Management's Discussion and Analysis

November 30, 2021

Rugby Mining Limited

Management's Discussion and Analysis
For the nine months ended November 30, 2021

January 28, 2022

In this document: (i) unless the content otherwise requires, references to "our", "we", "us", "its", "the Company" or "Rugby" mean Rugby Mining Limited and its subsidiaries; (ii) information is provided as of November 30, 2021, unless otherwise stated; and (iii) "$" refers to Canadian Dollars, "US$" refers to US Dollars and "A$" refers to Australian Dollars. All amounts are expressed in Canadian dollars unless otherwise noted. Any additional information relating to the Company, is available for viewing on SEDAR at www.sedar.com and/or the Company's website at www.rugbymining.com.

Description of Business and Going Concern

Rugby is an emerging mineral resource company exploring for gold, silver and copper. The Company was incorporated on January 24, 2007 and has its primary listing on the TSX Venture Exchange (the "TSX-V"). The Company's head office is located at 810 - 789 West Pender Street, Vancouver, BC, Canada, V6C 1H2.

The results of the most recently completed financial year are set out in the Company's audited consolidated financial statements for the year ended February 28, 2021.

The Company began the period with 103,560,346 common shares outstanding and ended the period with 192,424,658 common shares outstanding.

On March 16, 2021, the Company completed a non-brokered private placement financing consisting of 5,150,000 units (the "Units") at a price of $0.10 per Unit for gross proceeds of $515,000. Each Unit consisted of one (1) common share and one half (0.5) common share purchase warrant (a "Half Warrant"). Each full warrant (two (2) Half Warrants together) entitles the holder thereof to purchase one (1) additional common share of the Company at an exercise price of $0.20 for a period of one year from the closing date. The Company paid $6,250 as finder's fees in connection with the financing which was charged to share capital.

During the month of March 2021, the Company issued 300,000 common shares upon the exercise of options at a price of $0.06 per share for total proceeds of $18,000.

Acquisition of Proximo Resources Pty Ltd and Private Placement

On October 27, 2021, the Company announced it had completed the acquisition of Proximo Resources Pty Ltd ("Proximo"), a private Australian company (the "Acquisition"). Proximo controls silver and gold projects in Chile and Argentina, including the drill ready Salvadora silver-copper-gold project and the Deseado project.

Pursuant to the terms of the purchase agreement between Rugby, Proximo, the shareholders of Proximo ("Proximo Shareholders") and the holders of stock options of Proximo ("Proximo Optionholders" and collectively with the Proximo Shareholders, the "Sellers"), in consideration for the acquisition of Proximo, Rugby issued to the Sellers an aggregate of 50 million common shares and to the Proximo Optionholders (who became eligible persons to receive options under Rugby's stock option plan upon closing), stock options to acquire, up to 3,500,000 common shares until January 13, 2026 at a price of $0.10 per share. In connection with the Private Placement, Rugby issued 33,414,312 units (the Units") at $0.12 per Unit to raise $4,009,717. Each Unit consists of one (1) common share and one (1) half common share purchase warrant with each whole warrant (a "Warrant"), entitling the holder to purchase one (1) additional common share of the Company until April 26, 2023, at an exercise price of $0.20, provided that in the event that the closing price of the Company's common shares on the TSX Venture Exchange is $0.30 or greater per common share during any 10 consecutive trading day period, the Company may, at its option, accelerate the expiry date of the Warrants, in which case the Warrants will expire on the 30th day after the date on which the Company provides notice of such accelerated expiry to warrantholders. The Company paid $117,336 as finder's fees in connection with a portion of the Private Placement.

Going Concern

The Company's unaudited condensed interim consolidated financial statements for the period ended November 30, 2021 (the "Interim Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") 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. Several adverse conditions and material uncertainties cast significant doubt upon the validity of this assumption. The Company has no source of operating revenue, is unable to self-finance operations, and has significant cash requirements to maintain its mineral interests (see Projects below) and overhead requirements. The Company has incurred operating losses since inception. As at November 30, 2021, the Company had an accumulated deficit of $32,092,345 (February 28, 2021 - $30,732,301) and working capital of $2,816,918 (February 28, 2021 - $239,694). In addition, if the Company is to advance or develop its projects, it will be necessary to obtain additional financing. Although management has been successful in the past in raising capital, there are no assurances that the Company will be successful raising capital in the future. The Company will plan to raise additional equity, when necessary, in order to obtain funding required to meet on-going expenditures.

If the going concern assumption was not appropriate for the Interim Financial Statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the balance sheet classifications used, and such adjustments could be material.

Projects

The Salvadora Silver-Copper-Gold Project, Chile – recently acquired under the Proximo acquisition

The undrilled Salvadora Silver-Copper-Gold Project ("Salvadora") is located 2.5 hours' drive by sealed all weather road from the Coquimbo deep water port and La Serena capital airport with 8 daily flights connecting to Santiago. Salvadora is situated at the southern end of the El Indio gold belt that hosts +44 Moz of gold and 875 Moz of silver, and 40 km south of Barrick Gold's El Indio gold mine. The famous El Indio mine produced +5 million ounces of gold, including 2.1 Moz of gold in direct shipping ore grade at 121 g/t Au (3.89 ozt/t).*

*References Cited:
Barrick 2004, Barrick Gold Corporation, Annual Report, 2004; SEDAR.com
Barrick 2019, Barrick Annual Information Form for the year ended December 31, 2019; SEDAR.com Jannas, R.R., Bowers, T.S., Petersen, U., and Beane, R.E., 1999, High-sulfidation deposit types in the El Indio district, Chile, in Skinner, B.J., ed., Geology and Ore Deposits of the Central Andes: Society of Economic Geologists, Special Publication 7, p. 219–266.
Porter 2001, El Indio Belt – El Indio, Tambo, Pascua Lama; Porter GeoConsultancy Pty Ltd, 2001; portergeo.com.au

The exploration target at Salvadora is a deposit(s) of high grade silver-copper-gold ore, a silver analogue of the El Indio gold mine to the north. The property hosts a 7 km long vein system with local outcrops of high grade mineralization. Most of the system is covered by scree such that artisanal mining focussed only on the limited sites of in-situ vein exposure. The hydrothermal alteration halo is large, suggesting excellent ore potential.

The Salvadora Option Agreement

Salvadora is comprised of 35 individual exploration and mining concessions covering an aggregate area of 6,924 hectares ("ha") held pursuant to 2 option agreements whereby the Company can acquire 100% of the concessions.

The first option agreement, comprising 30 exploration and mining concessions, provides for escalating annual payments totalling US$900,000 and in-ground expenditures of US$8,100,000 contingent on success over 5 years as follows:

Annual payments:

(i) US$45,000 by July 19, 2021 (paid);
(ii) US$90,000 by May 19, 2022;
(iii) US$135,000 by May 19, 2023;
(iv) US$225,000 by May 19, 2024; and
(v) US$405,000,000 by May 19, 2025.

