



Salvadora Project, El Indio Belt, Chile

RUGBY
MINING LIMITED

ACQUISITION OF PROXIMO RESOURCES

JULY 2021

TSX-V:RUG

CAUTIONARY STATEMENT

Certain of the statements made and information contained herein is “forward-looking information” within the meaning of Canadian securities legislation. This includes statements concerning the Company’s proposed acquisition of Proximo Resources Pty Ltd (“Proximo”), plans at its projects including exploration plans for the Salvadora Project in Chile, 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. In addition, the proposed acquisition of Proximo is subject to regulatory approval and certain conditions precedent including completion of a capital raise of a minimum of \$2,500,000. There can be no certainty that the proposed acquisition will proceed as planned or at all. 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, 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, 2021 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.

Paul Joyce, COO, Director and a “qualified person” within the definition of that term in NI 43-101, has supervised the preparation of the technical information contained on this presentation. Some of the information presented is historical in nature and the Company will be required to do further assessment of this data.

NEITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE

TRANSACTION OVERVIEW – PROXIMO RESOURCES

- Rugby has agreed to acquire private Australian company **Proximo Resources Pty Ltd**, subject to TSX Venture Exchange acceptance
- Proximo owns silver and gold projects in Chile and Argentina, including the **drill ready Salvadora silver-copper-gold project**
- The Salvadora Project has potential for the discovery of a **major high-grade silver-copper-gold orebody** similar to other regional deposits such as El Indio
- **Capital raising of not less than \$2,500,000** to fund proposed exploration and drilling programs
- **Proximo management** will form a key part of the Rugby team going forward
- The new CEO and President of Rugby will be Proximo CEO **Peter Love**
- **Glen van Kerkvoort** will become Chief Technical Officer
- **Arturo Correa**, former Exploration Manager, Chile of Rio Tinto, will become Rugby’s Exploration Manager



Parent company	Proximo Resources Pty Ltd
Co-founders and Directors	Peter Love Glen van Kerkvoort
Founded	April 2019
Key Projects	<p>Salvadora (silver-copper-gold) El Indio Belt, Coquimbo Region, Chile</p> <p>Venidero (gold-silver) Deseado Massif, Argentina</p> <p>Altiro-Futuro (gold-silver) Deseado Massif, Chile</p>

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THE PROXIMO PORTFOLIO

Compelling Exploration Projects

Four large **high-energy hydrothermal systems**, extensive outcropping high-grade surface geochemistry, **granted title** in mining-friendly jurisdictions, drill preparations underway

Drill Permitted

Drill permitting established for two projects (★) and another due in Q4 2021 (☆)

100% Ownership Structure

All projects offer **100% ownership** either outright or via strategically structured agreements

Social License and Environmental Stewardship

Dedicated **local based community relations teams** and environmental management professionals



CHANGES TO BOARD AND MANAGEMENT



Peter Love, Incoming President and CEO

Resources sector capital raising, management, project marketing, M&A, joint ventures. Former Chairman Intrepid Mines Limited (ASX:IAU) and Talon Energy Limited (ASX:TPD) corporate advisor to Byron Energy Limited (ASX:BYE). Co-founder and CEO of Proximo Resources where he has acquired several copper, gold and silver projects including the flagship Salvadora Project in Chile.



Glen van Kerkvoort, Incoming Director and CTO

Geologist with 25 years' experience in Latin America. Chief Geologist, Exeter Resources, instrumental in discovering the high grade Escondida gold-silver vein deposit at Cerro Moro with a +2-million-ounce gold equivalent resource. Also, the massive Caspiche gold-copper porphyry deposit in Chile with a resource estimate of 19.3 million ounces of gold and 4.62 billion pounds of copper.



Arturo Correa, Incoming Exploration Manager

24 years Rio Tinto, Exploration Manager Chile for seven years. From 2017 to 2020 Mr Correa was Discovery Manager for Quantum Discoveries. Vast experience in project generation, opportunity appraisals and management of porphyry copper-gold, epithermal gold and IOCG deposits as well as in designing and implementing regional exploration programs in Argentina, Chile and Peru.

Proposed Board of Directors

Bryce Roxburgh	Non-Executive Co-Chairman
Yale Simpson	Non-Executive Co-Chairman
Peter Love	President & CEO
Glen van Kerkvoort	Director & CTO
Cecil Bond	Director Finance
Rob Reynolds	Non-Executive Director
Merfyn Roberts	Non-Executive Director

Proposed Management Team

Paul Joyce	COO	40+
Alejandro Adams	CFO	10+
Arturo Correa	Exploration Manager	25+
Rob Grey	VP Corp Comm	20+
Jon Hermanson	VP Corp Dev	15+

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TRANSACTION COMMENTARY

Chairman Yale Simpson and CEO Bryce Roxburgh:



“Salvadora represents an outstanding opportunity for Rugby to acquire a project with scale in the famous El Indio gold belt. Rarely does one have the opportunity to be the first company to test a consolidated land package such as Proximo has accomplished at Salvadora. The project is permitted for immediate drilling however drill targeting can be further enhanced through sampling and geophysical surveys over the 70% of the property covered by scree.”

“As a group we are very comfortable continuing to expand our holdings in Chile and Argentina where we were so successful in our previous companies, Exeter and Extorre. Both companies made world class discoveries and were sold to majors. We also remain confident that we will be able to realise substantial shareholder value from our Colombian asset base going forward.”

“Our strong involvement in Rugby will most definitely continue, particularly as we have such significant shareholding in the Company.”

Proposed President and CEO Peter Love:

“I believe Salvadora has all the necessary ingredients to be a flagship project for Rugby. It is a large mineralized hydrothermal system in a superb location.”

“We intend to drive shareholder value by rapidly advancing Salvadora to drilling which we expect will occur later this year. Salvadora is permitted for drilling and we plan to finalize drill locations following a geophysical program expected to commence in October as snow melt permits easier access to the project.”

“I also recognize the potential of Rugby’s Cobrasco porphyry copper project in Colombia which I believe could be a world class orebody. We will work tirelessly to ensure that the environmental and technical authorities can be confident that Rugby is an ideal partner in the sustainable development of copper in Colombia.”



DEAL STRUCTURE, CAPITAL RAISING, USE OF FUNDS

Capital Structure Pre- and Post-Transaction

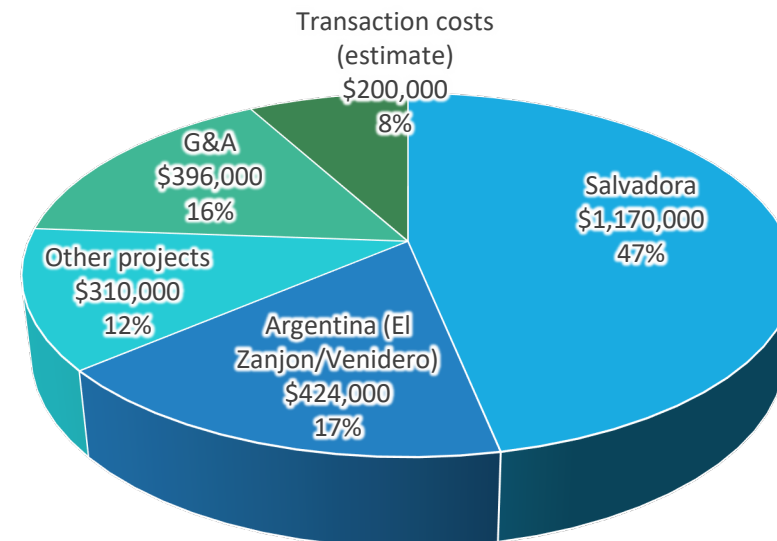
Type of Security	Pre-transaction	Issued in Transaction	Post-Transaction
Common Shares Outstanding	109.0 M	50.0 M	159.0 M
Stock Options	10.9 M	3.5 M	14.2 M
Warrants	21.6 M	-	21.6 M
Fully Diluted Shares Outstanding	141.4 M		194.8 M

Proposed Capital Raising

Rugby intends to raise not less than \$2,500,000 to pursue the objectives described below.

