



For Immediate Release: NR22-19

## RUGBY RESOURCES - COBRASCO COPPER UPDATE

Vancouver, B.C., December 29, 2022 – The Board of Directors of Rugby Resources Ltd. (“Rugby” or the “Company”) (TSX-V: RUG) is pleased to provide an update on the Company’s Cobrasco copper-molybdenum porphyry discovery in Colombia.

Rugby is the first company to drill test the Cobrasco porphyry system. Drilling was initiated in August 2022, with the Company’s third drill hole, CDH003 at 300.6 metres (“m”). The hole is planned to be drilled to a final depth of 1,300m once drilling is resumed.

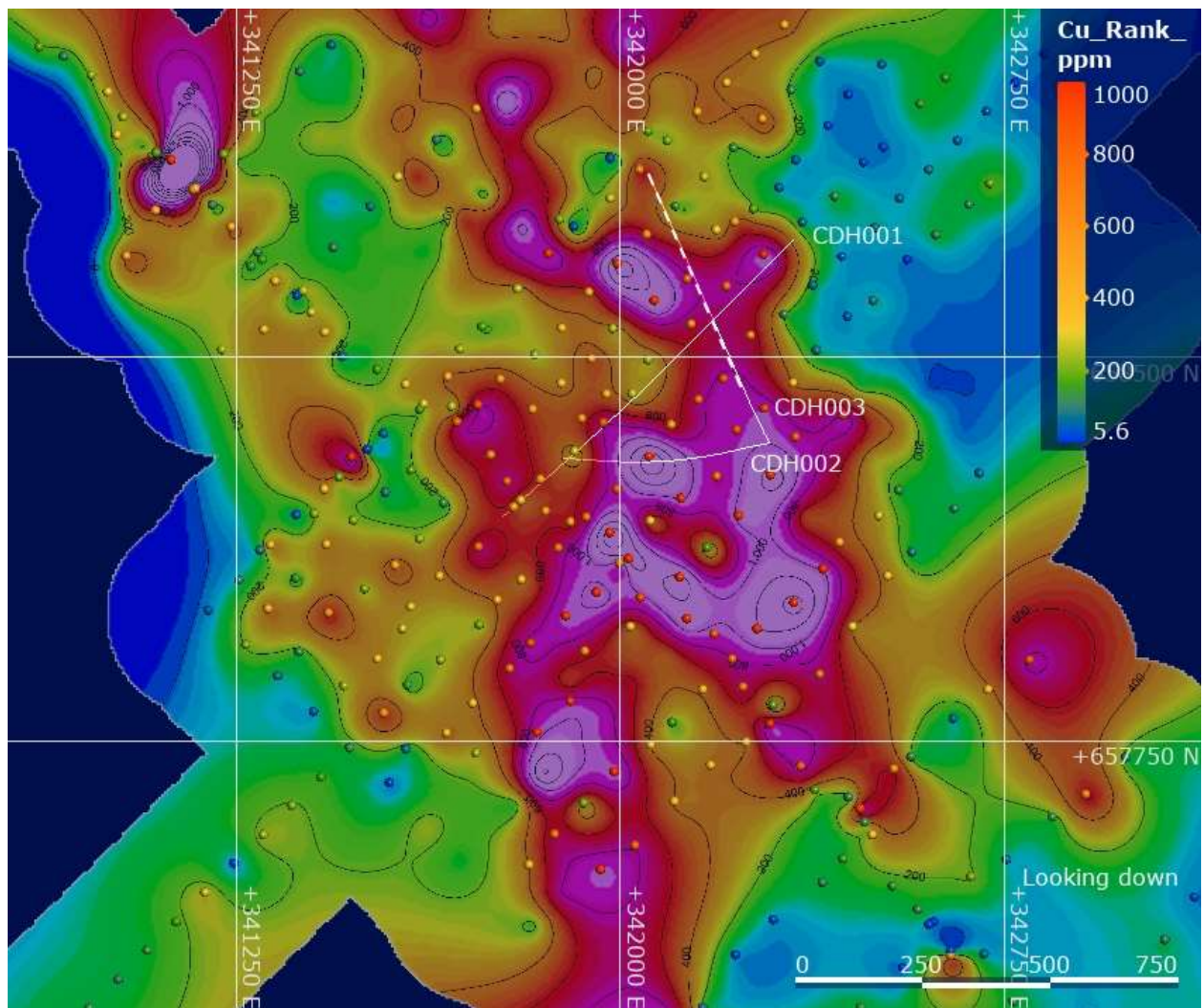
For the present, the Board considers it prudent to pause drilling due to the high cost of helicopter supported activity and the prevailing difficult capital markets. Rugby is actively pursuing a strategic investor as the least dilutive financing option. With that in place, it is anticipated that drilling could resume in late Q1 2023.

