Gold-Silver Geochemical Anomalies Defined by Soil Sampling Program at El Zanjon, Argentina

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VANCOUVER, April 28, 2020 - Rugby Mining Ltd. (“Rugby” or the “Company”) (TSX-V: RUG) is pleased to report on the results of a soil sampling program recently completed on the El Zanjon gold-silver project in Santa Cruz province, Argentina.

The program was initiated by Rugby as a follow-up to ground magnetic surveys which had outlined prospective structures for hosting epithermal gold silver mineralization characteristic of the Deseado Massif. The favourable host rocks underlie recent sediments up to 100 meters (“m”) thick.

Highlights

- The geochemical program comprised some 108 surface samples collected at 320 m spaced intervals over 35-line kilometres.
- Samples were assayed for 61 multi-elements using ultra-sensitive Ionic Leach by ALS (Vancouver). This methodology is used to identify metal zonation within and haloes surrounding mineralization.
- Gold values range from 0.02 to 0.96ppb and silver values range from 11 to 30.1ppb (Figures 2 & 3).
- Ten zones of anomalous gold-silver geochemistry were defined (Figure 4) ranging from 320 m to 2,800 m in length.
- A number of these anomalies have coincident lower pH readings (Figure 5) suggesting an acidic environment which can indicate oxidation from sulfides at depth, an association common to other epithermal projects in Patagonia.
- Additional in-fill geochemical sampling is recommended.

Project Location

El Zanjon covers approximately 600 square kilometres near world class mines at Cerro Negro (Newmont-Goldcorp), Cerro Vanguardia (AngloGold Ashanti) and Cerro Moro (Yamana) (Figure 1).

Chief Executive Officer, Bryce Roxburgh commented “We are very encouraged by these early results and plan more detailed follow-up sampling in the southern spring when the weather is more favourable. Searching for gold below recent sediments represents a challenge yet this approach is showing considerable promise. Our exploration team comprises members from the Extorre technical group responsible for the discovery of the high-grade Cerro Moro mine.

“Argentina, like most countries, is currently subject to lockdown due to the COVID-19 virus, but we hope that we will be in a position to work in several months”.

Sampling Methodology

- The soils were sampled following ALS laboratories sampling instructions.
- All site locations were recorded as WGS84, UTM Easting and Northing coordinates Zone 19 using a hand-held Garmin eTrex? 20.
- Samples were collected from 10 cm to 20 cm below the surface.
- A 120-gram sample was collected and placed in a Ziplock plastic bag with the sample number permanently marked on the bag.
- The bag was folded over to remove most of the air and sealed, then placed in another plastic bag again removing as much air as possible prior to sealing.
- Jewelry was removed and only plastic and wooden implements were used.
- All 108 samples were placed in plastic boxes and dispatched to ALS (Vancouver) for Ionic Leach analysis by ME-MS23™ method. ALS are certified ISO/IEC 17025:2017 and ISO 9001:2015

- Ten laboratory duplicate samples were included in the analysis

Data Analysis

- The geochemical data were imported into project’s database for geostatistical analysis, determination of correlation and geochemical mapping.
- The dataset of 108 assays was filtered by soil type and grouped in Sand and Gravel (SG) or Tertiary (TR) to analyse them independently.
- Geostatistics were calculated using Discover software for the sub-dataset Ag, As, Au, Cd, Cu, Fe, Hg, Mo, Pb and Sr.
- The percentiles were then used to prepare accurate geochemical thematic maps with the objective of distinguishing anomalies.

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 technical information that forms the basis for this news release.

About Rugby
Rugby is an exploration company conducting “discovery stage” exploration on highly prospective targets in Colombia, Argentina, the Philippines and Australia. Importantly, Rugby controls a large portfolio of projects and applications in Colombia that have considerable potential for significant gold-copper discoveries.

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 have been part of the management teams responsible for such discoveries. Prior companies under their management included Exeter Resource Corp. and Extorre Gold Mines Ltd., 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 Mining Ltd. website at www.rugbymining.com.

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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, 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, 2019 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 labor. 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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