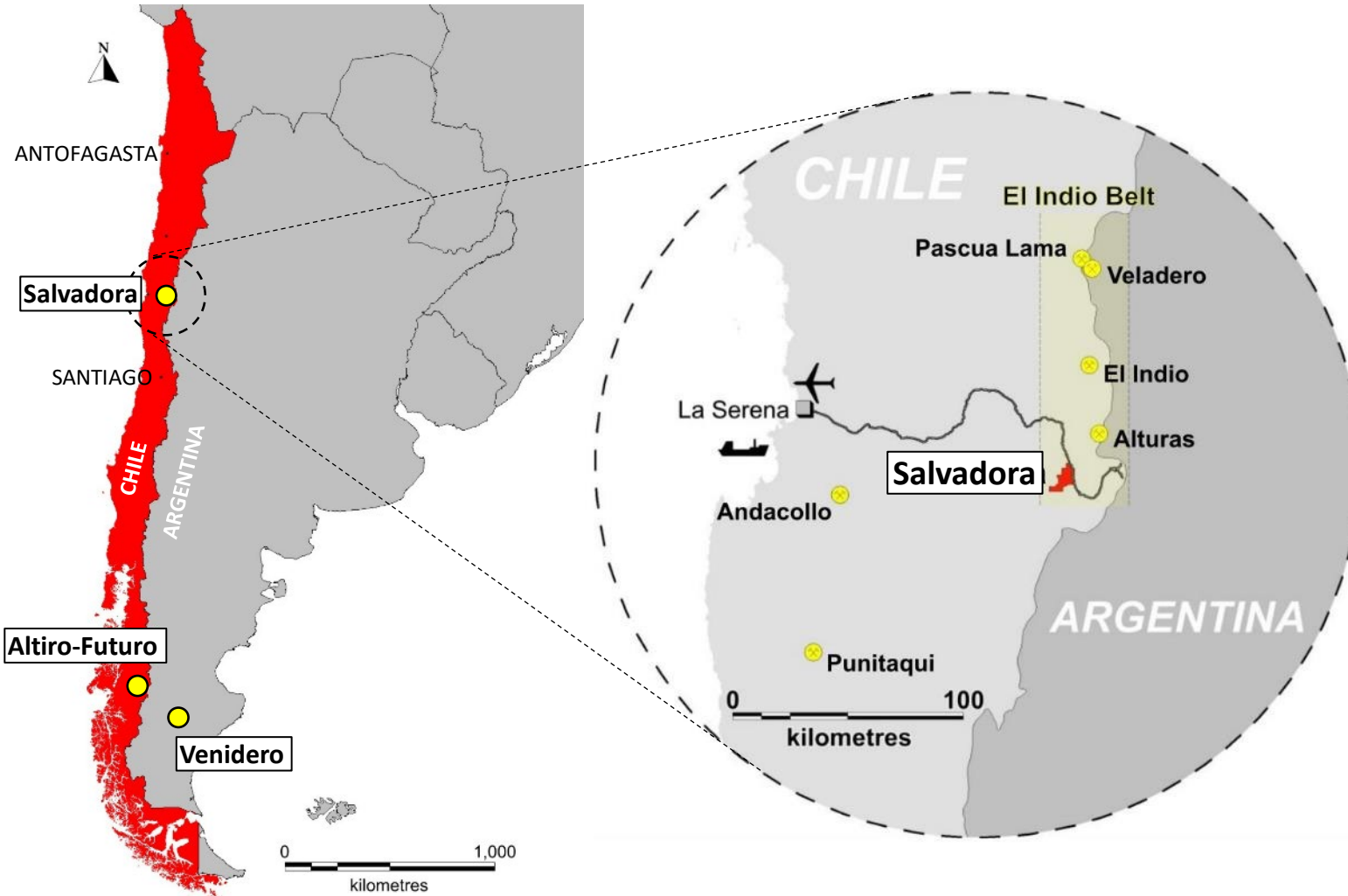
Use of Funds

PROJECT	%	CAD\$
Salvadora	47%	\$1,170,000
Argentina (El Zanjon/Venidero)	17%	\$424,000
Other projects	12%	\$310,000
G&A	16%	\$396,000
Transaction costs (estimate)	8%	\$200,000
	100%	\$2,500,000



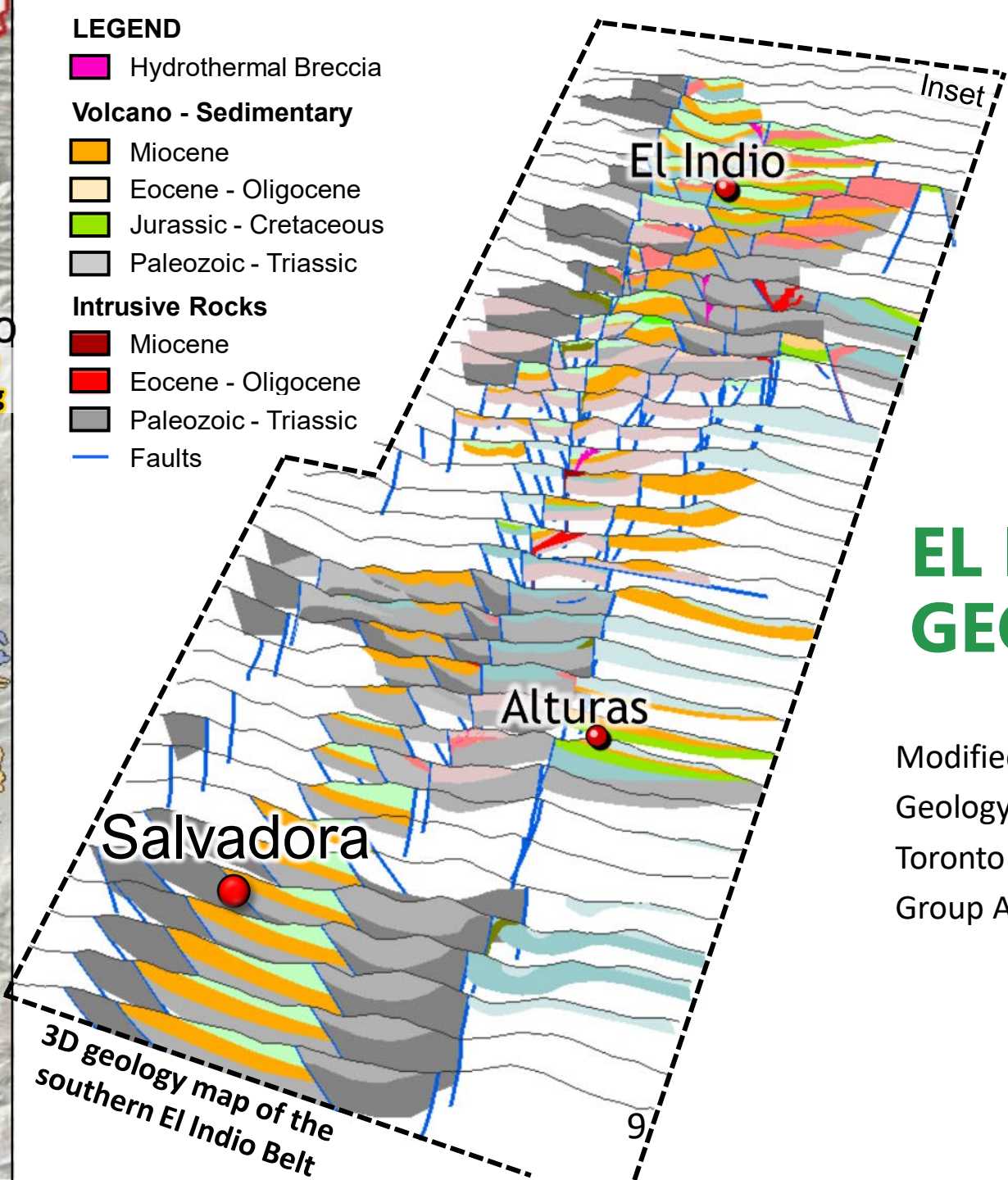
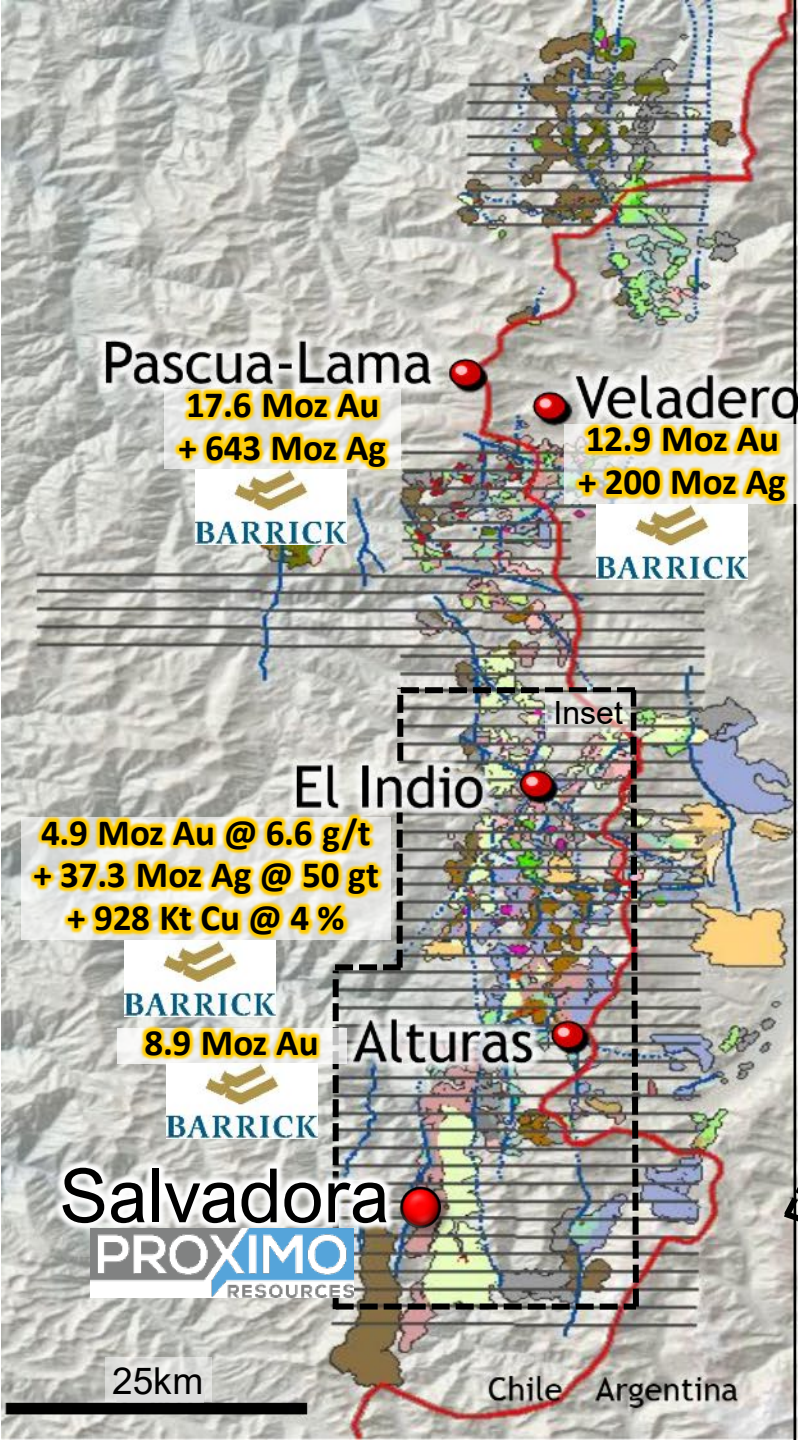
SALVADORA PROJECT