Expenditures:

(i) US$405,000 by May 19, 2022;
(ii) US$810,000 by May 19, 2023;
(iii) US$1,215,000 by May 19, 2024;
(iv) US$2,025,000 by May 19, 2025; and
(v) US$3,645,000 by May 19, 2026.

A final payment, less the US$900,000 paid, is payable based on resources established ranging from US$3.27 per gold equivalent ounce for inferred resources to US$79.00 per gold equivalent ounce for proven reserves.

The second option agreement, comprising 5 exploration and mining concessions, requires escalating annual payments totalling US$555,000 over 4 years, as follows:

(i) US$40,000 by July 7, 2021 (paid);
(ii) US$65,000 by June 7, 2022;
(iii) US$100,000 by June 7, 2023;
(iv) US$100,000 by June 7, 2024; and
(v) US$250,000,000 by June 7, 2025.

There are no expenditure commitments and the vendor will retain a 1% net smelter royalty ("NSR") which can be purchased by a total of US$5,000,000.

<u>El Zanjon Project, Argentina</u>

On July 31, 2019, the Company announced that it had entered into an option agreement to earn up to 100% of the El Zanjon Gold and Silver Project ("El Zanjon") in Santa Cruz Province, Argentina. The project covers approximately 600 square km within the Deseado Massif gold and silver district.

Pursuant to the terms of the option agreement, the Company paid $15,000 on July 26, 2019, $15,000 on July 10, 2020 and $15,000 on July 8, 2021 and will be required to make further annual tenure payments totaling $15,000 each. The vendors will retain a 2% NSR.

Rugby's initial exploration work covered detailed ground magnetic and soil sampling surveys as part of its exploration program to delineate favourable drill targets. In order to earn 100% of El Zanjon, Rugby will have the option to incur staged exploration expenditures totaling $3.65 million over 6 years including completing studies to pre-feasibility standards as follows:

(i) $100,000 by January 17, 2021 (Stage 1) (incurred);
(ii) $250,000 by January 17, 2022 (Stage 2)*;
(iii) $500,000 by January 17, 2023 (Stage 3);
(iv) $800,000 by January 17, 2024 (Stage 4); and
(v) $2,000,000 by July 17, 2025 (Stage 5).

* On September 23, 2021, Rugby and the vendors agreed to add any shortfall in exploration expenditures related to stage (ii) to stage (iii) with no changes to the option agreement which continues in good standing.

<u>Motherlode Gold Copper Project, Philippines</u>

Motherlode (formerly the Mindanao Motherlode Gold Mine) is located in the centre of the broader Mabuhay project area comprising 878 hectares and situated 12 kilometres ("km") south of Surigao City, the capital city of the province of Surigao del Norte, Philippines. The Motherlode Gold Mine was an epithermal vein style bonanza-grade gold mine that is estimated to have produced around 500,000 ounces of gold from 1937 through to 1953. Motherlode, which was once one of the Philippines' highest grade gold producers, is located in the center of the project's tenements.

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. In April 2016, the Company purchased all of Pelican and Sun Pacific's residual interest in Mabuhay for A$10,000 and consequently, they have no remaining interest in Mabuhay.

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"). In January 2019, the Company received final approval of the Exploration Permit ("EP").

The Company and All-Acacia negotiated a further amendment to the option agreement (the "Second Amendment to the Mabuhay Agreement"), signed in September 2020, which modified the quantum and timing of the staged payments (see below). Rugby will pay All-Acacia in either shares (subject to TSX-V approval) or in cash, subject to All-Acacia's right to elect to receive up to 50% in cash.

Pursuant to the Second Amendment to the Mabuhay Agreement, in order to maintain its option, the Company is required to make the following staged payments totaling US$250,000 and a final payment of US$175,000 to All-Acacia:

(i) US$50,000 by March 26, 2019 (paid by issuing 365,000 common shares valued at $65,700);
(ii) US$50,000 by March 20, 2020 (paid in September 2020, by issuing 253,326 common shares valued at US$25,000 ($30,399) and US$25,000 ($33,000) in cash);
(iii) US$50,000 by March 20, 2021, payable in cash or shares (see amendment below)*;
(iv) US$50,000 by March 20, 2022, payable in cash or shares (see amendment below)*;
(v) US$50,000 by March 20, 2023, payable in cash or shares (see amendment below)*; and
(vi) a final payment of U$175,000, payable in cash or shares* within 30 days from the grant and registration of a mineral agreement allowing for development of a mine.

** The payment terms provide for payment of up to 50% in cash at All-Acacia's option.*

The Company negotiated a further amendment to the option agreement with All-Acacia which delays for additional 12 months staged payments (iii), (iv) and (v). Due to the current COVID-19 restrictions in the Philippines, the amendment has not been formally finalized yet.

Additionally, the Company is required to incur the following staged expenditures totaling US$4.5 million over six years and complete a pre-feasibility study to earn its interest and exercise its Mabuhay Option:

(i) US$250,000 by March 20, 2020 (incurred);
(ii) US$500,000 by March 20, 2021 (incurred);
(iii) US$750,000 by March 20, 2022;
(iv) US$1,000,000 by March 20, 2023;
(v) US$1,000,000 by March 20, 2024; and
(vi) US$1,000,000 by March 20, 2025.

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.

Following completion of the drilling program at Motherlode, on September 19, 2019, Rugby announced it had intersected a gold-copper porphyry below mine workings and provided drill results (see Rugby NR 19-13).

Colombia Gold Projects

On June 1, 2016, Rugby announced that it had acquired an extensive portfolio of both granted exploration concessions and applications covering approximately 700 square km in Colombia. Under the terms of the agreement, Rugby acquired 100% of the rights to the portfolio of mineral properties and geological database for nominal cash consideration.

The portfolio comprises numerous projects including Pastora and El Playon which are located in the Bucaramanga belt and some others located in the mid-Cauca gold-copper porphyry belt which is considered prospective for both epithermal and porphyry gold mineralization. At Pastora, over 1,800 geochemical samples collected to date have defined a large 7 km by 6 km gold in soil anomaly which also has similar geological characteristics and size to the La Bodega and La Mascota gold deposits located in the California-Vetas mining district located 25 km to the east. In early 2020, follow-up rock-chip sampling and mapping was conducted on outcropping hydrothermal veins within prospective areas at Pastora. Also a logistical assessment of the project area was carried out to prepare for a future geophysical survey which will assist in drill targeting once permitting is completed. Importantly, the Pastora and El Playon applications are outside the Paramo de Santurban, national parks and forestry reserves and were expected to be progressed quickly following the completion of conversion of applications to a new graticular title system by the mining authority. The outbreak of the COVID-19 virus is also negatively affecting government departments in Colombia and as a result the grant of exploration titles awaited by Rugby will be delayed.

