



**For Immediate Release: NR 10-06**

## **DRILLING CONFIRMS IRON DISCOVERY ON RUGBY'S JOINT VENTURE HAWKWOOD PROJECT**

**Vancouver, B.C., October 25, 2010 – Rugby Mining Limited (“Rugby” or the “Company”) (TSX-V:RUG)** is pleased to report that exploration drilling at the Hawkwood Project, Australia has returned intersections of iron mineralization indicating potential for a large tonnage magnetite deposit. The program was completed by Eastern Iron Limited (“Eastern Iron”), an Australian company owning the rights to acquire from Rugby a majority interest in any iron ore deposits discovered on the property.

Eastern Iron completed a 19 hole reverse circulation drilling program, specifically targeting the iron ore potential of the property. The 19 holes, comprising 1,848 meters, returned multiple intersections with up to 112 metres of magnetite bearing gabbro recovered. Drilled intervals averaged 23% contained magnetite over an average intersected width of 43 metres with individual assays returning up to 35% Fe.

Significantly, the exploration drilling to date has only tested a 7 kilometre long segment of the Hawkwood magnetic target. Potential exists over a further 5 kilometres of untested magnetic anomaly.

Paul Joyce Rugby’s President and CEO stated, “Eastern Iron’s recent drilling results are very exciting as they provide firm support for the presence of a substantial iron bearing system. Fortunately Hawkwood is situated close to excellent infrastructure, including a railway and electrical power, all of which are required for the potential development of an iron project.

“Eastern Iron has advised that exploration over the coming months will include diamond drilling. That program will provide samples for metallurgical testwork and geological information to better define the geometry of the magnetite bearing layers.

“Rugby has identified other exploration targets outside of those subject to the Eastern Iron agreement. In the coming months, Rugby’s exploration program includes reconnaissance mapping, geochemical sampling and geophysical modelling on gold and copper targets over which Rugby has the rights to a 90% interest.”

Francisco Montes, the Company’s Exploration Manager and 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.

### **New opportunities**

A number of gold, silver and copper projects in Central and South America have been offered to Rugby. Field evaluations are being conducted.

### **About Rugby**

Rugby is an emerging mineral resource company focussed on the discovery of large scale gold and copper projects. The management team has a track record in the successful exploration and development of major resource projects in different mining jurisdictions.

### **Mabuhay Project**

The Company recently announced an option agreement to acquire up to an 80% interest in the Mabuhay Project located in a “mining friendly” area of the Philippines. The project is in close proximity to a number of significant projects, including the recent Mapawa gold-copper porphyry discovery. Management believes Mabuhay has excellent potential for the discovery of similar porphyry bodies. The agreement remains subject to regulatory approval.

The Mabuhay project includes the old “Mindanao Mother Lode Mine” (“Mother Lode”), an epithermal type gold deposit with recorded gold production of approximately 500,000 ounces (1937 to 1953). At one time Mother Lode was one of the Philippines’ highest grade gold producers.

Rugby plans to commence an Induced Polarization survey over the entire property to be followed by Q1-2011 drilling.

### **Comita Project**

Rugby has entered a two stage option agreement with Rio Tinto (“Rio”) to earn up to a 60% interest in Comita, a porphyry gold-copper project in the western cordillera of Colombia. Upon Rugby earning an initial 40% interest in Comita, Rio has the right to assume management of future exploration and development of the project. In the event that Rio does not exercise its back-in right, Rugby can earn a 60% interest in Comita through meeting additional staged drilling and expenditure requirements.

The project is a gold-copper porphyry recognised during a joint German-Colombian regional exploration program over 20 years ago. No systematic exploration has been conducted since that time. Surface exploration is expected to begin in early 2011, with drilling in early 2012.

### **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. Eastern Iron has the right to earn up to an 80% interest in the iron ore targets at Hawkwood by incurring defined exploration expenditures and the completion of a bankable feasibility study.

For additional information you are invited to visit the Rugby Mining Limited website at [www.rugbymining.com](http://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 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; uncertainty related to title to mineral properties, obtaining various permits to conduct planned exploration activities, 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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