



For Immediate Release: NR 10-05

RUGBY ENTERS INTO AGREEMENT OVER THE COMITA PORPHYRY COPPER GOLD PROJECT

Vancouver, B.C., October 12, 2010 – Rugby Mining Limited (“Rugby” or the “Company”) (TSX-V:RUG) is pleased to report that it has, subject to regulatory and exchange approval, entered into an agreement (the “Agreement”) with Rio Tinto Mining and Exploration Colombia (“Rio Tinto”), over the Comita Porphyry Copper Gold Project in Colombia granting it the right to earn up to a 60% interest in the project.

The Comita Porphyry Copper Gold Project (“Comita” or the “Project”) is located 100 kilometres southwest of Medellin in the Choco Region of Colombia. The region is an established mining / exploration district in Colombia that hosts significant operating gold mines and multiple copper gold porphyry discoveries.



The area was first recognised during the 1980’s by a German government (BGR) reconnaissance exploration program which identified extensive and strongly anomalous copper stream sediment geochemistry which defined outcropping porphyry copper style mineralization. The zone of strong stream sediment copper anomalism covers a district sized area of approximately 8 square kilometres. Comita, which covers an area of 45 square kilometres, comprises one granted Contract Concession (JB5-08011) covering 15 square kilometres and two adjoining Concession Applications totalling 30 square kilometres. The Contract Concession was acquired by Rio Tinto in April 2010.

The Project is situated within undulating terrain with elevation ranging up to 900 metres. Mineralization is hosted by a sequence of felsic tuffs, proximal to and immediately west of the contact with a number of syenite to monzonite intrusives. Previous exploration by the BGR indicates potential for an enriched supergene blanket containing chalcocite after bornite, cuprite, malachite and native copper. Molybdenite was also observed. Alteration appears similar to other large porphyry copper systems where primary magnetite is replaced by hematite (martitization). Mineralized outcrops of stockwork quartz-bornite veining occur within the property. To date, no systematic modern exploration or drilling has been conducted on the property.

Existing mines in the region include Medoro Resource's Marmato deposit (9.7Moz Au) and the Frontino Gold Mine, which historically produced about 4.5 million ounces of gold. Significant gold porphyry discoveries in the district include Sunward Resources' Titiribi (3.7Moz Au) deposit, AngloGold Ashanti's La Colosa (12.3 Moz Au) deposit, and AngloGold / B2Gold's Gramalote (2.4Moz Au) deposit.

Paul Joyce, the Company's President and CEO stated, "Comita is an exciting opportunity for Rugby as we bring our focus to the discovery of large gold-rich copper porphyry systems. The region is known to host major gold projects, yet much of the area remains largely unexplored. Our team is optimistic that given the geological characteristics of the project, Comita represents a very significant discovery opportunity for the Company.

"Colombia has rapidly advanced as a priority destination for foreign mining investment following the revamping of its mining code in 2001. Over US\$3 billion was invested in mining projects by foreign companies in 2009, based on the improved political environment and the very favourable geological potential of the country.

"Initial evaluation of permitting requirements by Rugby indicates that an environmental permit required to commence exploration is expected to take one to two months to conclude following which systematic ground exploration programs to define drill targets can commence. In order to commence drilling on the Project, the area will require exclusion from a secondary growth forestry reserve. This permit is expected to take up to 12 months to conclude. In addition, Rugby will also initiate a community relations program with the local people to obtain support for its activities."

Agreement terms:

The Agreement with Rio Tinto provides that all of the mineral titles at Comita owned by Rio Tinto, will be transferred to a new Colombian entity ("Newco") and grants Rugby the right to earn an initial 40% interest in Newco upon completion of certain exploration activities and incurring expenditure commitments, with a further option to earn an additional 20% interest, for a total interest of 60% in Newco. Under the terms of the Agreement, Rugby can earn the 60% interest in Newco (an effective 60% indirect interest in the Project) if it completes the obligations set out in the two options as follows:

Option 1: Rugby has an initial 5 year option to acquire an indirect 40% undivided interest in the Project by incurring US\$10,000,000 in exploration expenditures which include at least 10,000 metres of drilling as follows:

- (i) US\$250,000 on or before October 21, 2011, the first anniversary date of the Agreement.
- (ii) Thereafter Rugby has the option, but not the obligation to incur US\$9,750,000 over the following four years with minimum annual expenditures of US\$250,000 until such time as the Concession Applications are granted and the Project is removed from the forestry reserve, following which the minimum annual expenditure will increase to US\$1,000,000.

