



RUGBY MINING LIMITED

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the three months ended May 31, 2015 and 2014
(Expressed in Canadian Dollars)

Unaudited – Prepared by Management

RUGBY MINING LIMITED

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Vancouver, Canada

July 27, 2015

RUGBY MINING LIMITED
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(UNAUDITED)

	May 31, 2015	February 28, 2015
Assets		
Current		
Cash and cash equivalents	\$ 417,934	\$ 775,297
Amounts receivable and prepaids	29,826	20,344
	447,760	795,641
Mineral properties (Note 3)	98,400	100,000
	\$ 546,160	\$ 895,641
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 53,281	\$ 69,887
Due to related parties (Note 7)	43,966	20,452
	97,247	90,339
Shareholders' Equity		
Share capital (Note 4)	15,238,612	15,238,612
Contributed surplus	5,495,933	5,455,799
Deficit	(20,248,996)	(19,857,596)
Accumulated other comprehensive income	(36,636)	(31,513)
	448,913	805,302
	\$ 546,160	\$ 895,641

Approved on behalf of the Board:

Robert Reynolds
..... Director

Yale Simpson
..... Director

RUGBY MINING LIMITED
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(UNAUDITED)

For the three months ended May 31,	2015		2014	
Income				
Interest income	\$	1,961	\$	9,703
Expenses				
Accounting, audit and professional fees		31,519		38,463
Administrative (Note 5)		118,316		173,127
Bank charges		2,251		3,205
Directors' fees (Note 5)		7,355		16,343
Foreign exchange loss (gain)		(58)		5,475
Insurance		8,413		10,213
Mineral property exploration expenditures (Notes 3 and 5)		219,060		527,430
Shareholder communications		804		9,579
Stock exchange and filing fees		-		5,500
Transfer agent		747		788
Travel		4,954		4,858
		393,361		794,981
Loss for the period		391,400		785,278
Other comprehensive loss (income)		5,123		(5,497)
Comprehensive loss for the period	\$	396,523	\$	779,781
Basic and diluted loss per common share from loss for the period	\$	0.01	\$	0.02
Weighted average number of common shares outstanding		46,035,000		46,035,000

RUGBY MINING LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

For the three months ended,	May 31, 2015	May 31, 2014
Operating Activities		
Net loss for the period	\$ (391,400)	\$ (785,278)
Items not requiring an outlay of cash:		
Share-based payments (Note 5)	40,134	114,374
Changes in non-cash working capital		
Amounts receivable and prepaids	(9,482)	(36,461)
Accounts payable and accrued liabilities	(22,022)	(34,335)
Due to related parties	28,930	3,033
Cash flows from operating activities	(353,840)	(738,667)
Effect of foreign exchange rate change on cash and cash equivalents	(3,523)	(703)
Net decrease in cash and cash equivalents	(357,363)	(739,370)
Cash and cash equivalents - beginning of period	775,297	2,995,819
Cash and cash equivalents - end of period	\$ 417,934	\$ 2,256,449

RUGBY MINING LIMITED
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(UNAUDITED)

	Issued Share Capital		Contributed Surplus	Deficit	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
	Number of Shares	Amount				
Balance at February 29, 2014	46,035,000	15,238,612	5,141,135	(17,331,168)	4,228	3,052,807
- Share-based payments recognized	-	-	114,374	-	-	114,374
- Other comprehensive income	-	-	-	-	5,497	5,497
- Net loss for the period	-	-	-	(785,278)	-	(785,278)
Balance at May 31, 2014	46,035,000	\$ 15,238,612	\$ 5,255,509	\$ (18,116,446)	\$ 9,725	\$ 2,387,400
- Share-based payments recognized	-	-	200,290	-	-	200,290
- Other comprehensive income	-	-	-	-	21,788	21,788
- Net loss for the period	-	-	-	(1,741,150)	-	(1,741,150)
Balance at February 28, 2015	46,035,000	\$ 15,238,612	5,455,799	(19,857,596)	(31,513)	805,302
- Share-based payments recognized	-	-	40,134	-	-	40,134
- Other comprehensive loss	-	-	-	-	(5,123)	(5,123)
- Net loss for the period	-	-	-	(391,400)	-	(391,400)
Balance at May 31, 2015	46,035,000	\$ 15,238,612	5,495,933	(20,248,996)	(36,636)	448,913

RUGBY MINING LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MAY 31, 2015 AND 2014
(UNAUDITED)

1. Nature of Operations

Rugby Mining Limited (“Rugby” or the “Company”) is an exploration stage company incorporated under the laws of British Columbia, Canada and together with its subsidiaries, it is engaged in the acquisition and exploration of mineral properties located in Australia, Colombia and the Philippines.