Tantalus Project, Colombia

In February, 2020, the Company entered into an agreement to acquire the Tantalus gold silver project, located in the Bucaramanga gold belt in Colombia and paid the vendor approximately $16,000. Tantalus is currently in the application stage and pursuant to the agreement, Rugby will pay the vendor approximately $37,000 upon title being granted and transferred to Rugby. The vendor will retain a 1% NSR which can be purchased at prices ranging between US$1,300,000 and US$5,000,000.

Cobrasco Copper Project, Colombia "Cobrasco"

The Cobrasco concessions, located 100 km southwest of Medellin in the Choco Region of Colombia, cover 3,000 hectares ("ha") and were purchased in April 2013. They are 100% owned by Rugby subject to a 1% NSR. The area's geological potential was first recognized during the 1980's by a German government ("BGR") reconnaissance exploration program which identified extensive and strongly anomalous copper stream sediment geochemistry which defined outcropping copper porphyry style mineralization.

Cobrasco is situated within undulating terrain with elevation ranging up to 900 metres ("m"). Mineralization is hosted by a sequence of felsic tuffs, proximal to and immediately west of the contact with a number of syenite to monzonite intrusives. Previous exploration by the BGR indicates potential for an enriched supergene blanket containing chalcocite after bornite, cuprite, malachite and native copper. Molybdenite was also observed. Alteration appears similar to other large porphyry copper systems where primary magnetite is replaced by hematite (martitization). Mineralized outcrops of stockwork quartz-bornite veining occur within the property. To date, no systematic modern exploration or drilling has been conducted on the property.

Significantly, the Company has completed a Consulta Previa ("CP") agreement with the local Cocomacia communities which provides exploration access to the Cobrasco concession area for a period of ten years. The agreement is broadly based and provides for economic assistance to the local community as well as social development programs. The CP consultation process was carried out by Rugby, Cocomacia and local community leaders under the supervision of the Colombian Ministry of the Interior. This is the first successful mineral exploration CP to be carried out in Choco Province. The Company filed an application to allow for drilling in November 2017 and at the request of the authorities submitted additional technical information including a geophysical survey to identify underground water resources in August 2018. In April, 2019, Rugby announced that its drilling permit application for the Cobrasco project had been denied by the Forestry Department ("Forestry"), a division within the Colombian Ministry of the Environment. The Company appealed the decision which was rejected by Forestry in November 2019.

The Deseado Project, Argentina and Chile – recently acquired under the Proximo acquisition

The 100% owned Deseado Project comprises the Venidero and Altiro-Futuro properties located within the prolific epithermal precious metal vein district of the Deseado Massif located in Santa Cruz Province, Argentina and Patagonia, Southern Chile.

The Venidero property application is located in the west of the Deseado Massif, Santa Cruz Province, Argentina, 60 km south of Newmont Goldcorp's Cerro Negro mine. The Altiro-Futuro silver-gold property comprises 21 concessions totalling 6,300 ha, located in the western extension of the Deseado Massif, Chile. Exploration has identified potential for high grade silver-gold epithermal deposits.

The Otway Project, Australia

On June 1, 2016, Rugby announced that it had acquired a 100% interest in the Otway project, for a nominal cash consideration plus a 2% NSR. The Otway project, which covers prospective areas for copper and gold mineralization in the northwest of Western Australia, comprises two contiguous exploration licences covering 134 square km.

On May 28, 2020, the Company announced the signing of an Option Agreement ("Agreement") with Calidus Resources Limited ("Calidus") under which Calidus could have earned an interest of up to 70% in the Otway project. Calidus subsequently withdrew from the Agreement in November 2021.

Georgetown Project, Australia

On April 13, 2021, the Company announced that it had been granted three exploration permits totaling 849 square km covering extensive gold occurrences in the Georgetown region in North Queensland, Australia. The three exploration permits form Rugby's Georgetown Project. The region has had a long history of mining, particularly for gold, with over 1,000 mines, prospects and mineral occurrences identified within the district. This includes the Kidston mine located approximately 90 km to the south east. Kidston operated from 1985 to 2001 and was one of Australia's largest historical gold producers.

Rugby plans to follow-up the historical gold mines located along a north-south structure in the centre of the Georgetown tenement and an alteration zone in the northwest (identified by processed Landsat imagery). This program has been delayed due to recent travel restrictions as a result of COVID-19.

Qualified Person

Paul Joyce, Rugby's Chief Operating Officer and a "qualified person" ("QP") within the definition of that term in National Instrument 43-101, Standards of Disclosure for Mineral Projects, has verified the technical information discussed in this MD&A.

Selected Information

The Company's Interim Financial Statements for the first quarter ended November 30, 2021 have been prepared in accordance with IFRS as applicable to interim financial reports including IAS 34 "Interim Financial Reporting". The following is a summary of quarterly results taken from the Company's Interim Financial Statements:

Nine months period ended November 30,		**2021**		2020
Mineral property exploration expenditures	$	**572,303**	$	338,434
Share-based compensation*	$	**178,063**	$	53,009
Net loss	$	**1,360,044**	$	697,949
Basic and diluted loss per common share	$	**0.011**	$	0.007
Number of shares outstanding		**192,424,658**		103,560,346

*share-based compensation costs have been allocated to administrative, directors' fees, and project evaluation costs.

As at		**November 30, 2021**		February 28, 2021
Total assets	$	**10,486,598**	$	447,632
Total liabilities	$	**483,934**	$	153,584
Shareholders' equity	$	**10,002,664**	$	294,048
Deficit	$	**(32,092,345)**	$	(30,732,301)

Nine months ended November 30, 2021 compared to nine months ended November 30, 2020

At November 30, 2021, the Company had cash and cash equivalents of $3,204,209, this is $2,897,285 more than the $306,924 held at February 28, 2021. The increase predominantly relates to the private placements that the Company completed on March 16, 2021 for gross proceeds of $515,000 and on October 27, 2021 for gross proceeds of $4,009,717 and the Company utilizing the funds raised to advance its various projects and complete the acquisition of Proximo. Additionally, Rugby reported a net loss of $1,360,044 ($0.011 per share) compared to a loss of $697,494 ($0.007 per share) for the comparable period in 2020. Share-based compensation expense of $178,063 was incurred, compared to $53,009 in 2020, due to recognizing the expense associated with the vesting of certain stock options that were issued in previous years.

The Company currently has no revenue generating activities other than interest income.

Significant variances:

- Accounting, audit and professional fees: $126,617 (2020 - $105,217) – the increase of approximately $22,000 in 2021 is mainly caused by higher accounting fees of approximately $35,000 and higher legal fees of approximately $16,000 as a result of the acquisition of Proximo offset by a reduction of $29,000 in advisory services in 2021.