Large undrilled silver-copper-gold mineralized hydrothermal system in the El Indio Metallogenic Belt



- **7 km long mineralized alteration corridor** with numerous **high-grade silver, copper and gold** artisanal mines
- **Drill permitted.** Never previously drilled, never explored by modern methods
- Proximo has established a **100% control** over the fragmented property ownership creating a single contiguous block to be explored and drilled as a single project
- Several characteristics similar to the **nearby El Indio mine** which produced over 5 million ounces of gold with 2 million ounces being direct shipping ore (121 g/t gold)
- **2.5 hours drive** by paved International Highway from the **Coquimbo deep water port** and La Serena capital with a **population of 500,000**. 8 daily flights connecting to Santiago.

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EL INDIO BELT GEOLOGY

Modified after the “Barrick Alturas – Geology & Discovery” presentation, Toronto Geological Discussion Group April 2016

WHY SALVADORA?

7 km mineralized corridor of altered rock with silver, copper and gold

The processed satellite image to the right shows a **light band of leached, altered rocks which are the host to mineralization on the Salvadora Project.**

Silver values from rock samples collected along the mineralized structure are coloured according to the assay values returned which are indicated in grams per ton (g/t).

Areas without sampling are mostly covered by talus.

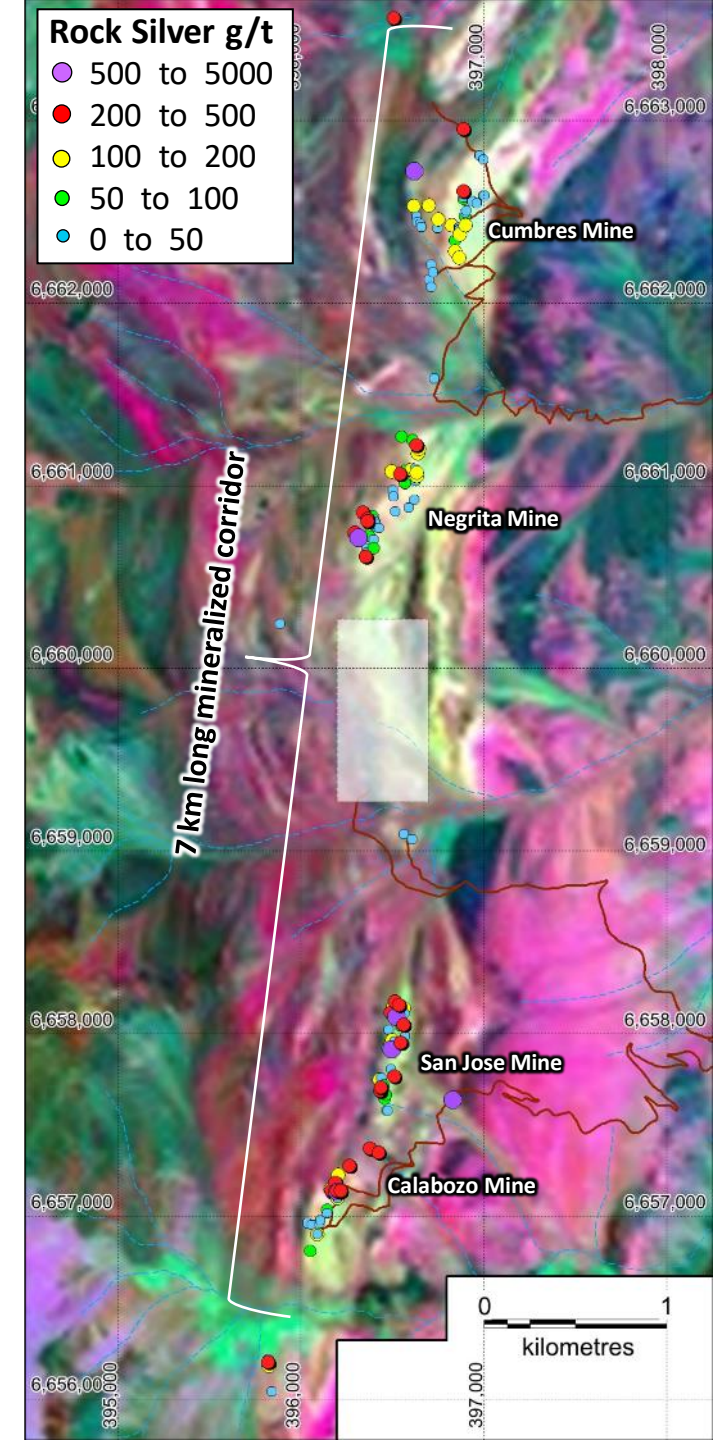


“Silver, copper and gold mineralization is exposed at surface along the seven kilometre length of the Salvadora system.

“That is not common in exploration and provides us with strong confidence that the system is large, it is very extensive. That is surely what attracted all the historic small miners to the area.

“Our current exploration is aimed at acquiring data to help identify where the mineralization is thickest so that we can drill those areas first”.

Arturo Correa, VP Exploration, Proximo Resources



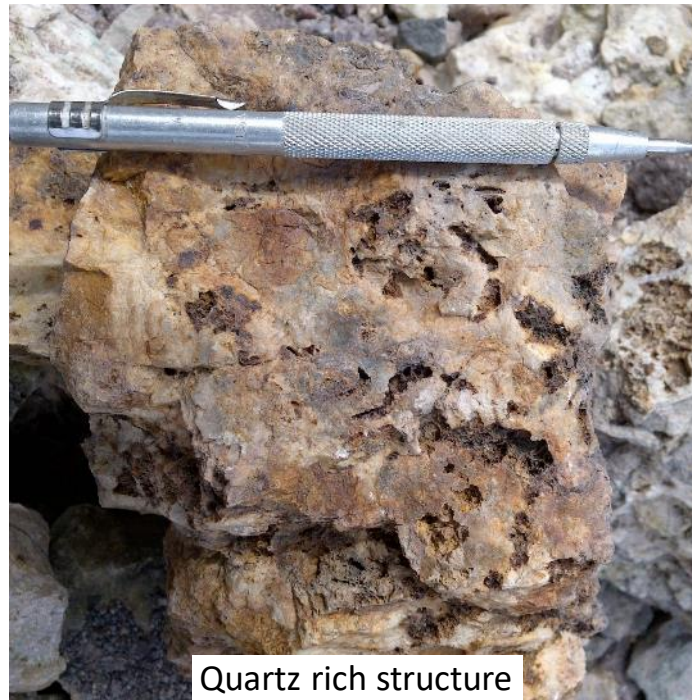
HISTORICAL WORKINGS AT SALVADORA

- Artisanal miners **explored silver-copper-gold bearing epithermal veins exposed within the talus** along a corridor of altered rocks. Several of the veins were selectively mined, mostly last century.
- One production record **shows 56 tons of ore grading 25.3% copper, 3,000 g/t silver and 6.7 g/t gold** from the San Jose mine and processed at the nearby government run ENAMI treatment plant.
- In 2002, Rio Tinto visited the Calabozo area and **collected 21 rock samples that returned values up to 1,275 g/t silver, 9.89 % copper, 32.0 g/t gold and 15% lead.**
- During 2018-2019 Consultorías Geológicas Pronóstico Limitada collected 146 rock chip and channel samples. Samples were only assayed for silver and copper and selectively for gold, lead and zinc. **Assays returned high grades to 1,429 g/t silver, 8.6% copper and 4.63 g/t gold.**