The Company is in the exploration stage with its various mineral properties. The continued operations of the Company is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of such properties, and the profitable production from or disposition of such properties.

The Company has its primary listing on the TSX Venture Exchange (the “TSX-V”). The Company’s head office is located at 1660 - 999 West Hastings Street, Vancouver, BC, Canada, V6C 2W2.

2. Basis of Preparation

These condensed interim consolidated financial statements have been prepared in compliance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board applicable to the preparation of the interim financial statements, including International Accounting Standard (“IAS”) 34 *Interim Financial Reporting*. Accordingly, the accounting policies followed by the Company are set out in Note 4 of the audited consolidated financial statements for the year ended February 28, 2015, and have been consistently followed in the preparation of these condensed interim consolidated financial statements. These condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements.

These condensed interim consolidated financial statements were approved and authorized by the Audit Committee of the Board of Directors for issue on July 27, 2015.

3. Mineral Properties – Acquisition and Exploration Costs

a) Acquisition Costs

	<u>Cobrasco</u>
<i>Cost</i>	
As at February 28, 2014	\$ 108,201
Additions	-
Effect of movements in exchange rates	(8,201)
Balance as at February 28, 2015	<u>\$ 100,000</u>
As at March 1, 2015	\$ 100,000
Additions	-
Effect of movements in exchange rates	(1,600)
Balance as at May 31, 2015	<u>\$ 98,400</u>

RUGBY MINING LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MAY 31, 2015 AND 2014
(UNAUDITED)

3. Mineral Properties – Acquisition and Exploration Costs (Continued)

b) Exploration Costs

The tables below show the Company's exploration and evaluation expenditures for the three month periods ended May 31, 2015 and 2014.

	Three Months ended May 31, 2015					Total
	Generative & Other	Cobrasco	Comita	Mabuhay	Great Northern	
Assay	\$ -	\$ -	\$ -	\$ -	\$ 1,253	\$ 1,253
Field camp	-	-	-	4,344	7,530	11,874
Geological*	34,111	27,296	9,023	-	17,337	87,767
Legal	-	19,469	545	3,539	884	24,437
Office operations	-	24,798	-	1,671	7,470	33,939
Travel	-	10,704	-	3,737	12,562	27,003
Wages and benefits	-	8,542	-	11,630	12,615	32,787
Exploration and evaluation costs	\$ 34,111	\$ 90,809	\$ 9,568	\$ 24,921	\$ 59,651	\$ 219,060
Cumulative exploration and evaluation costs	\$3,495,967	\$1,238,161	\$2,216,853	\$2,316,941	\$ 810,085	\$ 10,078,007

* Includes share based compensation as reflected below:

	Three Months ended May 31, 2015					Total
	Generative & Other	Cobrasco	Comita	Mabuhay	Great Northern	
Geological	\$ -	\$ 5,485	\$ -	\$ -	\$ -	\$ 5,485
Total	\$ -	\$ 5,485	\$ -	\$ -	\$ -	\$ 5,485

	Three Months ended May 31, 2014					Total
	Generative & Other	Cobrasco	Comita	Mabuhay	Great Northern	
Drilling	\$ -	\$ -	\$ -	\$ -	\$ 114,189	\$ 114,189
Field camp	-	-	-	2,835	1,539	4,374
Geological*	30,113	76,143	3,677	548	14,825	125,306
Legal	-	5,345	458	3,125	830	9,758
Office operations	1,712	53,961	998	1,275	495	58,441
Option and cannon fees	-	-	-	-	102,800	102,800
Travel	1,373	38,416	-	5,662	24,152	69,603
Wages and benefits	-	7,346	-	11,585	24,028	42,959
Exploration and evaluation costs	\$ 33,198	\$ 181,211	\$ 5,133	\$ 25,030	\$ 282,858	\$ 527,430
Cumulative exploration and evaluation costs*	\$3,377,591	\$ 845,780	\$2,151,099	\$2,212,315	\$ 282,858	\$8,869,643

* Includes share based compensation as reflected below:

	Three Months ended May 31, 2014					Total
	Generative & Other	Cobrasco	Comita	Mabuhay	Great Northern	
Geological	\$ -	\$ 9,884	\$ -	\$ -	\$ -	\$ 9,884
Total	\$ -	\$ 9,884	\$ -	\$ -	\$ -	\$ 9,884

RUGBY MINING LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MAY 31, 2015 AND 2014
(UNAUDITED)

3. Mineral Properties – Acquisition and Exploration Costs (Continued)

Cobrasco Porphyry Copper Gold Project, Colombia

The Cobrasco concession, which is subject to a 1% net smelter royalty (“NSR”), was acquired in April 2013 (See Note 3(a)).

