



For Immediate Release: NR20-04

## **RUGBY AND CALIDUS SIGN OPTION AGREEMENT TO FAST TRACK EXPLORATION AT OTWAYS GOLD-COPPER PROJECT, PILBARA IN WESTERN AUSTRALIA**

**Vancouver, B.C., May 28, 2020 – Rugby Mining Limited (“Rugby” or the “Company”) (TSX-V: RUG)** is pleased to announce that the Company has signed a Heads of Agreement (“Agreement”) with Calidus Resources Limited (“Calidus”) (ASX: CAI) to earn an interest of up to 70% in the Otways Gold-Copper Project (“Otways”).

Otways is located approximately 50 kilometres from Calidus’ flagship Warrawoona Gold Project (“Warrawoona”) in the Pilbara, Western Australia. Warrawoona has JORC compliant resources totalling 800,000 oz gold (indicated) and 450,000 oz gold (inferred)\*. Calidus press release:

[Calidus to acquire Otways Project near Warrawoona](#)

### **Heads of Agreement Highlights:**

- Calidus to spend A\$200,000, including 1,200 metres (“m”) of drilling, within 12 months of the Agreement;
- Calidus to spend a further A\$500,000, including a minimum of 3,000m of drilling, within 30 months of the Agreement to earn 50%;
- Calidus to spend an additional A\$500,000, including a further 3,000m of drilling, within 48 months of the Agreement and issue A\$250,000 worth of Calidus shares at the completion of the spend using a 10-day Volume Weighted Average Price to earn 70% in Otways.

Rugby’s President and CEO, Mr. Bryce Roxburgh commented, “Although Otways has significant exploration upside with a number of unexplored gold and copper targets, we are pleased to partner with a very successful explorer such as Calidus, and confident this will produce a positive long-term outcome for Rugby and its shareholders. Although this represents a considerable endorsement of Otways potential, it will allow us to focus on our South American priority projects. Following the lockdown in Colombia, we intend to immediately follow up the permitting of the very prospective gold tenure applications acquired through Rugby’s purchase of the local subsidiary of the major North American gold miner, when it decided to exit Colombia. We expect that the restrictions will begin to be lifted in Colombia in June.”

\* Source: Calidus Resources website <https://www.calidus.com.au>

### **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 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 Mining Limited website at [www.rugbymining.com](http://www.rugbymining.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 plans at its projects including progress on obtaining approval for its exploration concession applications in Colombia, the expected timing of drilling and/or geophysics programs, prospectivity, high grade potential and potential for mineral discoveries, the style or occurrence of the mineralization 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. In addition the Company holds certain of its projects under option agreements, which require 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 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, the ongoing effects of the COVID 19 virus 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, 2019 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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