SALVADORA MINERALIZATION STYLES

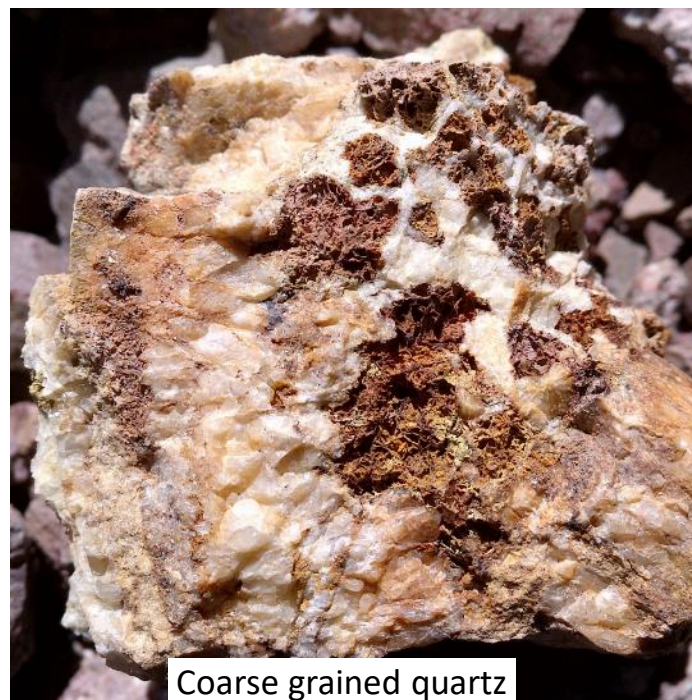
- As with similar style deposits in the El Indio Belt, at Salvadora the best mineralization is controlled by **major mineralizing fluid up-flow conduits**. Such conduits can be recognized by distinct mineralization styles and genetic relationships.
- The **El Indio gold-copper-silver deposit** located 40 km due north from Salvadora, contains a variety of vein textures with two main events being an early copper rich vein set and a later gold rich vein set.
- Observations of vein mineralogy and textures on the Salvadora project indicate that **distinct genetic events have occurred there as well**.
- Mineralogy and textures observed at Salvadora have enabled its classification as an 'Intermediate Sulfidation Structurally Controlled Epithermal Silver-Copper-Gold System'. This **same mineralization style is also recognized at the El Indio deposit**.