Comita Porphyry Copper Project, Colombia

On October 12, 2010, the Company announced it had entered into an option agreement over Comita (the “Comita Agreement”), granting the Company the right to earn up to a 60% indirect interest in the project. The Comita Agreement provides that the mineral title at Comita will be transferred to a new Colombian entity (“Newco”) and grants the Company the right to earn an initial 40% interest in Newco upon completion of certain exploration activities and incurring expenditure commitments, with a further option to earn an additional 20% interest, for a total interest of 60% in Newco.

On May 6, 2014, the Company along with the Comita concession holder, amended the Comita Agreement such that the dates to meet the expenditure and drilling requirements have been extended. Under the amended Comita Agreement, the Company can earn the 60% interest in Newco (an effective 60% indirect interest in the Comita project) if it completes the obligations set out in the two options as follows:

Option 1: The Company has until October 20, 2018 to acquire an indirect 40% interest in the Comita project by incurring US\$10.0 million in exploration expenditures which include at least 10,000 m of drilling as follows:

(i) US\$250,000 on or before October 21, 2011, the first anniversary date of the agreement (incurred).

(ii) Thereafter the Company has the option, but not the obligation to incur US\$9.75 million with minimum annual expenditures of US\$250,000 (minimum yearly expenditure requirements have been met to date) until such time as the Comita project is removed from the forestry reserve, following which the minimum annual expenditure increases to US\$1.0 million.

Excess expenditure in any given year may be carried forward to the next year, however such carry forward is limited to US\$1.0 million at the end of Option 1. Upon incurring the expenditures set out above, the Company is required to provide the title holder with notice that it has met the requirements to acquire the initial 40% interest in Newco following which the title holder has 90 days to elect to resume management of the Comita project. In the event that the title holder elects to resume management of the Comita project, a joint venture will be formed and dilution provisions will apply. Should the title holder elect not to resume management of the Comita project, the Company will be granted a second option to acquire a further 20% interest in Newco as set out below:

Option 2: Upon the Company being granted the second option it will have 3 years to acquire an additional 20% interest in Newco for a total 60% indirect interest in the project by incurring an additional US\$15.0 million in expenditures, including 20,000 m of drilling with minimum annual expenditures of US\$1.0 million on or before October 20, 2021.

RUGBY MINING LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MAY 31, 2015 AND 2014
(UNAUDITED)

3. Mineral Properties – Acquisition and Exploration Costs (Continued)

Mabuhay Gold Project, Philippines

On October 5, 2010, the Company announced it had entered into agreements with Pelican Resources Limited (“Pelican”), an ASX listed company, and All-Acacia Resources Inc. (“All-Acacia”), a Philippine company over the Mabuhay project in the Philippines. The agreement with Pelican and its Philippine subsidiary, SunPacific Resources Philippines, Inc. (“SunPacific”), together with the agreement with All-Acacia (collectively, the “Mabuhay Agreement”) grant the Company the right and option (“Mabuhay Option”) to earn an 80% interest in the Mabuhay project. Pursuant to the terms of the Mabuhay Agreement, the Company paid signature fees totaling US\$70,000.

As a result of a Philippine government moratorium on the granting of new Mineral Production Sharing Agreements (“MPSA”) pending legislation enacting a revised revenue sharing scheme, the Company along with All-Acacia signed an amended Mabuhay Agreement (the “Amended Mabuhay Agreement”) to allow for the conversion of the MPSA Application to an Exploration Permit Application (“EPA”) as it is anticipated that an Exploration Permit (“EP”) will be granted by the Philippine government earlier than an MPSA. An EP would allow the Company to conduct drilling at Mabuhay. An EPA was submitted to the government in March 2013 and all future payments as defined in the Amended Mabuhay Agreement have been deferred until the EP is approved by the federal authorities.

Under the Amended Mabuhay Agreement, in order to maintain its option, the Company is required to make staged payments totaling US\$750,000 over three years from the grant date of the EP, incur staged expenditures totaling US\$4.5 million over six years from the grant date of the EP, and complete a pre-feasibility study to earn its interest and exercise its Mabuhay Option.

