

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Apr 8, 2016) - [Rugby Mining Ltd.](#) ("Rugby" or the "Company") (TSX VENTURE:RUG) is pleased to announce it has acquired Pelican Resources Limited's ("Pelican") residual royalty interest in the Mabuhay Project, in the Philippines.

Paul Joyce, Rugby's President and CEO stated, "We are pleased to have acquired the Pelican royalty. It is our belief that Mabuhay has considerable discovery potential for further high grade epithermal mineralization and for underlying porphyry mineralization, similar to the nearby high grade gold copper porphyry projects, Boyogan and Bayugo currently owned by Philex Mining. Once exploration permits are granted, we plan to target the epithermal areas where Pelican previously encountered significant drilling results.

"Although the Mabuhay Exploration Permit ("EP") has not yet been granted, we are confident that following upcoming federal elections in May, a new administration will likely process EP applications expeditiously. To minimise expenditures, Mabuhay will remain under care and maintenance until the EP is granted."

The Mabuhay Gold Project ("Mabuhay") is well located, 12 km south of Surigao City, the capital city in the province of Surigao del Norte, Philippines. Mabuhay was a major historical epithermal vein style high-grade gold mine which was once one of the Philippines' highest grade gold producers with an estimated recovered grade of 14g/t gold. Mabuhay hosts an extensive epithermal vein system which was mined over 765m in length and to a vertical depth of 245m. Porphyry style gold-copper mineralization was intersected at depth below the epithermal veins by the previous explorer, Pelican.

Pelican completed 18 diamond drill holes into the epithermal vein system, and a number of holes intersected significant gold mineralization. Drill hole DDH11* intersected two epithermal veins grading 13.9m of 6.8g/t gold from 247m and 3.9m of 18.1 g/t gold from 302m. The hole* was abandoned in porphyry style mineralisation at 369.4m with the last 13.5m grading 2.4g/t gold and 0.59% copper. The intersections from Pelican's drilling are down hole lengths and true widths are unknown.

**The Company will be required to conduct further assessment of previous drilling. The Company believes the data is suitable to report in news release for informational reference only.*

On October 5, 2010, Rugby announced that it had entered into agreements with Pelican, an ASX listed company, and All-Acacia Resources Inc. ("All-Acacia"), a Philippine company, over Mabuhay. The agreements with Pelican and All-Acacia (collectively, the "Mabuhay Agreement") granted the Company the right and option ("Mabuhay Option") to earn an 80% interest in Mabuhay.

In April 2016, Rugby purchased all of Pelican's Royalty interest in Mabuhay for AUD\$10,000 and consequently, Pelican will have no remaining interest in Mabuhay. The Mabuhay Option terms relating to All-Acacia remain intact and Rugby will continue to work towards earning an 80% interest in Mabuhay.

Project Updates

Cobrasco and Comita Projects, Colombia

Rugby owns 100% of the Cobrasco project, subject to a 1% NSR and has an option to earn up to 60% of the adjacent Comita project in western Colombia. Both projects host undrilled large scale porphyry copper-molybdenum-gold targets which were recognised during a joint German-Colombian government sponsored exploration program conducted in the mid-1980's. No systematic exploration or drilling has been conducted since that time. The final permit required for Cobrasco drilling is outstanding and further studies are proposed.

The Company is currently working closely with the Colombian Mining Association to foster strong relationships with stakeholders and obtain industry related advice necessary for approaching a future permit application process. The Colombian Mining Association is also working diligently with mineral exploration and mining companies, including Rugby, to promote educational information about the benefits of a developed copper industry to the people and government of Colombia. Copper is believed to be a viable future source for jobs and significant government revenues, similar to neighboring countries like Chile and Peru.

The Company has filed a temporary suspension application on both projects. Suspending mineral concessions is a common practice in Colombia and can be lifted once the Company is in a position to initiate drilling. Suspending mineral concessions preserves the time period allocated by the mining code for exploration.

The Great Northern Gold Project, Australia

Following exploration results which did not meet expectations, Rugby has relinquished its option to earn an 80% interest in the

Great Northern Gold Project.

The Jessup Project, Nevada

Rugby has given notice to the concession holder that it will not proceed with an option over the Jessup Project in Nevada.

Paul Joyce, Rugby's President, CEO 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 that forms the basis for this news release.

About Rugby

Rugby is an emerging mineral resource company focussed on a portfolio of projects having considerable potential for significant mineral discoveries. Rugby benefits from the experience of its directors and management, a team that has either been directly responsible for world-class mineral discoveries or have been part of the management teams responsible for such discoveries.

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

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Paul Joyce, President and CEO

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 plans at its projects including the expected approval of permits required for exploration, timing of drilling programs, high grade potential at the Mabuhay Project, potential for mineral discoveries on its projects and drilling costs 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. 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, gold and iron 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 of mineral properties in the Philippines 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, including those described in each of the Company's management discussion and analysis including those contained in its year-end financial statements for the year ended February 28, 2015 filed with the Canadian Securities Administrators and available at 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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Contact

[Rugby Mining Ltd.](#)

Paul Joyce

President and CEO

604.688.4941 or Toll-free: 1.855.688.4941

604.688.9532

info@rugbymining.com

www.rugbymining.com