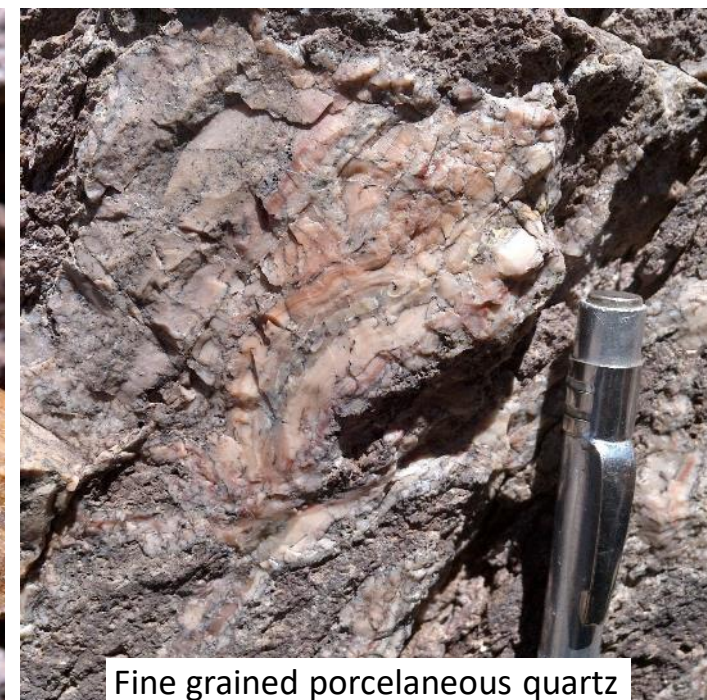
Quartz rich structure



Sulfide mineral rich structure



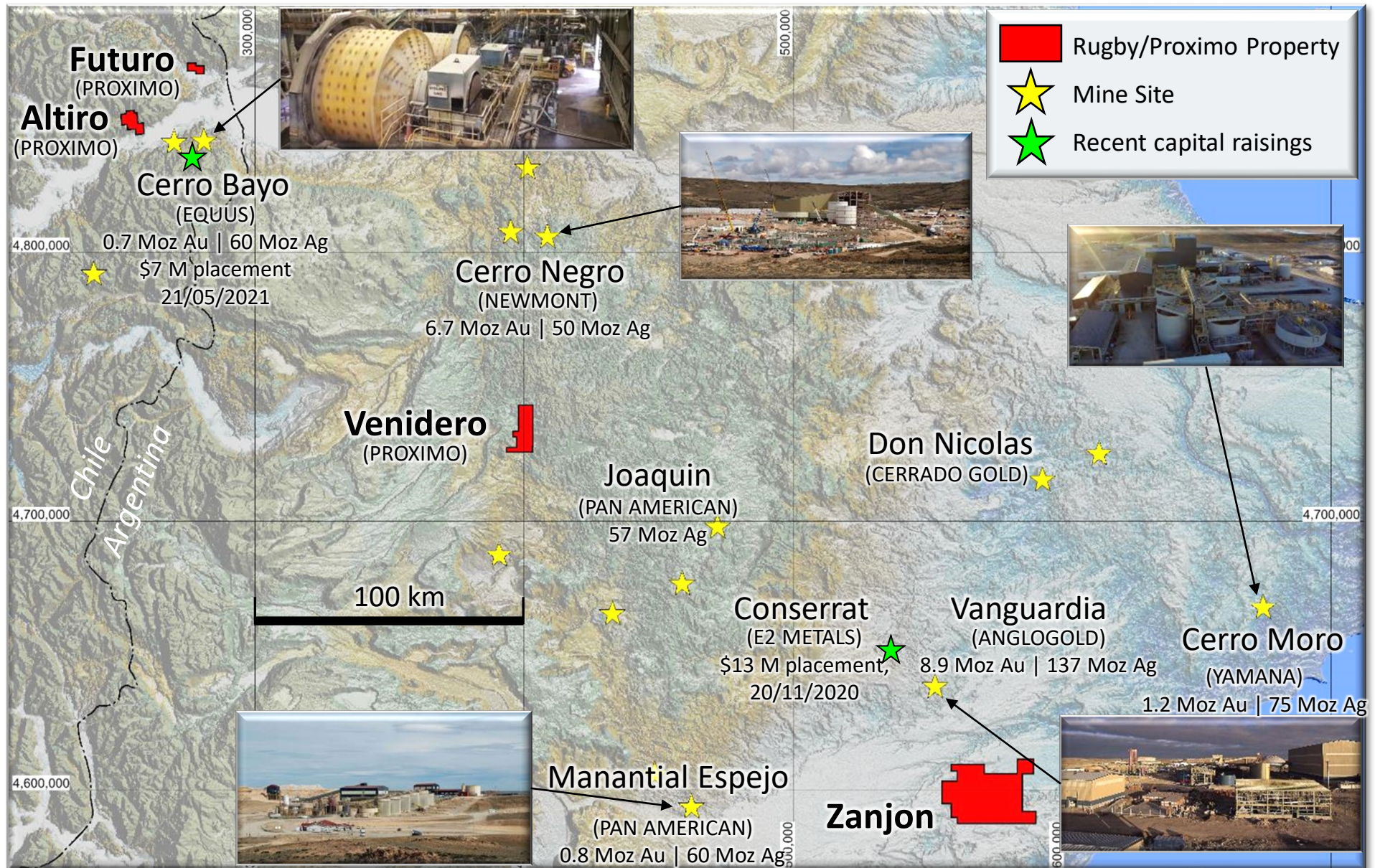
Coarse grained quartz



Fine grained porcelaneous quartz

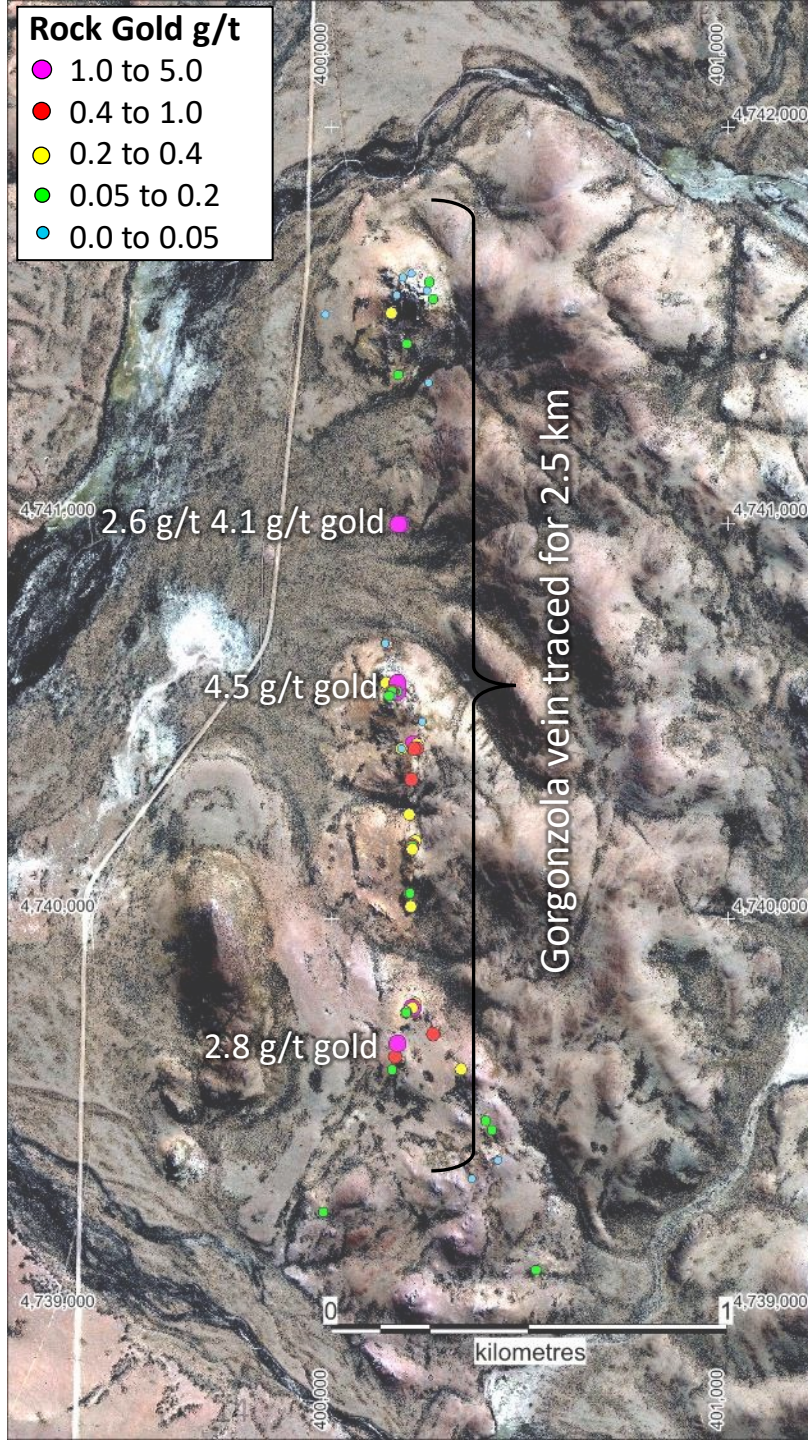
DESEADO PROJECTS

Renowned gold-silver region with world class gold and silver bearing vein style mines



VENIDERO

- The project is **70 km from Newmont's Cerro Negro mine**, 6.7 million ounces gold and sold for over \$3 billion
- Gorgonzola **vein structure 2.5 km long** with surface sampling up to **4.5 g/t gold at surface**
- Vein textures at surface are similar to those observed in the Eureka vein at Cerro Negro at surface, and indicate a high level in the system, and that **higher grade gold could be found by drilling below**
- A **Silica Cap zone 1 km wide** is exposed in the south of Venidero. At the Cerro Negro mine, drilling below a similar silica cap zone discovered **significant gold resources in two veins**.
- The mineral property applications cover **10,740 hectares** and are **100% owned** by Proximo.
- Programs for the 2021-22 season include electrical geophysics, to be run over Silica Cap, extension of the Gorgonzola ground magnetics to the south, and detailed geological mapping



FUTURO: gold-silver veins in volcanic rocks

- Six mineral claims for a total of 1,800 hectares, **100% Proximo**
- Work to date: 303 rock chip samples, geological mapping, Induced Polarization and ground magnetic geophysical surveys, 1,824 m drilled in 18 holes
- Three previous companies have reported exceptional gold values from surface rock chip sampling with grades up to **298.4 g/t gold and 5,320 g/t silver**.
- Best drill intercept, **2.6 m grading 48.2 g/t gold** from diamond hole IDH006.
- Within transport distance to the Cerro Bayo mine
- Recommended program, dipole over the red-dome target, drill permitting

ALTIRO: silver-gold veins in volcanic rocks

- Fifteen mineral claims for a total of 4,500 hectares, **100% Proximo**
- Work to date: 216 rock chip samples, reconnaissance geological mapping, environmental permitting (**permitted to drill 19 platforms**)
- Proximo rock chip sampling has returned grades up to 8.06 g/t gold and **3,560 g/t silver**
- Within transport distance to the Cerro Bayo mine
- Recommended program, systematic sampling, Induced Polarization and ground magnetic geophysics

FUTURO SELECTED ROCK CHIP SAMPLES FROM PREVIOUS COMPANIES

SAMPLE #	*COMPANY	EAST	NORTH	ELEVATION	DATUM	GOLD g/t	SILVER g/t
1010664	LG	276393	4868330	303	W84U19S	127.20	71.5
1010713	LG	276837	4868156	290	W84U19S	28.20	76.5
1010742	LG	276869	4868235	288	W84U19S	5.93	219.0
1010747	LG	276452	4868062	294	W84U19S	81.30	5320.0
1010749	LG	276454	4868063	294	W84U19S	8.31	220.0
13603	LG	276499	4868150	279	W84U19S	151.50	159.3
13607	LG	276436	4868174	286	W84U19S	64.10	61.0
299502	RHC	276901	4868223	282	W84U19S	147.70	1124.0
299505	RHC	276842	4868171	286	W84U19S	298.40	1096.0
420562	MND	276826	4868167	277	W84U19S	20.17	30.2
420566	MND	276843	4868153	274	W84U19S	28.37	28.6
420567	MND	276838	4868158	275	W84U19S	91.47	198.3
420568	MND	276826	4868164	276	W84U19S	28.46	104.3
420600	MND	276334	4868386	316	W84U19S	114.41	74.9

* LG = Laguna Gold, RHC = Red Hill Chile, MND = Mandalay Resources



Altered volcanic host rocks, Cerro Colorado prospect, Altiro project.