Assays for CDH002 and CDH003 are expected early to mid January 2023. CDH002 was targeted based on surface geochemistry and positive results from the first drill hole CDH001, with a reported **82m at 1.00% CuEq<sup>1</sup> within a broader interval of 808m of 0.46% CuEq<sup>1</sup>** (see News Release dated October 31, 2022<sup>2</sup>). It was sited 400m south of CDH001 and as anticipated, it intersected a wide interval of copper-molybdenum mineralised diorite porphyry before being terminated prematurely at 946.1m within a wide fault zone.

CDH003 was collared from the same drill platform as CDH002. It was drilled in a northerly direction to test the mineralised upper part of CDH001 to a greater depth. Well above the target depth, it encountered disseminated and veined copper-molybdenum mineralisation from near surface. The intensity of mineralisation increased to the current depth of 300.6m. Collar locations and drill traces of completed holes are shown on Figure 2 and hole details on Table 1.



**Figure 1. Mineralised quartz diorite porphyry with dominant bornite (dark colour) and lesser chalcopyrite (CDH003 to the current depth of 300.6m, HQ core).**



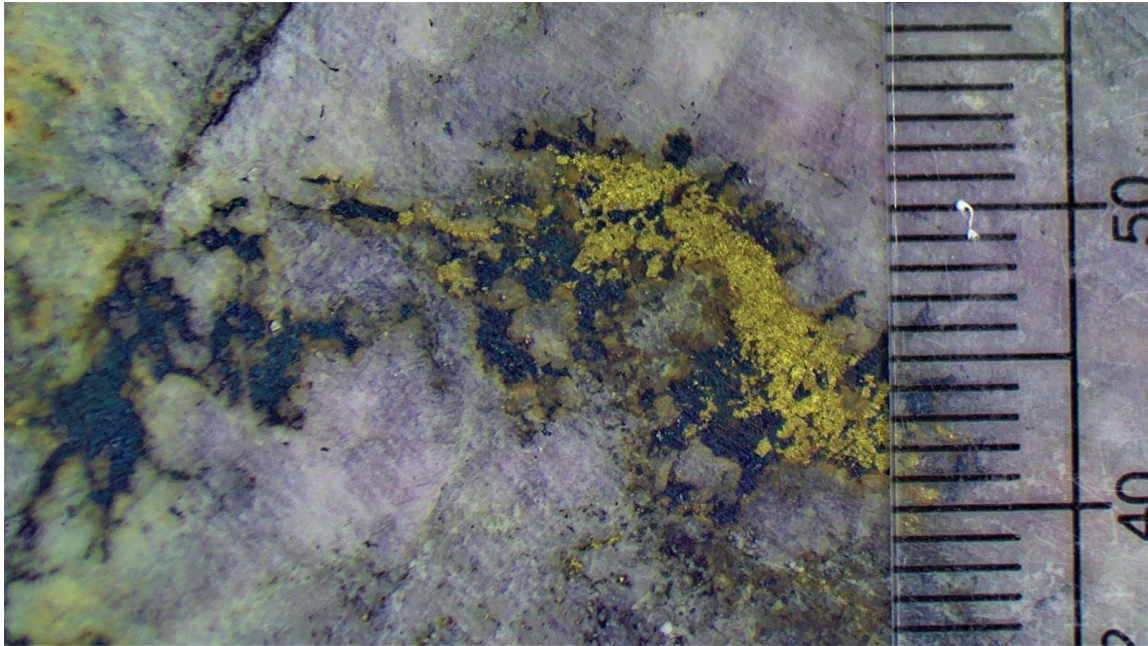
**Figure 2. Copper soil auger geochemistry heat map with superimposed drill hole collar position and drill hole traces.**

**Table 1 - Collar Location**

HOLE	E	N	RL	Az T	DIP	DEPTH m	REMARKS
CDH001	342339	658730	340	223.5	50	1,036.4	Hole terminated
CDH002	342292	658333	361	260.0	70	946.1	Hole prematurely terminated
CDH003	342292	658333	361	330.0	67	300.6	Current depth as at Dec 29, 2022

The Cobrasco mineralisation intersected to date is bornite dominant with lesser chalcopyrite and molybdenite (Figure 3). Penalty elements (particularly arsenic) are low. Based on this mineralogy the mineralisation would be expected to be amenable to the production of a high-grade copper concentrate using traditional mineral processing. Preliminary metallurgical testwork to document the metallurgy is planned.





**Figure 3. Bornite replacing chalcopyrite (Photomicrograph CDH003 285.7m).**

Rugby will continue comprehensive geological mapping and geochemical surveys to identify other porphyry centres within the Cobrasco intrusive complex.

