



For Immediate Release: NR24-03

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Rugby Resources Ltd. Closes Oversubscribed Non-brokered Private Placement

Vancouver, B.C., February 23, 2024 – Rugby Resources Ltd. (“Rugby” or the “Company”) (TSX-V: RUG) is pleased to announce that further to the news releases dated February 7 and 12, 2024, it has closed an oversubscribed non-brokered private placement and will issue 19,696,665 units (the “Units”) of the Company at a price of \$0.06 per Unit for gross proceeds of \$1,181,800 (the “Offering”).

Each Unit consists of one (1) common share and one common share purchase warrant (a “Warrant”). Each Warrant will entitle the holder thereof to purchase one (1) additional common share of the Company at an exercise price of \$0.10 for a period of two (2) years from the Closing Date.

Finder’s fees in an aggregate amount of \$31,248 were paid to qualified parties in connection with the Offering. All securities issued pursuant to the Offering are subject to a statutory hold period of four months plus a day from issuance in accordance with applicable securities laws of Canada. Closing of the Offering is subject to receipt of all necessary regulatory approvals and final acceptance by the TSX Venture Exchange.

Proceeds of the Offering will be used for exploration and general expenses.

MI 61-101 Disclosure

Certain insiders of the Company participated in the Offering for an aggregate total of 2,350,000 Units. The participation by such insiders is considered a “related-party transaction” within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The Company has relied on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of related party participation in the Offering as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involved the related parties, exceeded 25% of the Company’s market capitalization (as determined under MI 61-101).

Early Warning Disclosure

Rowen Company Limited (“Rowen”) a company controlled by Bryce Roxburgh, a director and officer of the Company, acquired 2,000,000 Units under the Offering. Prior to the Offering, Bryce Roxburgh and Rowen, held 11.24% of the Company’s issued and outstanding common shares on a non-diluted and 14.14% on a fully diluted basis. After giving effect to the Private Placement, Bryce Roxburgh and Rowen beneficially own and control collectively 11.17% of the Company’s issued and outstanding common shares on a non-diluted and 14.37% on a fully diluted basis. Rowen and Bryce Roxburgh acquired the Units for investment purposes. Rowen and Bryce Roxburgh intend to evaluate their investment in the Company and to increase or decrease their shareholdings from time to time as they may determine appropriate. A copy of the early warning report being filed by Rowen and Bryce Roxburgh may be obtained by contacting the Company at 604-687-2038.

For additional information you are invited to visit the Rugby Resources Ltd. website at www.rugbyresourcesltd.com

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