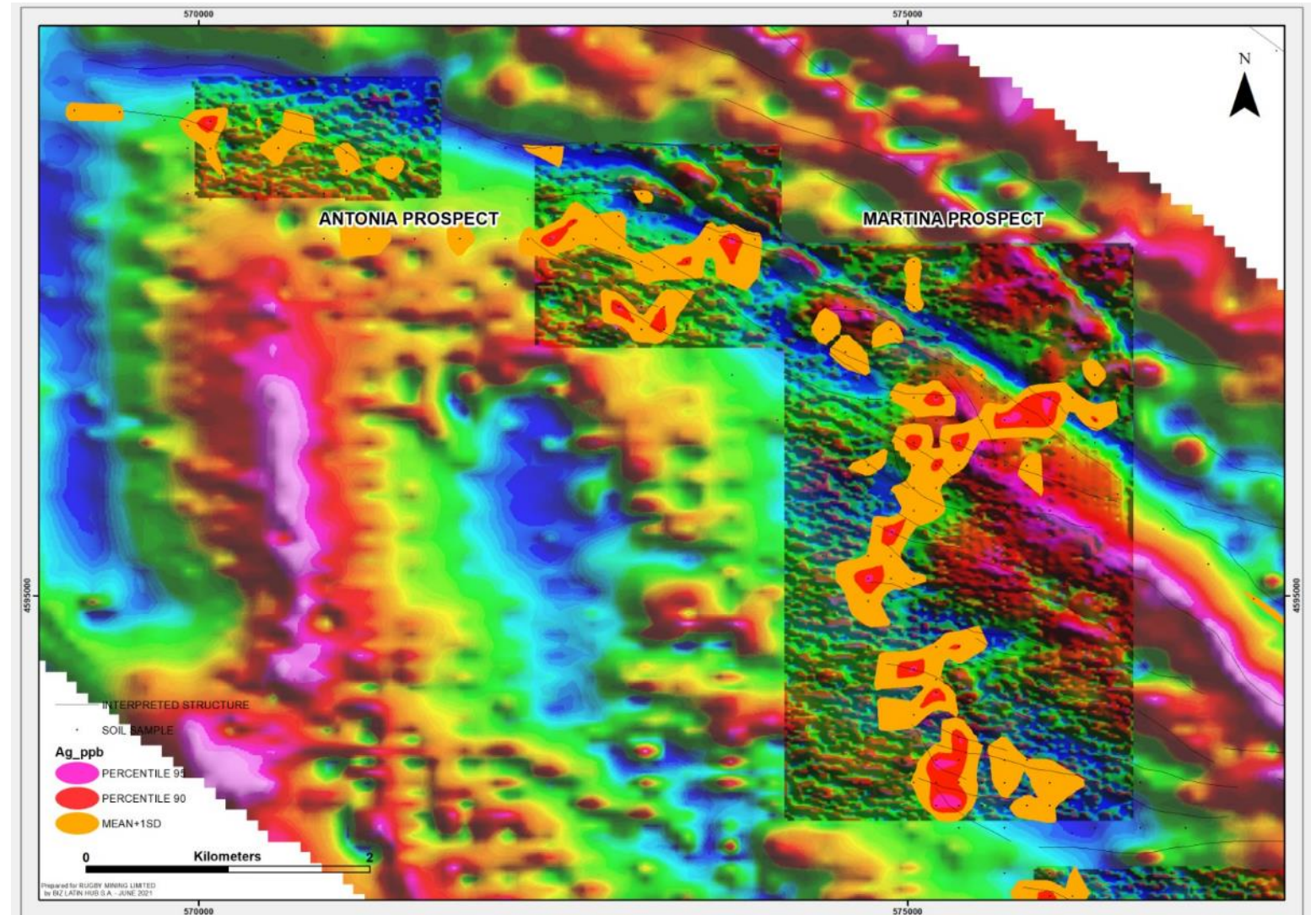


Rock chip sample from exposed vein at Cerro Colorado, **3,560 g/t silver**.

ZANJON

(EXISTING RUGBY PROJECT)

- 876 Ultra low-level Ionic leach soil samples completed
- Clustering of samples along several strong magnetic lineaments indicative of seepage from sulfidic ore shoots
- Coincident low pH in soils indicative of weathering of metallic sulfide minerals
- Drill permitting work underway for expected permitting in Q4 2021
- Drilling planning to test best targets in 2022.
- Option to earn 100%, **60,000 hectares**
- Exploration expenditure CAD\$3.65 million over 6 years

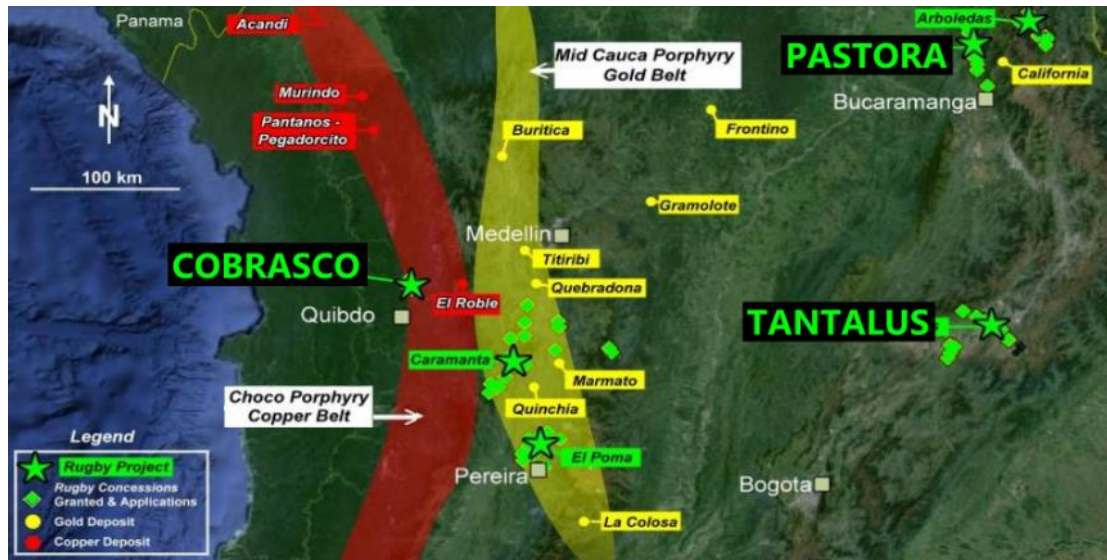


RUGBY'S COLOMBIAN PROJECTS

Cobrasco copper molybdenum porphyry Western Cordillera
Large undrilled porphyry, geophysical and geochemical anomalies, potential for world class deposit

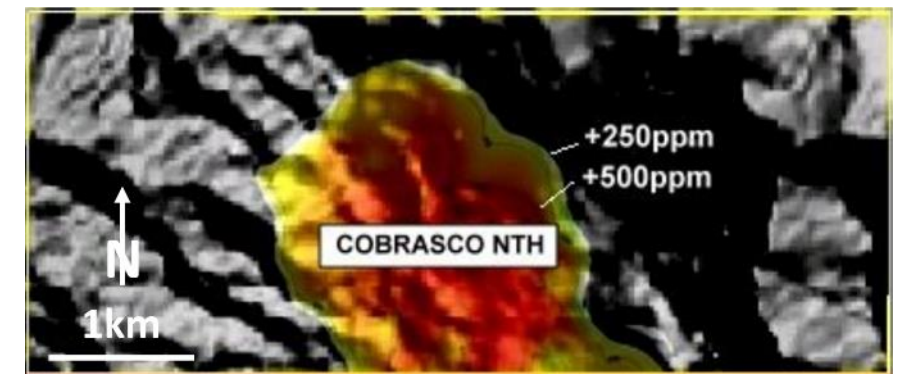
Pastora North of Bucaramanga (Detail in appendix)
Four large gold geochem anomalies, targeting high grade Angostura and Mascota analogues, IP survey planned

Tantalus 150 km NE of Bogota (Detail in appendix)
Significant silver anomalies from soil and rock geochemistry



COBRASCO PORPHYRY (EXISTING RUGBY PROJECT)

- **100% Rugby, granted title, undrilled copper – molybdenum porphyry at surface** in Western Cordillera, Chocó Department, Colombia
- Requires forestry extraction permit for drilling, all other permits granted, including Prior Consultation (*Consulta Previa*) with local community
- Forestry extraction process under internal review for re-application
- Rugby airborne magnetics identified Cobrasco porphyry coincident with historical mineralisation/geochemistry - prominent magnetic lows - probable magnetite destruction by porphyry intrusives
- 587 surface geochemical samples, large 8 km² Cu anomaly - typical porphyry metal zonation, stream sediment samples up to 1.4% Cu, numerous rocks > 1.0% Cu



Radar & Stream Sediment Geochemistry
(Copper -1 mm) Source: Ingeominas/BGR

COBRASCO AND THE COLOMBIAN COPPER FUTURE

(RUGBY'S COLOMBIAN PROJECTS)

“Cobrasco has the potential to be a **globally significant copper orebody** and contribute to the Colombian economy for decades.

“For this vision to become a reality, **all stakeholders and authorities** must be engaged and involved at different levels to work towards this common goal.”

*“Cobrasco tiene el potencial de ser un **proyecto de cobre de significancia global** que contribuirá a la economía colombiana por décadas.*

*“Para hacer de esta vision una realidad, **todos los grupos de interés y autoridades** deben ser involucrados e integral en diferentes niveles para alcanzar este objetivo común.”*



El futuro es de todos

Minenergía



Departamento del Chocó



Dirección de Bosques, Biodiversidad y Servicios Ecosistémicos



El ambiente es de todos

Minambiente



Proximo CEO Peter Love (2nd from left) in 2017 on site inspecting a porphyry copper project located 80 km north of Rugby's Cobrasco project.