Excess expenditure in any given year may be carried forward to the next year however such carry forward is limited to US\$1,000,000 at the end of the initial 5 year option.

Upon incurring the expenditures set out above, Rugby is required to provide Rio Tinto with notice that it has met the requirements to acquire the initial 40% interest in Newco following which Rio Tinto has 90 days to elect to resume management of the Project. In the event that Rio Tinto elects to resume management of the Project, a joint venture will be formed and dilution provisions will apply. Should Rio Tinto elect not to resume

management of the Project, Rugby will be granted a second option to acquire a further 20% indirect interest in Newco as set out below.

Option 2: Upon Rugby being granted the second option it will have 3 years to acquire an additional 20% undivided interest in Newco for a total 60% indirect interest in the Project by incurring an additional US\$15,000,000 in expenditures, including 20,000 metres of drilling with minimum annual expenditures of US\$1,000,000.

Full details of the Agreement will be available on Rugby's website: www.rugbymining.com.

John Haggman, a "qualified person" within the definition of that term in NI 43-101, has supervised the preparation of the technical information contained in this news release.

About Rugby

Rugby is an emerging mineral resource company exploring for gold, silver and base metals. The management team has a track record in the successful identification, acquisition, exploration and development of international mining projects.

Mabuhay Project: The Company recently announced an agreement securing an option to acquire up to an 80% interest in the Mabuhay Project located in a mining friendly area of the Philippines. Mabuhay is located in a region where a number of significant projects are located including the recent discovery at Mapawa. Management believes this project has excellent potential for the discovery of a gold-copper porphyry project. The agreement remains subject to regulatory approval.

Mabuhay, formerly known as "The Mindanao Mother Lode Mine" ("Mother Lode") was a high-grade epithermal vein style gold mine that is estimated to have produced around 500,000 ounces of gold from 1937 through to 1953. Mother Lode was once one of the Philippines' highest grade gold producers and is located in the centre of the Project's tenements.

Rugby plans to focus on testing deep porphyry targets and will start work with an Induced Polarization survey over the entire property which will be followed by a drill program, expected to commence in early 2011.

Hawkwood Project: Rugby also has an option to acquire up to a 90% interest in the Hawkwood project which covers 427 square kilometres of prospective copper-gold and iron tenements in Queensland, Australia.

In January 2010, the Company entered into an agreement with Eastern Iron Limited which covers prospects identified as potential iron targets within the Hawkwood property. Eastern Iron will have an opportunity to earn up to 80% ownership in these targets after completing and incurring specific drilling and exploration expenditures and conducting a bankable feasibility study. To date Eastern Iron has conducted ground and air magnetic surveys on the targets and have completed a drilling program in late August.

In the coming months, Rugby plans to undertake further reconnaissance, geochemical sampling, mapping and geophysical modelling to assess gold and copper targets outside of the area covered by the Eastern Iron agreement.

For additional information you are invited to visit the Rugby Mining Limited website at www.rugbymining.com

RUGBY MINING LIMITED

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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 the Comita, Hawkwood and Mabuhay projects, 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 mining properties in good standing; political risk that a future government will change environmental regulations, taxes or mineral royalties in a manner that could have an adverse effect on the Company's financial condition and impair its ability to 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 sometimes ambiguous conveyancing characteristic of many resource properties, currency risks associated with foreign operations, the timing for obtaining permits to conduct exploration activities, the ability to conclude agreements with local communities and other risks and uncertainties, including those described in each management discussion and analysis. 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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