- Administrative: $393,098 (2020 - $151,823) – the increase of approximately $241,000 in 2021 is mainly caused by higher share-based compensation of approximately $68,000 due to the vesting of options granted in prior years and higher salaries and management fees of approximately $193,000 due to additional personnel in 2021 as a result of the acquisition of Proximo and reinstatement of salaries following voluntary reductions in 2020 as a measure to mitigate the impact of COVID-19 offset by reductions of approximately $20,000 in rent expense.

- Directors' fees: $94,378 (2020 - $19,974) – the variance is caused by higher share-based compensation in 2021 due to the vesting of options granted in prior years.

- Mineral property exploration expenditures: $572,303 (2020 - $338,434) – increased activity resulted in the higher amount in 2021 of approximately $234,000 mainly due to costs related to geophysical studies and other activities in preparation for drilling at the recently acquired Salvadora project in Chile, geochemical sampling and environmental study programs at El Zanjon project in Argentina and payment of annual tenement fees related to the Georgetown project in Australia. The increased costs were mainly in the following expense categories: Assay costs were approximately $40,000 (2020 - $21,000), environmental costs were approximately $29,000 (2020 - $nil), field camp costs were approximately $43,000 (2020 - $11,000), geological and geophysics costs were approximately $221,000 (2020 - $111,000), travel costs were approximately $31,000 (2020 - $12,000), wages were approximately $95,000 (2020 - $76,000) and tenement fees were approximately $51,000 (2020 - $16,000).

Three months ended November 30, 2021 compared to three months ended November 30, 2020

For the third quarter ended November 30, 2021, the Company recorded a net loss of $657,446 ($0.004 per share) compared to a loss for the same period in 2020 of $280,205 ($0.003 per share).

Significant variances:

- Accounting, audit and professional fees: $70,490 (2020 - $30,752) – the increase of approximately $40,000 in 2021 is mainly caused by higher accounting fees of approximately $35,000 and higher legal fees of approximately $16,000 as a result of the acquisition of Proximo offset by a reduction of $29,000 in advisory services.

- Administrative: $161,512 (2020 - $57,376) – the increase of approximately $104,000 in 2021 is mainly caused by higher share-based compensation of approximately $14,000 due to the vesting of options granted in prior years and higher salaries and management fees of approximately $89,000 due to additional personnel in 2021 as a result of the acquisition of Proximo and the reinstatement of salaries following voluntary reductions in 2020 as a measure to mitigate the impact of COVID-19.

- Mineral property exploration expenditures: $315,632 (2020 - $166,641) – the higher amount of approximately $149,000 in 2021 is mainly due to costs related to geophysical studies and other activities in preparation for drilling at the recently acquired Salvadora project in Chile and geochemical sampling and environmental study programs at El Zanjon project in Argentina which are partly offset by the annual option payment of $63,000 related to the Motherlode project paid in 2020. The increased costs were mainly in the following expense categories: Environmental costs were approximately $17,000 (2020 - $nil), field camp costs were approximately $24,000 (2020 - $2,000), geological and geophysics costs were approximately $146,000 (2020 - $46,000), tenement fees and option payments were approximately $nil (2020 - $72,000), travel costs were approximately $24,000 (2020 - $3,000), and wages were approximately $45,000 (2020 - $23,000).

Summary of Quarterly Results

The following selected financial information is a summary of the eight most recently completed quarters up to November 30, 2021:

	2022			2021				2020
	3rd Quarter	2nd Quarter	1st Quarter	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter	4th Quarter
Net loss for the period ($)	657,446	295,503	407,095	394,017	280,205	181,577	236,167	380,231
Basic and diluted loss per common share for the period	$0.004	$0.003	$0.004	$0.003	$0.003	$0.002	$0.003	$0.004

The increased net loss in the third quarter of 2022 compared to the previous one is mainly due to exploration activities in preparation for drilling at the Company's recently acquired Salvadora project in Chile and higher administrative costs as a result of the acquisition of Proximo. The net loss recorded in the second quarter of 2022, compared to the previous one is lower mainly due to reduced exploration activities. The increase in net loss for the first quarter of 2022 and fourth quarter 2021, compared to the previous ones, is mainly caused by higher share-based compensation (approximately $217,000) due to the vesting of options issued in Q4 2021, field programs at El Zanjon (approximately $129,000) and payment of annual tenement fees (approximately $36,000) related to the Georgetown project in Australia. The net loss reported in the third quarter of 2021 is higher compared to the previous quarter due to generative exploration activities, a field program at El Zanjon and payment of the Motherlode option of approximately $63,000. The net loss recorded in the first and second quarters of 2021 is significantly lower compared to the previous quarters mainly due to temporary measures taken by the Company to preserve the treasury and mitigate the impact of COVID-19, including a suspension of exploration activities and voluntary reductions of employees' and senior executives' remuneration.

Financial Condition, Liquidity and Capital Resources (please refer also to *Description of Business and Going Concern* section above)

As at November 30, 2021 the Company had cash resources of $3,204,209.

On March 16, 2021, the Company completed a non-brokered private placement financing consisting of 5,150,000 units (the "Units") at a price of $0.10 per Unit for gross proceeds of $515,000. Each Unit consisted of one (1) common share and one half (0.5) common share purchase warrant (a "Half Warrant"). Each full warrant (two (2) Half Warrants together) entitles the holder thereof to purchase one (1) additional common share of the Company at an exercise price of $0.20 until March 17, 2022. The Company paid $6,250 as finder's fees in connection with the financing which was charged to share capital.

During March 2021, the Company issued 300,000 common shares upon the exercise of options at a price of $0.06 per share for total proceeds of $18,000.

On October 27, 2021, in connection with the Proximo acquisition (see "Proximo Resources Acquisition and Private Placement" above), the Company completed a non-brokered private placement financing consisting of 33,414,312 units (the Units") at $0.12 per Unit to raise $4,009,717. Each Unit consisted of one (1) common share and one (1) half common share purchase warrant with each whole warrant (a "Warrant"), entitling the holder to purchase one (1) additional common share of the Company until April 26, 2023 at an exercise price of $0.20, provided that in the event that the closing price of the Company's common shares on the TSX Venture Exchange is $0.30 or greater per common share during any 10 consecutive trading day period, the Company may, at its option, accelerate the expiry date of the Warrants, in which case the Warrants will expire on the 30th day after the date on which the Company provides notice of such accelerated expiry to warrantholders. The Company paid $117,336 as finder's fees and $81,663 in legal fees.

The Company will be required to raise additional funds to advance the exploration of its projects and to complete expenditures required to maintain its option over the Salvadora, Motherlode, Tantalus and El Zanjon projects (please see Projects section above for more details). In addition, should the Company acquire new projects it will be required to raise funds to meet any expenditure and/or option payment obligations. The Company will continue to utilize its cash resources to fund project exploration and administrative requirements. Aside from cash, the Company has no material liquid assets. There is no assurance that the Company will be able to raise the necessary funds through capital raisings in the future, and to maintain its treasury in these times of difficult access to risk funding.