CONCLUSION AND KEY TAKEAWAYS

- **Transformational acquisition of Proximo Resources** brings Rugby the potential for the discovery of a **major high-grade silver-copper-gold orebody** at Salvadora similar to other deposits in the district such as El Indio
- **All-share transaction** followed by **\$2,500,000 capital raising** to advance Salvadora exploration and drilling along with several other key assets
- New **CEO, CTO and Exploration Manager** adds to the strength of the Rugby team
- **Continuity** with Bryce Roxburgh and Yale Simpson remaining as Non-Executive Chairmen
- **Advancing consultation and cooperation with local communities and authorities in Colombia** to demonstrate that they can be confident that Rugby is an ideal partner for sustainable mineral resource development
- Potential for the transaction to **strengthen Rugby and drive shareholder returns** through exploration and **discovery on a high-quality asset**

RUGBY MINING LIMITED

- ▶ **CANADA**
810-789 West Pender Street,
Vancouver, BC,
Canada V6C 1H2
Toll-free: +1 855 688 4941
Tel: +1 604 688 4941
- ▶ **AUSTRALIA**
Suite 603, 161 Walker Street
North Sydney, NSW,
Australia, 2060
Tel: +61 2 89201356
- ▶ info@rugbymining.com



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APPENDIX 1: SALVADORA OPTION AGREEMENTS

Combined Vendor Payment and Exploration Expenditure Schedule

Term (months)	Veta Larga Payments	Cerro Elqui Payments	Exploration Expenditure*	Total Cost
0-12	\$45,000	\$40,000	\$405,000	\$490,000
12-24	\$90,000	\$65,000	\$810,000	\$965,000
24-36	\$135,000	\$100,000	\$1,215,000	\$1,450,000
36-48	\$225,000	\$100,000	\$2,025,000	\$2,350,000
48-60	\$405,000	\$250,000	\$3,645,000	\$4,300,000
Total	\$900,000	\$555,000	\$8,100,000	\$9,555,000

Veta Larga Vendor Resource Payment*

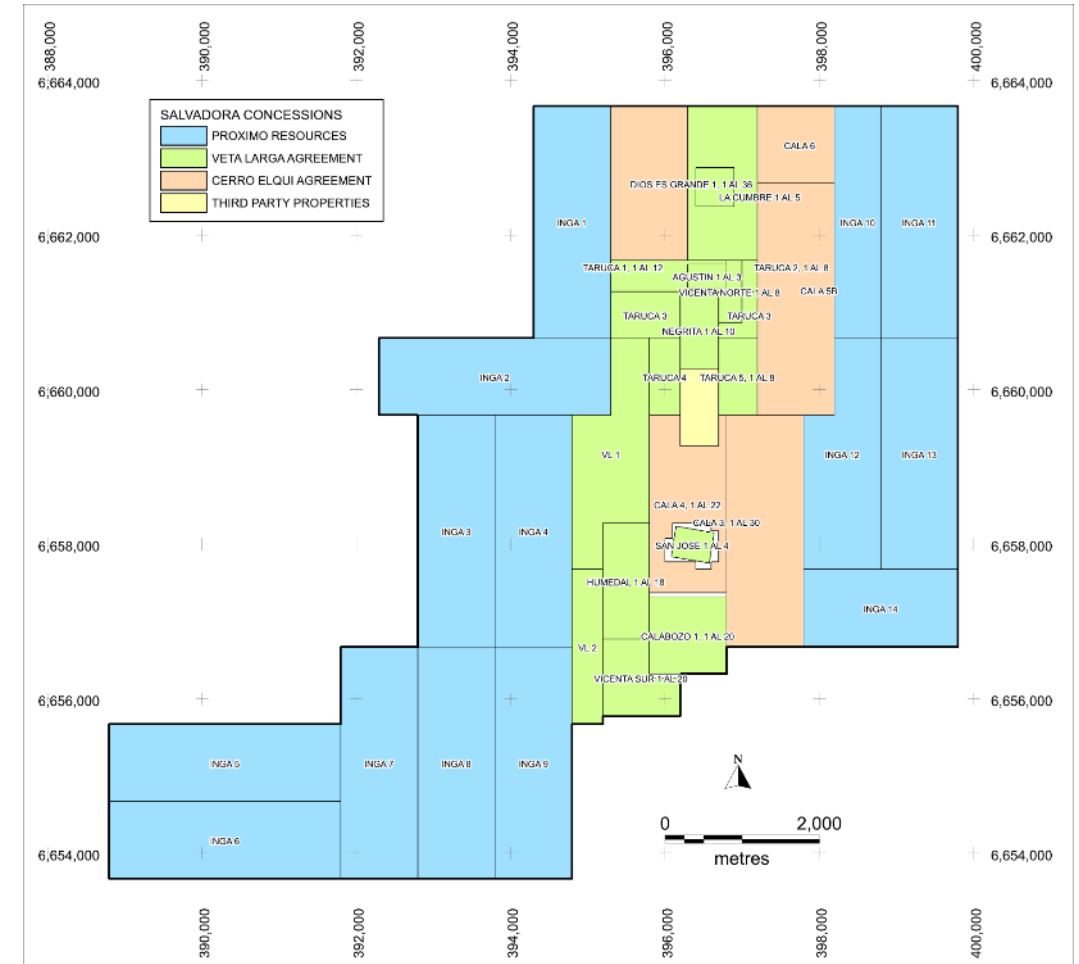
Resources	US\$ Per Gold Eq. Oz	Reserves	US\$ Per Gold Eq. Oz
Inferred	\$3.27	Probable	\$39.50
Indicated	\$4.41	Proven	\$79.00
Measured	\$6.34		

The total US\$900,000 in Veta Larga Payments is a pre-payment for the Veta Larga Vendor Resource Payment and will be deducted from the per ounce payment due.

*Only on Veta Larga Option Properties

SCM Cerro Elqui Vendor Net Smelter Return (NSR)

The vendor retains a 1% NSR on Cerro Elqui Option Properties. 0.5% of the NSR can be purchased within 5 years from signing for US\$2 million, remaining 0.5% of the NSR can be purchased within 5 years from signing for US\$3 million.



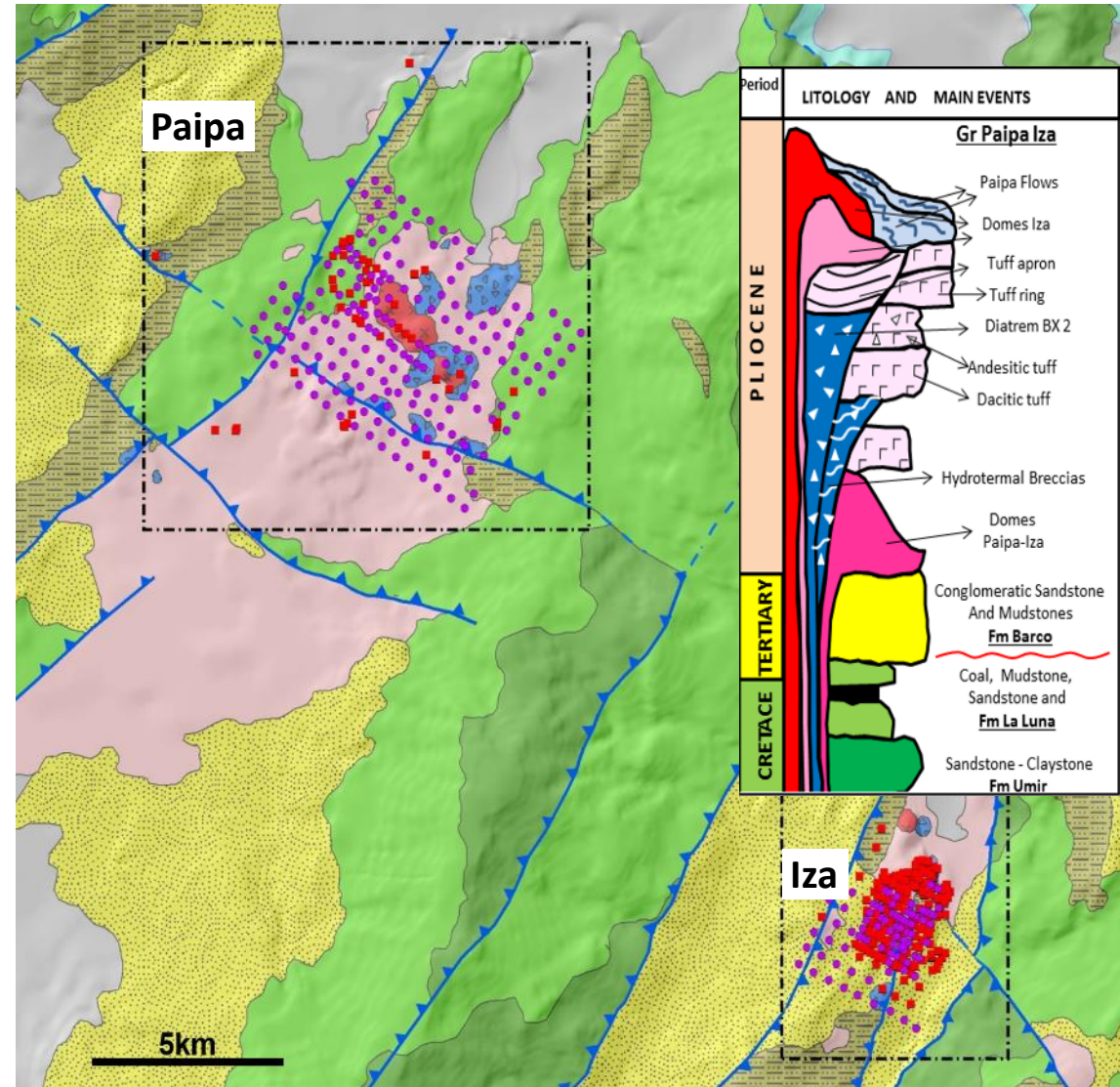
100% Rugby
 Veta Larga Option Properties
 Cerro Elqui Option Properties