In the event that the Company exercises the Mabuhay Option, it will be required to make an additional US\$175,000 payment to All-Acacia within 30 days from the grant and registration with the appropriate Mines and Geosciences Bureau Regional Office of the appropriate mineral agreement (MPSA or Financial and Technical Assistance Agreement) on the property, and Pelican will be paid a further US\$5.0 million if commercial production commences at Mabuhay.

Upon the exercise of the Mabuhay Option, All-Acacia and the Company have agreed to form a joint venture with respect to the development of and conduct of mining operations on the property and on each anniversary date thereafter, the Company must pay an additional US\$200,000 to All-Acacia towards All-Acacia’s pro-rata share of expenditures until commencement of production from the Mabuhay project.

The Great Northern Gold Project, Australia

On March 20, 2014 the Company entered into an option agreement with Australian listed company, De Grey Mining Limited over the Great Northern Gold Project (the “GNGP”). The GNGP is located in the Pilbara region of Western Australia, south of Port Hedland.

The Agreement grants Rugby an option to earn an 80% interest in the Tenements and an additional option to purchase an 80% interest in a near surface historical resource at Wingina Well.

Pursuant to the GNGP Agreement, Rugby paid De Grey A\$100,000 and will have two options as follows:

- 1) a three year option to acquire an 80% interest in the Tenements by incurring a total of A\$2 million in expenditures with a minimum expenditure commitment of A\$500,000 (minimum requirement completed); and
- 2) an option to purchase an 80% interest in the historic near surface resource at Wingina Well for A\$3 million, by paying A\$2 million at any time within 54 months of date of the GNGP Agreement and a further A\$1 million within 30 days of a decision to mine any part of the historic resource at Wingina Well.

RUGBY MINING LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MAY 31, 2015 AND 2014
(UNAUDITED)

4. Share Capital

Authorized and issued

The authorized share capital of the Company is an unlimited number of common shares without par value.

The Company has issued common shares as follows:

	May 31, 2015		February 28, 2015	
	Number of Shares	Amount	Number of Shares	Amount
Balance, beginning of period	46,035,000	\$ 15,238,612	46,035,000	\$ 15,238,612
Balance, end of period	46,035,000	\$ 15,238,612	46,035,000	\$ 15,238,612

During the three month period ended May 31, 2015, no common shares were issued.

5. Stock Option Plan

The Company has adopted an incentive stock option plan (the "Plan"), the essential elements of which are as follows: The aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan, which was approved by shareholders on November 27, 2013, may not exceed 20% of the total number of issued and outstanding shares of the Company on a non-diluted basis. At May 31, 2015 the maximum number of options issuable under the Plan was 9,207,000. Options granted under the Plan may have a maximum term of ten years. The exercise price of options granted under the Plan will not be less than the discounted market price of the common shares (defined as the last closing market price of the Company's common shares immediately preceding the grant date, less the maximum discount permitted by TSX-V), or such other price as may be agreed to by the Company and accepted by the TSX-V. Options granted under the Plan are generally exercisable immediately following the grant however certain options may be subject to vesting at times as determined by the directors of the Company and the TSX-V.

A summary of the changes in share options during the three month period ended May 31, 2015 and the year ended February 28, 2015 are as follows:

	May 31, 2015		February 28, 2015	
	Options	Weighted Average Exercise Price	Options	Weighted Average Exercise Price
Options outstanding, beginning of period	8,410,000	\$ 0.35	8,555,000	\$ 0.35
Forfeited/expired	-	-	(100,000)	0.30
Cancelled	-	-	(45,000)	0.27
Options outstanding, end of period	8,410,000	\$ 0.35	8,410,000	\$ 0.35

There were Nil (2014 – Nil) options exercised during the period.

