

# **RUBY RED RESOURCES INC. ANNOUNCES PRIVATE PLACEMENT FLOW-THROUGH**

## **FOR IMMEDIATE RELEASE**

**CALGARY, ALBERTA – December 21, 2005** – Ruby Red Resources Inc. ("Ruby Red" or the "Corporation") today announced details concerning its proposed private placement. The proposed private placement provides for the issuance of up to 2,000,000 Units at a price of \$0.25 per Unit for aggregate consideration of up to \$500,000. Each Unit will consist of one common share in the capital of Ruby Red to be issued on a "flow-through" basis (a "Flow-Through Share") and one-half of one common share purchase warrant. Each whole warrant may be exercised to acquire an additional Flow-Through Share at a price of \$0.35 per Flow-Through Share at any time prior to 12 months from the date of issuance.

Ruby Red has agreed to pay a finder's fee to any selling agents who arrange for subscriptions of Units under the private placement. The finder's fee payable will be equal to no more than 10% of the gross proceeds from the sale of Units. In addition, Ruby Red may grant to such selling agents, a number of warrants that is equal to not more than 10% of the number of Units sold by the selling agent. Each warrant will entitle the holder to acquire a common share of Ruby Red at a price of \$0.25 per common share at any time prior to 12 months from the date of issuance

The first closing is expected to occur on or about December 22, 2005 and, if necessary, subsequent closings may occur until December 31, 2005. The proceeds will be used to complete the Corporation's 2005 exploration program and to begin the 2006 exploration program.

Ruby Red is also pleased to announce that it has entered into an arm's length letter agreement with a TSX Venture Exchange capital pool company pursuant to which Ruby Red and the capital pool company have agreed to complete a business combination. The business combination is expected to constitute a Qualifying Transaction of the capital pool company and is subject to the approval of TSX Venture Exchange and all other necessary regulatory approval.

### *About Ruby Red*

Ruby Red is a corporation that was formed to participate in the acquisition, exploration and development of mineral claims in the Fort Steele Mining Division of British Columbia for the purpose of exploring for precious and base metals. Ruby Red holds 100% working interests in 135 mineral claims all in good standing in various properties in the Fort Steele Mining Division of British Columbia with gold and base metal potential. These claims are all located within 35 kilometres of Cranbrook, British Columbia in the Purcell and Rocky Mountains.

### *Contact Information*

For further information contact Randall Tronsgard, Vice-President, Corporate Development and Chief Operating Officer of Ruby Red, at (403) 770-1346 or 1-866-257-4337

*The TSX Venture Exchange Inc. has neither approved nor disapproved the contents of this press release.*

*(Not for dissemination in the United States of America)*