TANTALUS

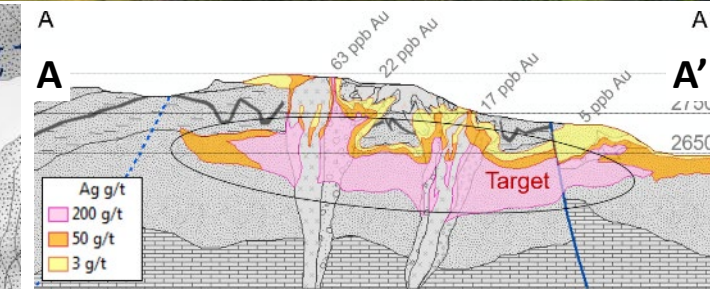
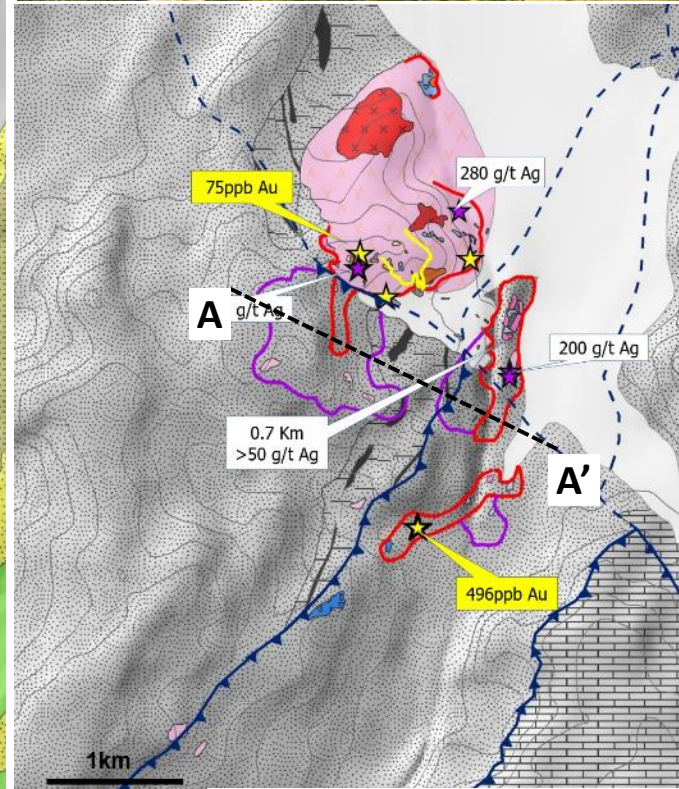
(EXISTING RUGBY PROJECT)

Twin large disseminated and structurally controlled high sulfidation epithermal gold-silver hydrothermal systems

Tantalus geology and soil sampling



Panoramic view across the Iza sector

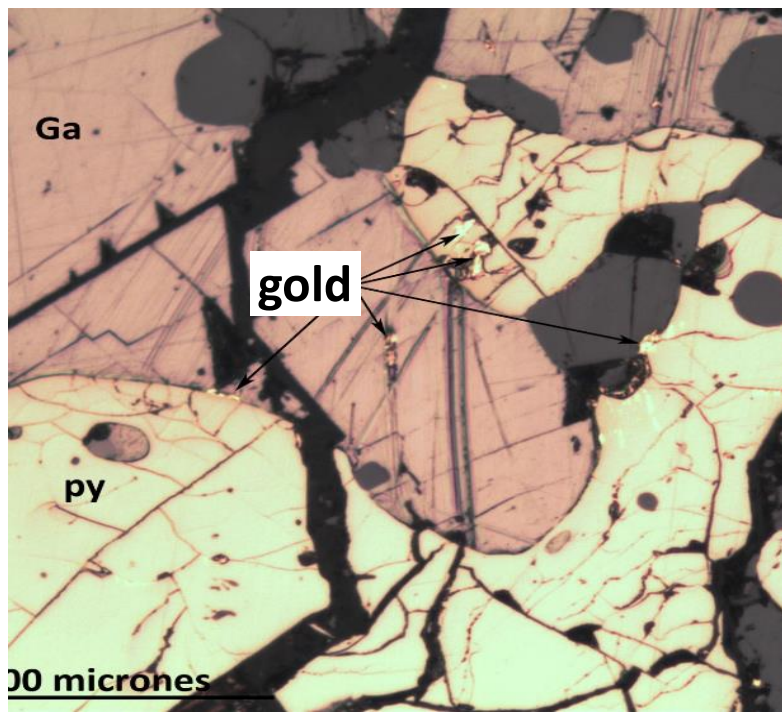




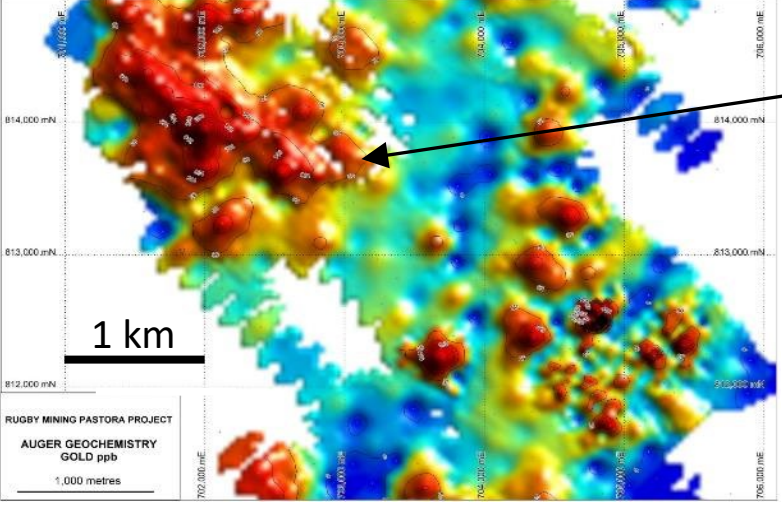
Post deformation Copper mineralization in gneiss



Mineralized stockwork veining porphyry stock



Petrology -Interstitial gold associated with sulfides
 Au = gold, Ga = Galena, py = pyrite



Soil auger gold geochemistry

PASTORA

(EXISTING RUGBY PROJECT)

- Prospective for both epithermal and porphyry gold mineralization.
- Located in private land outside the Paramo de Santurban, national parks and forestry reserves.
- Similar geological characteristics and size to the La Bodega and La Mascota gold deposits located in the California-Vetas mining district located 25 km to the east.
- Over 1,800 geochemical samples collected to date have defined a large **7 km by 6 km gold in soil anomaly**.
- Future geophysical survey which will assist in drill targeting once permitting is completed.

El Indio Belt Resource References

Pascua Lama – 17.6 million ounces of gold and 643 million ounces of silver

- Barrick Gold Corporation, Annual Report, 2004; SEDAR.com

Veladero – 12.9 million ounces of gold and 200 million ounces of silver

- Barrick Gold Corporation, Annual Report, 2004; SEDAR.com

El Indio – 4.9 million ounces of gold, 37.3 million ounces of silver and 928,000 tons of copper

- El Indio Belt - El Indio, Tambo, Pascua Lama; Porter GeoConsultancy Pty Ltd, 2001; portergeo.com.au
- Jannas, R.R., Bowers, T.S., Petersen, U., and Beane, R.E., 1999, High-sulfidation deposit types in the El Indio district, Chile, in Skinner, B.J., ed., Geology and Ore Deposits of the Central Andes: Society of Economic Geologists, Special Publication 7, p. 219–266.

Alturas – 8.9 million ounces of gold

- Barrick 2019, Barrick Annual Information Form for the year ended December 31, 2019; SEDAR.com