Management evaluates and adjusts its planned level of activities to ensure that adequate levels of working capital are maintained. The future availability of funding will affect the planned activity levels at the Company's projects and expenditures will be adjusted to match available funding.

Additionally, in May 2020, the Company received $40,000 related to the Canada Emergency Business Account (CEBA) loan. CEBA is an interest-free loan launched by the Government of Canada to ensure that businesses have access to capital during the COVID-19 pandemic and can only be used to pay non-deferrable operating expenses. Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of 25% (up to $10,000).

The Company has not issued any dividends and management does not expect this will change in the near future.

Related Party Transactions

During the nine month period ended November 30, 2021, a total of $34,611 (2020 – $17,740) was paid or accrued for related party transactions with companies controlled by directors or officers of the Company for consulting fees. Amounts due to related parties as at November 30, 2021 of $21,124 (February 28, 2021 – $6,486) are for consulting fees and reimbursable expenses incurred on behalf of the Company and are non-interest bearing and due on demand.

The total of $34,611 incurred for the period ended November 30, 2021 was paid or accrued as follows: $13,500 (2020 - $nil) to Berenvy Pty Ltd., a company controlled by the Chief Operating Officer of the Company for consulting fees and $21,111 to Overlay Partners Pty Ltd., a company controlled by the former President & CEO of the Company during the period for consulting fees. Previously, the Company leased office space from Rogo Investments Pty Ltd. ("Rogo"), a company controlled by a director of the Company. The lease terminated in November 2020. The total of $nil (2020 - $17,740) incurred for the nine month period ended November 30, 2021 was paid or accrued to Rogo for office rental fees.

Outlook

The ongoing progress of Rugby's projects and operations has been disrupted by restrictions related to the pandemic caused by COVID-19 imposed by the countries where it operates. In response to the pandemic, on April 9, 2020, Rugby announced temporary suspension of its exploration operations and reduction of expenditures, including salaries. Later, as circumstances evolved, the Company has been able to restart activities however, activities could be restricted at any time due to further government restrictions, staff shortages and other shortages resulting from the effects of COVID-19. The safety of Rugby's employees, consultants and contractors is of the utmost importance. Management is closely monitoring the situation and the impact the pandemic may have on the Company's projects.

Salvadora Project, Chile

Exploration at Salvadora has started early as the region has had an early snow melt. The current program has included a detailed interpretation of the recent airborne geophysics and talus sampling, geological mapping, rock chip sampling and road construction. Rugby's recent Salvadora airborne magnetic/radiometric survey has provided key structural information and delineated the trace of the prospective host sequence for +7 kilometers. A total of 14 geochemical/geophysical targets have now been identified and are in the process of being ground truthed. Following the current field evaluation program, Rugby plans to contract a 2,000 meter drilling program which it is expected to commence in February. Surface rights access and water agreements have been completed and construction of drill access roads and drill pads is well advanced.

El Zanjon Project, Argentina

A follow-up geochemical sampling program at 160 m spacing and more detailed geophysical surveying, was conducted in the first half, 2021. This defined very prospective low level geochemical targets coincident and semi coincident with major structures defined by the magnetic surveying. 3D magnetic modelling conducted over 5 cross sections has defined major structures dipping steely below the gravel cover providing potential future drill targets. Further extensions to the ground magnetic surveys were carried out in early November 2021. These surveys are expected to delineate further structures requiring low level geochemical sampling. An Environmental Impact Assessment (EIA) was completed and submitted in October 2021 for a future drilling program.

Gold Projects, Colombia

The Company has an extensive portfolio of concession applications, including the Pastora and El Playon projects, covering approximately 700 square km in Colombia. While the Company expected that the grant of concession applications for Pastora and El Playon would have progressed through the first half of 2020, however the COVID-19 outbreak has had a significant negative effect on the operation of the ANM (Colombian permitting authority) and its ability to progress the granting of titles. The Company awaits the ANM to resume full operation, and for an announcement of the timing to hold the community consultations, which we understand is the final step before granting the titles. Timing of community consultation and the granting of titles remains uncertain, however we believe that the communities in the area of these prospective projects remain positive for exploration, and the employment it will bring into their communities.

The Cobrasco Project, Colombia

The Company continues to review options to progress Cobrasco and obtain approval for drilling from the Colombian Department of Forestry. All other permits, including community and water permits are in place to proceed with the drilling. No recent forestry extraction permitting for mineral exploration drilling in this region has been approved by the Department of Forestry; however industry representatives from the Mining Association are lobbying the government for changes to legislation which, if legislated, are expected to provide a path to progressing permitting in this prospective copper belt in Colombia. The Company plans to submit a revised permit application when the Department of Forestry completes its expected revisions to the permitting requirements.

The Otway Project, Australia

In Q4, 2020, Rugby announced the initial drilling results provided by Calidus which returned broad zones of copper mineralization and confirmed historic intercepts (see Rugby's News Release NR20-09 dated November 9, 2020). Calidus recently completed a follow-up drilling program of 578 m. In November 2021, Calidus withdrew from the option agreement. Rugby is currently assessing opportunities to advance the project.

Georgetown Project, Australia

On April 13, 2021, the Company announced that it had been granted three exploration permits totaling 849 square km covering extensive gold occurrences in the Georgetown region in North Queensland, Australia. The three exploration permits form Rugby's Georgetown Project. Rugby plans to follow-up the historical gold mines located along a north-south structure in the centre of the Georgetown tenement and an alteration zone in the northwest (identified by processed Landsat imagery). This program has been delayed due to recent travel restrictions as a result of COVID-19.

The Motherlode Gold Copper Project, Philippines

Planned work includes a magnetotelluric survey to better define the most prospective target area within the two km induced polarization anomaly, previously poorly defined at one km depth. This is thought to represent a good target given the broad copper gold porphyry zone intersected in drilling above the higher chargeability anomaly. No work is planned in the near term due to the COVID-19 restrictions in the Philippines and the inability to transport survey equipment and trained personnel into the country.

Venidero Project, Argentina

Venidero is an early stage project, part of the Deseado Projects, located 60 km south of the Cerro Negro Project in western Santa Cruz Province, Argentina. It is underlain by the same Chon Aike host rocks to those that host the mineralisation at Cerro Negro and also has interesting structural complexity with outcropping veins having anomalous gold geochemistry. An environmental exploration proposal including drilling permit application was submitted in mid-2020, and is expected to receive final approval by authorities in Argentina in the first half of 2022.

Financial Instruments

(a) Fair Value

The carrying amount of cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities and due to related parties approximates fair value due to the short term of these financial instruments.

(b) Financial Risk Management

The Company's activities potentially expose it to a variety of financial risks, including credit risk, foreign exchange currency risk, liquidity and interest rate risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and accounts receivable. The Company deposits the majority of its cash with high credit quality financial institutions in Canada and holds balances in banks in Colombia, Chile, Argentina, Australia and the Philippines as required to meet current expenditures. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk.