RUGBY MINING LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MAY 31, 2015 AND 2014
(UNAUDITED)

5. Stock Option Plan (Continued)

The following table summarizes information about the stock options outstanding and exercisable at May 30, 2015:

Outstanding Options				Exercisable Options		
Range of Prices (\$)	Number	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price	Number	Weighted Average Remaining Life (Years)	Weighted Average Exercise Price
0.01 - 0.49	6,320,000	5.47	\$ 0.30	5,207,500	5.27	\$ 0.32
0.50 - 0.99	2,090,000	0.51	0.50	2,090,000	0.51	0.50
	8,410,000	4.24	\$ 0.35	7,297,500	3.91	\$ 0.37

Share-based compensation recognized on options vesting during the quarter amounting to \$40,134 (2014-\$114,374) has been allocated to contributed surplus. Share-based compensation has been allocated as follows:

Three months ended May 31,	2015	2014
Administrative	27,294	\$ 88,147
Directors' fees	7,355	16,343
Mineral property exploration expenditures	5,485	9,884
Total	40,134	\$ 114,374

6. Warrants

At May 30, 2015, the Company had 10,000,000 outstanding warrants (2014 – 10,000,000) to acquire common shares. Each warrant currently outstanding is exercisable to acquire common share of the Company at an exercise price of \$0.55 per common share if exercised on or before January 22, 2016.

7. Related Party Transactions

- a) During the three month period ended May 31, 2015, a total of \$71,573 (2014 – \$39,946) was paid or accrued for related party transactions with companies controlled by directors or officers of the Company for mineral property exploration costs, administrative support fees, rent and consulting fees. Amounts due to directors or officers of the Company of \$25,832 at May 31, 2015 (February 28, 2015 – \$10,416) are non-interest bearing and are due on demand.

The total of \$71,573 for the three month period ended May 31, 2015 was paid or accrued as follows: \$31,248 (2014 – \$31,248) to Berenvy Pty Ltd., a company controlled by the President & CEO of the Company for consulting fees, \$30,000 (2014 - \$Nil) to Rowen Company Ltd., a company controlled by the Chairman of the Company for consulting fees and \$10,325 (2014 - \$8,698) to Rogo Investments Pty Ltd., a company controlled by a director of the Company for office rental fees which are priced at commercial market prices.

- b) During the period, the Company shared costs of certain common expenditures including administrative support, office overhead and travel with Exeter Resource Corporation (“Exeter”).

The Company, along with Exeter, incurs certain expenditures for staff, including the salary of the Chief Financial Officer and exploration expenditures on behalf of each other. The net amount paid or accrued by the Company to Exeter during the three month period ended May 31, 2015 was \$25,754 (2014 – \$36,921). As at May 31, 2015, the Company had amount payable of \$18,134 (February 28, 2015 – \$10,036) to Exeter. The amounts due to Exeter are non-interest bearing and are due on demand.

RUGBY MINING LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED MAY 31, 2015 AND 2014
(UNAUDITED)

8. Executive Compensation

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel of the Company include executive officers and the board of directors.

The following compensation has been provided to key management personnel for the three month periods ended May 31, 2015 and 2014:

		2015	2014
Compensation - cash	\$	85,675	55,458
Share-based payments		16,549	42,890
Total	\$	102,224	98,348

9. Segmented Information

The Company's activities are all in the one industry segment of mineral property acquisition, exploration and development. The Company's net assets and net losses by geographic regions are as follows:

May 31, 2015	Canada	Australia	Colombia	Philippines	Total
Cash and cash equivalents	\$ 325,430	\$ 36,989	\$ 7,401	\$ 48,114	\$ 417,934
Amounts receivable and prepaids	14,981	1,460	7,227	6,158	29,826
Mineral properties	-	-	98,400	-	98,400
	340,411	38,449	113,028	54,272	546,160
Current Liabilities	(66,531)	(20,388)	(8,369)	(1,959)	(97,247)
	\$ 273,880	\$ 18,061	\$ 104,659	\$ 52,313	\$ 448,913

Three months ended May 31, 2015

Mineral property exploration expenditures	\$ -	\$ 59,651	\$ 134,488	\$ 24,921	\$ 219,060
Net loss	\$ 134,154	\$ 76,262	\$ 151,420	\$ 29,564	\$ 391,400

February 28, 2015

	Canada	Australia	Colombia	Philippines	Total
Cash and cash equivalents	\$ 666,121	\$ 31,526	\$ 36,598	\$ 41,052	\$ 775,297
Amounts receivable and prepaids	10,360	780	2,963	6,241	20,344
Property and equipment	-	-	100,000	-	100,000
	676,481	32,306	139,561	47,293	895,641
Current Liabilities	74,350	-	15,153	836	90,339
	\$ 602,131	\$ 32,306	\$ 124,408	\$ 46,457	\$ 805,302

Three months ended May 31, 2014

Project evaluation expense	\$ -	\$ 282,858	\$ 219,542	\$ 25,030	\$ 527,430
Net loss	\$ 224,294	\$ 282,858	\$ 248,922	\$ 29,204	\$ 785,278