Rugby's Cobrasco Project Manager, Francisco Montes, stated: "*CDH002 intersected disseminated copper-molybdenum mineralisation as soon as it entered fresh rock below the drill collar. Metal veining was increasing in the lower sections of the hole. CDH003 shows strong mineralisation from approximately the same level as CDH002. I am confident that such mineralisation will be shown to continue down to the primary target zone when drilling resumes in 2023.*

*"Mineralisation has now been intersected in a triangular area through drill holes CDH001, CDH002 and CDH003. Strong surface geochemistry indicates a much broader lateral extent to mineralisation than the area tested by the three holes. I have recommended that we make drill testing such extensions a priority in 2023.*

*"For the next few months in Q1 2023, Rugby's field exploration program will take precedence with additional geological mapping, rock and soil sampling and general prospecting activities. I am confident this program will define additional porphyry targets."*

#### **End notes**

1. Copper Equivalent ("CuEq") grades were calculated using the following formula:  $CuEq \% = Copper (\%) + (Molybdenum (\%) \times 5)$ . The calculations assume 100% metallurgical recovery and are indicative of the gross in-situ metal value assuming metal prices of USD \$3.50/lb Cu and USD \$20.00/lb Mo.
2. Oct 31, 2022: Rugby Resources Ltd. Discovers New Copper Molybdenum Porphyry In Western Colombia.

#### **Qualified Person**

Paul Joyce, Rugby's Chief Operating Officer, Director 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 scientific and technical information that forms the basis for this news

release. Paul Joyce is a Fellow of the Australian Institute of Geoscientists (registered member # 1908).

## About Rugby

Rugby Resources Ltd. is an exploration company conducting “discovery stage” exploration on a portfolio of copper, gold and silver targets in Colombia, Argentina and Chile. The Colombian Cobrasco project is located in the western cordillera belt which hosts large scale copper molybdenum mines in Chile, Peru, and Panama (and more recent significant projects discovered in Ecuador). This belt has not been subjected to modern exploration in Colombia. Rugby looks to advance the Cobrasco project to demonstrate the economic potential of a major discovery for Colombia. The discovery of significant new copper opportunities is essential for the mining industry to supply the copper necessary to transition from fossil fuels to advanced electrification.

The Company benefits from the experience of its directors and management, a team that has either been directly responsible for world-class mineral discoveries or has been part of the management teams responsible for such discoveries. Prior companies under their management include Exeter Resource Corporation and Extorre Gold Mines Limited, which held significant projects in South America. These companies were taken over by Goldcorp (Newmont) and Yamana respectively.

For additional information you are invited to visit the Rugby Resources Ltd. website at [www.rugbyresourcesltd.com](http://www.rugbyresourcesltd.com).

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## CAUTIONARY STATEMENT

Certain of the statements made and information contained herein is “forward-looking information” within the meaning of the British Columbia, Alberta and Ontario Securities Acts. This includes statements concerning the Company’s proposed exploration plans for the Cobrasco project in Colombia and El Zanjón project in Argentina, progress on obtaining approval for its exploration concession applications in Colombia, the expected timing of drilling and/or geophysics programs, budgeted costs to conduct exploration programs including drilling, high grade potential and potential for mineral discoveries at its projects and the style or occurrence of the mineralization which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. The Company holds certain of its projects under option agreements, which require annual cash payments, expenditure and/ or drilling requirements in order to maintain its interest. Should the Company not be able to meet its obligations or renegotiate the agreements it will lose its rights under the option agreement. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, the effect on prices of major mineral commodities such as copper and gold by factors beyond the control of the Company; events which cannot be accurately predicted such as political and economic instability, terrorism, environmental factors and changes in government regulations and taxes; the shortage of personnel with the requisite knowledge and skills to design and execute exploration programs; difficulties in arranging contracts for drilling and other exploration services; the Company’s dependency on equity market financings to fund its exploration programs and maintain its mineral exploration properties in good standing; political risk that a government will change, interpret or enforce mineral tenure, environmental regulations, taxes or mineral royalties in a manner that could have an adverse effect on the Company’s assets or financial condition and impair its ability to advance its mineral exploration projects or raise further funds for exploration; risks associated with title to resource properties due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the interpretation of laws regarding ownership or exploration of mineral properties in the Philippines, Argentina, Chile and Colombia and in the sometimes ambiguous conveyancing characteristic of many resource properties, currency risks associated with foreign operations, the timing of obtaining permits to conduct exploration activities, the ability to conclude agreements with local communities and other risks and uncertainties; risks related to the current military conflict between Russia and Ukraine; and the ongoing effects of the COVID-19 pandemic and including those described in each of the Company’s management discussion and analysis and those contained in its financial statements for the year ended February 28, 2022 filed with the Canadian Securities Administrators and available at [www.sedar.com](http://www.sedar.com). In addition, forward-looking information is based on various assumptions including, without limitation, assumptions associated with exploration results and costs and the availability of materials and skilled labour. 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 forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.

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