Currency risk

The Company operates in Canada, Colombia, Chile, Australia, Argentina and the Philippines and it is therefore exposed to foreign exchange risk arising from transactions denominated in a foreign currency.

The Company's cash and cash equivalents, amounts receivable, accounts payable and accrued liabilities are denominated in several currencies (mainly Canadian Dollars, US Dollars, Australian Dollars, Colombian Pesos, Chilean Pesos, Argentine Pesos and Philippine Pesos) and are therefore subject to fluctuation against the Canadian Dollar. Such foreign currency balances, which are held in the Company's Colombian, Chilean, Argentine, Australian and Philippine subsidiaries, are subject to fluctuations against the Colombian Peso, Chilean Peso, Argentine Peso, Australian Dollar and Philippine Peso respectively.

As at November 30, 2021 and February 28, 2021, the Canadian parent company had nominal balances in foreign currencies.

Assuming that all other variables remain constant, a 10% depreciation or appreciation of the US dollar, Colombian Peso, Chilean Peso, Argentine Peso, Philippine Peso and Australian dollar against the Canadian dollar would result in an insignificant change in the Company's consolidated statement of loss.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk mainly arises from the interest rate impact on the cash and cash equivalents. Cash and cash equivalents earn interest based on current market interest rates.

Based on the amount of cash and cash equivalents held at November 30, 2021, and assuming that all other variables remain constant, a 0.5% change in the applicable interest rate would result in an insignificant change in the interest earned by the Company.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity risk by forecasting cash flows required by operations and anticipated investing and financing activities. The Company had cash and cash equivalents at November 30, 2021 in the amount of $3,204,209 (February 28, 2021 - $306,924) in order to meet short-term business requirements. At November 30, 2021, the Company had current liabilities of $443,934 (February 28, 2021 - $93,766).

Proposed Transactions

The Company continues to investigate new opportunities. Should the Company enter into agreements in the future on new properties, it may be required to make cash payments and complete work expenditure commitments under those agreements.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Critical Accounting Estimates and Policies

The details of Rugby's accounting policies are presented in Note 3 of its audited consolidated financial statements for the year ended February 28, 2021. These policies are considered by management to be essential to understanding the processes and reasoning that go into the preparation of the Company's consolidated financial statements and the uncertainties that could have a bearing on its financial results.

Risks and Uncertainties

General

The Company is engaged in the acquisition, exploration and, if warranted, development of mineral resource properties. The Company does not produce, develop or sell any mineral products at this time. All of the Company's properties are in the exploration stage and consequently do not generate any operating income or cash flow from operations. The Company has relied on equity capital to finance its activities in the past and will continue to do so for the foreseeable future.

Business Cycles

The mineral exploration business is affected by fluctuations in commodity price cycles. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles. Although the Company does not have producing mining operations, its ability to finance its mineral exploration programs is related and sensitive to the market prices of gold, silver and other precious metals. Metal prices fluctuate widely and are affected by numerous factors such as global supply, demand, inflation, exchange rates, interest rates, forward selling by producers, central bank sales and purchases, production, global or regional political, economic or financial situations and other factors beyond the control of the Company.

Risk Factors

The activities of the Company are speculative due to the high risk nature of its business which is the acquisition, financing, exploration and development of mineral exploration properties. The following risk factors, which are not exhaustive, could materially affect the Company's business, financial condition or results of operations and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. These risks include but are not limited to the following:

Epidemic diseases such as the recent outbreak of COVID-19.

The Company's business could be adversely impacted by the effects of the COVID-19 or other epidemics. On March 11, 2020, the World Health Organization (WHO) declared the COVID-19 outbreak a pandemic. COVID-19 has had a significant impact on businesses and people through the restrictions put in place by governments of most countries regarding travel, business operations, social distancing and quarantine orders. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy, capital markets and the Company's financial position cannot be reasonably estimated at this time. COVID-19 could adversely impact the Company's ability to raise financing for exploration or operating costs due to uncertain capital markets, country risk factors, supply chain disruptions, increased government regulations and other unanticipated factors, all of which may also negatively impact the Company's business and financial condition.

We have no operating history.

Although all persons who will be involved in the management of the Company have had long experience in their respective fields of specialization, we have no operating history upon which prospective investors can evaluate our performance.

We are subject to substantial environmental requirements which could cause a restriction or suspension of our operations.

The Company is subject to substantial environmental requirements which could cause a restriction or suspension of certain operations. The current and anticipated future operations and exploration activities of the Company on select projects in Colombia and the Philippines require permits from various governmental authorities and such operations and exploration activities are and will be governed by Federal, Provincial and local laws and regulations governing various elements of the mining industry including, without limitation, land use, the protection of the environment, prospecting, development, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, and other matters. It is the Company's intention to ensure that the environmental impact on areas where it operates is mitigated by restoration and rehabilitation of affected areas. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or other remedial actions.

We operate in the resource industry, which is highly speculative, and has certain inherent exploration risks which could have a negative effect on our operations.

The exploration and development of mineral deposits involves significant risks which even with careful evaluation, experience and knowledge may not, in some cases, be fully mitigated. The commercial viability of any mineral deposit depends on many factors, not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, foreign exchange controls, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations all have an impact on the economic viability of a mineral deposit. Other potential impacts could include the location of the mineral deposit and if it is found in remote or harsh climates. These unique environments could limit or reduce production possibilities or if conditions are right for potential natural disasters, including but not limited to volcanoes, earthquakes, tornados and other severe weather, could negatively impact facilities, equipment and the safety of its workers dramatically.

Properties held under option

Certain of our mineral exploration properties, including Salvadora, are currently held under option. We have no ownership interest in these properties until we meet, where applicable, all required property expenditures, cash payments, and common share issuances. If we are unable to fulfill the requirements of these option agreements, it is likely that we would be considered in default of the agreements and the option agreements could be terminated resulting in the complete loss of all expenditures and required option payments made on the properties to that date (please see the Projects section above for more details).

No known mineral resource or reserves

The Company is in the process of exploring for mineral deposits and has no known mineral resources or reserves and, if found, such mineral resources or resources may not prove to be economic, which would have a negative effect on the Company's operations and valuation. The Company has no production of minerals and its properties are all currently at the exploration stage. There is no assurance that a commercially viable mineral deposit exists on any of the Company's properties, and substantial additional work will be required in order to determine the presence of any such deposit. Some of the areas in which the Company is exploring for minerals have little or no infrastructure including roads, power or water and the cost of conducting exploration in such environments are correspondingly increased.

Laws and regulations

In certain countries, the ownership of mining rights is limited or is subject to interpretation of various laws including restrictions on foreign ownership of mineral tenures in the Philippines. In the event of such interpretation being found to be different, it could negatively affect the Company's ability to secure or retain ownership of mineral properties.

