be made available on the Monitor’s website at www.ey.com/ca/rubicon.

TSX Review

In accordance with TSX policies, in connection with the implementation of the CCAA proceedings, the TSX is reviewing the continued listing of the common shares of the Company. The common shares of the Company have been suspended from trading.

Proposed Exploration Program

The Company plans to commence Phase 1 of a comprehensive exploration program following the successful completion of the Restructuring Transaction and after a period of transition. The goal of the exploration program is to gain a better understanding of the geology of the F2 Gold Deposit and potentially grow the Company’s mineral resources. The main components of Phase 1 include:

- Conducting an analysis of the structural geology of the F2 Gold Deposit;

PR16-17 For more information, contact Allan Candelario, Vice President of Investor Relations

Phone: +1 (416) 766-2804 | E-mail: ir@rubiconminerals.com | www.rubiconminerals.com

Rubicon Minerals Corporation | Suite 701-1 Richmond St. W. | Toronto ON, CANADA M5H 3W4

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release

- 3,500 metres (“m”) of north-south (mine-grid) orientated drilling at the 244- and 305-metre levels of the deposit to test the east-west (mine-grid) trending cross-cutting shear structures;
- Drifting and bulk sampling of the main zone of the F2 Gold Deposit at the 366-metre level; and
- 20,000 m of deep drilling at the 610-metre level and below to target areas with high-grade intercepts from historical drilling that are not densely drilled.

The estimated cost of Phase 1 is approximately C\$12.0 million and will take 18 to 24 months to complete. The components of Phase 1, the cost estimates, and timeframes are subject to change upon further review of the exploration data.

Phoenix Gold Project Update

The Phoenix Gold Project continues to be on care and maintenance, with minimum staff on site. The Company continues to be in compliance with its environmental permits.

“We believe that the combination of a concrete plan of action, a fully-funded exploration program, and a strong balance sheet positions the Company for future potential success,” stated Mr. Ogilvie. “I look forward to leading the organization through this challenging but exciting period.”

RUBICON MINERALS CORPORATION

“Julian Kemp”

Interim President, CEO, and Chair

This news release does not constitute an offer of securities for sale in the United States. The securities referred to herein may not be offered or sold in the United States absent registration or an exemption from registration.

Cautionary Statement regarding Forward-Looking Statements and other Cautionary Notes

This news release contains statements that constitute “forward-looking statements” and “forward looking information” (collectively, “forward-looking statements”) within the meaning of applicable Canadian and United States securities legislation. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “believes”, “intends”, “may”, “will”, “should”, “plans”, “anticipates”, “potential”, “expects”, “estimates”, “forecasts”, “budget”, “likely”, “goal” and similar expressions or statements that certain actions, events or results may or may not be achieved or occur in the future. In some cases, forward-looking information may be stated in the present tense, such as in respect of current matters that may be continuing, or that may have a future impact or effect. Forward-looking statements reflect our current expectations and assumptions, and are subject to a number of known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements.

Forward-looking statements include, but are not limited to statements regarding the implementation of the Restructuring Transaction and its potential impact and outcomes on the Company, the potential impact and outcome of George Ogilvie joining the Company, the potential for future exploration success at the Company and the Phoenix Gold Project, the Company’s intended actions during the CCAA proceedings and the amount and intended uses of the proceeds of the New Equity Financing.

Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and represent management’s best judgment based on facts and assumptions that management considers reasonable. If such opinions and estimates prove to be incorrect, actual and future results may be materially different than expressed in the forward-looking statements. The material assumptions upon which such forward-looking statements are based include, among others, that: the demand for gold and base metal deposits will develop as anticipated; the price of gold will remain at or attain levels that would render the Phoenix Gold Project potentially economic; that any proposed exploration, operating and capital plans will not be disrupted by operational issues, title issues, loss of permits, environmental concerns, power supply, labour disturbances, financing requirements or adverse weather conditions; Rubicon will continue to have the ability to attract and retain skilled staff; and there are no material unanticipated variations in the cost of energy or supplies.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Rubicon to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: possible variations in mineralization, grade or recovery or throughput rates; uncertainty of mineral resources, inability to realize exploration potential, mineral grades and mineral recovery estimates; actual results of current exploration activities; actual results of reclamation activities; uncertainty of future operations, delays in completion of exploration plans for any reason including insufficient capital, delays in permitting, and labour issues; conclusions of future economic or geological evaluations; changes in project parameters as plans continue to be refined; failure of equipment or processes to operate as anticipated; accidents and other risks of the mining industry; delays and other risks related to operations; timing and receipt of regulatory approvals; the ability of Rubicon and other relevant parties to satisfy regulatory requirements; the ability of Rubicon to comply with its obligations under material agreements including financing agreements; the availability of financing for proposed programs and working capital requirements on reasonable terms; the ability of third-party service providers to deliver services on reasonable terms and in a timely manner; risks associated with the ability to retain key executives and key operating personnel; cost of environmental expenditures and potential environmental liabilities; dissatisfaction or disputes with local communities or First Nations or Aboriginal Communities; failure of plant, equipment or processes to operate as anticipated; market conditions and general business, economic, competitive, political and social conditions; the implementation and impact of the Restructuring Transaction; our ability to generate sufficient cash flow from operations or obtain adequate financing to fund our capital expenditures and working capital needs and meet our other obligations; the volatility of our stock price, and the ability of our common stock to remain listed and traded on the TSX; our ability to maintain relationships with suppliers, customers, employees, stockholders and other third parties in light of our current liquidity situation and the CCAA proceedings.

Forward-looking statements contained herein are made as of the date of this news release and Rubicon disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws. Readers are advised to carefully review and consider the risk factors identified in the Management’s Discussion and Analysis for period ending December 31, 2015 under the heading “Risk Factors” for a discussion of the factors that could cause Rubicon’s actual results, performance and achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements. Readers are further cautioned that the foregoing list of assumptions and risk factors is not exhaustive and it is recommended that prospective investors consult the more complete discussion of Rubicon’s business, financial condition and prospects that is included in this news release. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

PR16-17 For more information, contact Allan Candelario, Vice President of Investor Relations

Phone: +1 (416) 766-2804 | E-mail: ir@rubiconminerals.com | www.rubiconminerals.com

Rubicon Minerals Corporation | Suite 701–1 Richmond St. W. | Toronto ON, CANADA M5H 3W4

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release

Qualified Persons

The content of this news release relating to geology and exploration has been read and approved by Howard Bird, B.Sc. (Hons.), P. Geo., Vice President, Exploration, who is a Qualified Person as defined by NI 43-101.