The Company's mineral exploration is, and any development activities will be, subject to various Chilean, Colombian, Argentine, Philippine and Australian laws governing exploration, development, production, taxes, labour standards and occupational health, mine safety, environmental protection, toxic substances, land use, water use and other matters. Some of the mineral properties which the Company is exploring are located within forest reserves or adjacent to designated parks and special permits are required in order for it to commence exploration activities which can affect the environment within such areas. The availability of such permits has not yet been fully established by the Company. Exploration generally requires one form of permit while development and production operations require additional permits. There can be no assurance that all permits which we may require for future exploration or possible future development will be obtainable at all or on reasonable terms. In addition, future changes in applicable laws or regulations could result in changes in legal requirements or in the terms of existing permits applicable to us or our properties. This could have a negative effect on our exploration activities or our ability to develop our properties.

As we are presently at the early exploration stage with all of our properties, the disturbance of the environment is limited and the costs of complying with environmental regulations are minimal. However, if operations result in negative effects upon the environment, government agencies will likely require us to provide remedial actions to correct the negative effects. Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory authorities curtailing the Company's operations or requiring corrective measures, any of which could result in the Company incurring substantial expenditures. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development.

Access to capital

The Company has limited financial resources and no operating cash flow. The Company expects to incur net cash outlays until such time, if ever, as its properties enter into commercial production and generate sufficient revenues to fund continuing operations. The development of mining operations would require the commitment of substantial resources for operating expenses and capital expenditures, which are likely to increase in subsequent years as needed consultants, personnel, materials and equipment associated with advancing exploration, development and commercial production of our properties are added.

The amounts and timing of expenditures incurred by the Company will depend on the progress and success of ongoing exploration, the results of consultants' analysis and recommendations, the rate at which operating losses are incurred, the acquisition of additional properties, and other factors, many of which are beyond the Company's control. The sources of financing the Company may use for these purposes include public or private offerings of equity or debt. In addition, the Company may enter into strategic alliance, sell certain of its assets or utilize a combination of all of these alternatives. There can be no assurance that financing will be available on acceptable terms, or at all.

Political and economic uncertainties

The Company's property interests and exploration activities are carried out in foreign countries, principally in Chile, Colombia, the Philippines, Argentina and Australia. Accordingly, the Company's activities are subject to political, economic and other uncertainties, including the risk of expropriation, nationalization, the rights of indigenous peoples and local communities, renegotiation or nullification of existing contracts, mining licenses and permits or other agreements, changes in laws or taxation policies, currency exchange restrictions and fluctuations, changing political conditions and international monetary fluctuations. Future government actions concerning the economy, taxation, or the operation and regulation of nationally important resources and facilities such as mineral resources and mines, could have a significant effect on us. Any changes in regulations or shifts in political attitudes are beyond our control and may adversely affect our business. Exploration may be affected in varying degrees by government regulations with respect to restrictions on foreign ownership of mineral resources, future exploitation and production, price controls, export controls, foreign exchange controls, income and/or mining royalties and taxes, expropriation of property, environmental legislation and mine and/or site safety. No assurances can be given that our plans and operations will not be adversely affected by future developments in the countries in which our company operates. The Company does not maintain political risk insurance.

Some of the Company's properties are located in countries which have experienced difficult personal security environments where some acts of kidnapping, terrorism and extortion have been reported. The cost of operating in such environments is increased by the need for site and personnel security and support.

Title to properties

In certain countries, the ownership of mining rights and, in particular, foreign ownership, is limited or is subject to interpretation of various laws. In the event of such interpretation being found to be different, it could negatively affect the Company's ability to retain or secure ownership of mineral properties.

Although the Company believes it has exercised commercially reasonable due diligence with respect to determining title to properties it owns, controls or has the right to acquire by option, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unrecorded agreements or transfers or native land claims and title may be affected by undetected defects. There may be valid challenges to the title of the Company's properties, which, if successful, could impair development and/or operations. In addition, mineral properties may be leased and may be subject to defects in title. Only a preliminary legal survey of the boundaries of some of our properties has been done and, therefore, in accordance with the laws of the jurisdictions in which these properties are situated, their existence and area could be in doubt. If title is disputed, we will have to defend our ownership through the courts. In the event of an adverse judgment, we would lose our property rights.

The natural resource industry is highly competitive

We compete with other exploration resource companies which have similar operations, and many competitors have operations, financial resources and industry experience greater than ours. This may place us at a disadvantage in acquiring, exploring and developing properties. These other companies could outbid us for potential projects or produce minerals at lower costs which would have a negative effect on our operations.

Dependence on key personnel

We depend on the business and technical expertise of our management and key personnel, including Mr. Bryce Roxburgh, the President and Chief Executive Officer. It is unlikely that this dependence will decrease in the near term and, as our operations expand, additional general management resources will be required. If we are unable to attract and retain additional qualified personnel our operations would be negatively affected. To date we have not entered into a formal services agreement with Mr. Roxburgh nor do we maintain "key man" life insurance on any members of our management or directors.

Conflicts of interest

Certain of our directors and officers are also directors and/or officers and/or shareholders of other natural resource companies. While we are engaged in the business of exploring for and, if appropriate, exploiting mineral properties, such associations may give rise to conflicts of interest from time to time. Our directors are required by law to act honestly and in good faith with a view to uphold the best interests of the Company and to disclose any interest that they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of our board of directors, any director in a conflict must disclose his interest and abstain from voting on the matter. In determining whether or not we will participate in any project or opportunity, our directors will primarily consider the degree of risk to which we may be exposed and our financial position at the time.

The market for our common shares is subject to volume and price volatility which could negatively affect a shareholder's ability to buy or sell our common shares.

The market for our common shares may be highly volatile for reasons both related to our performance or events pertaining to the industry (i.e. mineral price fluctuation/high production costs/accidents) as well as factors unrelated to us or our industry such as economic recessions and changes to legislation in the countries in which we operate. In particular, market demand for products incorporating minerals in their manufacture fluctuates from one business cycle to the next, resulting in changes in demand for the mineral and an attendant change in the price for the mineral. Since our listing on the TSX-V, the price of our common shares has fluctuated between \$0.04 and \$1.87. Our common shares can be expected to be subject to volatility in both price and volume arising from market expectations, announcements and press releases regarding our business, and changes in estimates and evaluations by securities analysts or other events or factors. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly small-capitalization companies such as the Company, have experienced wide fluctuations that have not necessarily been related to the operations, performances, underlying asset values, or prospects of such companies. For these reasons, our common shares can also be subject to volatility resulting from purely market forces over which we will have no control. Further, despite the existence of a market for trading our common shares in Canada, our shareholders may be unable to sell significant quantities of our common shares in the public trading markets without a significant reduction in the price of the stock.

Information Systems Security Threats

Rugby's operations depend upon information technology systems which may be subject to disruption, damage or failure from different sources, including, without limitation, installation of malicious software, computer viruses, security breaches, cyber-attacks and defects in design.

Although to date, the Company has not experienced any material losses related to cyber-attacks or other information security breaches, there can be no assurance that Rugby will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attacks, damage or unauthorized access remain a priority. As the threat landscape is ever-changing, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Climate change

Rugby is exposed to physical risks related to climate change including extreme weather events such as floods, longer wet or dry seasons, increased temperatures and draught, increased precipitation and snowfall and wildfires. Such events can temporarily slow or halt operations due to physical damage of assets, shortage of resources and route disruptions that may limit the transportation of materials and personnel. Additionally, regulations and taxes developed to regulate the transition to a low-carbon economy and energy efficiency may result in increased operation costs including environmental monitoring, increased reporting and other costs to comply with such regulations.

Controls and Procedures

In connection with Exemption Orders issued in November 2007 and revised in December 2008 by each of the securities commissions across Canada, the CEO and CFO of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim consolidated financial statements and the audited annual consolidated financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificate under NI 52-109, the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Disclosure Controls and Procedures

Disclosure controls and procedures ("DC&P") are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ("ICFR") are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with IFRS.

TSX-V listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's IFRS. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a TSX-V issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Management's Responsibility for the Financial Statements

The Audit Committee is responsible for reviewing the contents of this document along with the Interim Financial Statements to ensure the reliability and timeliness of the Company's disclosure while providing another level of review for accuracy and oversight. There have been no changes in the Company's disclosure controls and procedures during the period ended November 30, 2021.

Forward-Looking Statements

These forward-looking statements, principally under the heading "Outlook", but also elsewhere in this document include estimates, forecasts and statements as to the Company's belief with respect to, among other things, plans at its projects including exploration plans for the Salvadora project in Chile, the timing of drilling, timing for receipt of permits, the potential for the success of its exploration programs and the quality of its exploration results, the Company's ability to continue to access the capital necessary to allow it to perform its obligations under its option and earn-in agreements with respect to its Salvadora, Mabuhay (Motherlode), Tantalus and El Zanjon projects, the ability to mitigate foreign exchange risk, the ability of the Company to respond to market fluctuations and government regulations, the ability of the Company to demonstrate that a commercially viable mineral deposit exists on its various projects and the future effect of the COVID-19 pandemic.

Certain statements contained in this MD&A constitute forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward looking statements. While the Company has based these forward-looking statements on its expectations about future events as at the date that this document was prepared, the statements are not a guarantee of the Company's future performance and are subject to risks, uncertainties, assumptions and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. In addition, there are also known and unknown risk factors which may cause actual events or results to differ from those expressed or implied by the forward looking statements, including, without limitation:

- risks related to the Company's lack of revenues from operations and its ability to maintain and raise sufficient cash resources to fund ongoing administrative requirements, expected exploration programs and possible future mining operations;

- risks related to the Company's history of losses, which are likely to continue to occur in the future;

- risks related to the ongoing financial and economic uncertainties in the United States and Europe and the Company's ability to raise capital in the future to fund its operations;

- risks related to currency fluctuations and operating within foreign currency regulations in Australia, Colombia, Chile, Argentina and the Philippines and the enactment or enforcement of additional restrictions;

- changes in the market price of gold, silver, copper and other minerals which in the past have fluctuated widely and which could affect the Company's ability to finance its ongoing activities as well as the profitability of possible future operations and financial condition;

- uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits;

- risks related to the dangers of mineral exploration, including conditions or events beyond the Company's control;

- uncertainty in the Company's ability to obtain permits necessary to commence operations at Cobrasco and other Colombian projects under application;

- risks related to the Company being subject to environmental laws and regulations which may increase the costs of doing business and/or restrict activities;

- risks related to land reclamation requirements which may be burdensome;

- risks over the uncertainty in the Company's ability to attract and maintain qualified management and other personnel to meet the needs of anticipated growth and risks relating to its ability to manage growth effectively;

- risks related to the Company's mineral properties being subject to prior unregistered agreements, transfers, or claims and other defects in title as well as risks associated with the foreign ownership of mineral properties in jurisdictions such as Australia, Colombia, Chile, Argentina and the Philippines which may affect the Company's ability to continue exploration and development activities;

- risks related to increased competition that could adversely affect the Company's ability to attract necessary capital funding or acquire suitable properties for mineral exploration in the future;

- risks related to officers and directors becoming associated with other natural resource companies which may give rise to conflicts of interests;

- the volatility of the Company's common share price and volume;

- tax consequences to Canadian shareholders and United States shareholders;

- risks relating to potential claims by indigenous people over the Company's mineral properties;

- risks related to working in jurisdictions where there is a history of political instability and social unrest;

- risks related to working in jurisdictions where there is a potential or history of inflation making it difficult or economically infeasible to hire or retain necessary workers or contractors or obtain goods or services necessary to operate effectively ; and

- uncertainties of the impact created by the COVID-19 pandemic on the timing of exploration work and development studies.

The above is not an exhaustive list of the factors that may affect forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described further in this MD&A. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward looking statements. Although the Company has attempted to identify important risk factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other risk factors that cause actions, events or results not to be as anticipated, estimated or intended. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and the Company does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. Such factors and assumptions include, amongst others, the effects of general economic conditions, changing foreign exchange rates and actions by government authorities, uncertainties associated with negotiations, misjudgments in the course of preparing forward looking statements. Investors are cautioned against attributing undue certainty to forward looking statements. All statements are made as of the date of this MD&A and the Company is under no obligation to update or alter any forward-looking statements except as required under applicable securities laws.

Additional Information

As at January 28, 2022 the Company had:

(i) 192,424,658 common shares issued and outstanding.
(ii) 13,950,000 outstanding stock options with a weighted average exercise price of $0.10.
(iii) 2,575,000 warrants exercisable at a price of $0.20 until expiry on March 17, 2022.
(iv) 8,937,142 warrants exercisable at a price of $0.12 until expiry on July 23, 2022.
(v) 10,050,000 warrants exercisable at a price of $0.17 until expiry on October 30, 2022.
(vi) 16,707,154 warrants exercisable at a price of $0.20 until expiry on April 26, 2023.

Directors and Officers

Directors:	Officers:
Bryce Roxburgh	Bryce Roxburgh, President & CEO
Yale Simpson	Yale Simpson, Chairman
Cecil Bond	Cecil Bond, Executive Vice President, Finance
Robert Reynolds	Paul Joyce, COO
Glen van Kerkvoort	Glen van Kerkvoort, CTO
Merfyn Roberts	Alejandro Adams, CFO and Corporate Secretary
Peter Love	Jonathan Hermanson, VP, Corporate Development
	Rob Grey, Vice President, Corporate Communications

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