RNS Number : 2386Y
Bluebird Merchant Ventures Limited
05 September 2022

Bluebird Merchant Ventures Ltd ('Bluebird' or 'the Company')
Batangas Gold Project and South Korea Update

- Discussions open to advance Batangas Gold Project in Philippines
- Lobo area remains highly prospective and there is significant potential for underground mining operations
- 1,160 hectare licence area has multiple epithermal and high grade targets already identified for resource expansion
- Team on site in South Korea to finalise the plan to fulfil the qualifying spend of US$160K in accordance with the 20-year mining licence terms for the historic Kochang Gold and Silver and Gubong Gold Mines
- Board estimates Korean projects have a cumulative estimated target recoverable resources of c.1.5m oz Au

Bluebird Merchant Ventures Ltd, a South Korea-focused gold company, is pleased to announce that it has opened discussions with potential partners to develop its high-grade Batangas Gold project in the Philippines ('Batangas'). This follows positive feedback following the submission to the Department of Environment and Natural Resources for a two-year extension to the exploration period to its current licence.

The Company has a 25-year Mineral Production Sharing Agreement ('MPSA') for the Lobo area of Batangas, where the current period of exploration needs to be extended. This involved the submission of an Exploration Work Programme and Environmental Work Programme to focus on the potential for underground mining at Lobo. With this granted, the Company will have a clear path to a production decision.

The Company believes that Lobo remains highly prospective and there is significant potential for underground mining operations. The mineral resources are associated with a linear, steeply dipping, epithermal lode with high grade 'shoots' of mineralisation. The previous partner published an initial Probable JORC Compliant Ore Reserves of 171,000 tons at 6.6 g/t for 36,000 ounces of gold excluding silver credits based primarily on the South West Breccia ('SWB') area of the licences, which can be mined in the first 18 months of any operation. However, the 1,160 hectare licence area has multiple epithermal and high grade targets already identified for resource expansion. These include the SWB extension, where testing of the footwall lode produced results including 2.1m @14.4g/t Au and 3m @12.1g/t, West Drift, which already has an Indicated and Inferred resource of 350,000t @ 3 g/t Au, as well as the Signal, Camo, Pica and Ulupong areas.

The Board is also progressing operations in its primary activities of bringing the historic Kochang Gold and Silver Mine and Gubong Gold Mine back into production. The mines have a cumulative estimated target recoverable resources of c.1.5m oz Au, garnered from data from the historical operators, parastatal Korea Resources Corporation ('KORES') and work conducted by the Bluebird team. The team is in South Korea this week to finalise the plan to fulfil the qualifying spend of

US$160K in accordance with the 20-year mining licence terms; this will be satisfied primarily by purchasing equipment needed to continue underground development and exploration of the two mines.

The Company believes that there is huge opportunity to develop low-cost low capex high grade mining operations due to the existing development work and understanding of the geology in what is a supportive and strong infrastructural environment.

Bluebird Merchant Ventures CEO Colin Patterson said, "The potential of Batangas is being recognised in the Philippines and we are progressing avenues to advance the project, which we believe has excellent underground production potential. With the granting of the licencing extension, we will have a defined path to a production decision.

"In the meantime, we continue to advance our primary South Korean activities, including bringing the historically producing Kochang and Gubong mines back into production. In the immediate term, we have to spend c.US$160K to satisfy the licence commitments, which our team will focus on this week as they are back in-county.

"The opportunity in South Korea is fantastic. We have carried out extensive work including geological mapping, sampling, orebody quantification, metallurgical testing and verification of extensive historical data to ascertain the extent of the opportunity. The plan remains achieving proof-of-concept gold production at Kochang, followed by production commencement of 5,000oz Au rising steadily pa to 10,000oz. Cash proceeds will contribute to ramping up gold production at Kochang and commencing production at Gubong with a medium-term target of 50,000oz Au rising to a targeted 100,000oz per annum.

"Our core skills are successfully reopening historic goldmines. The resource model and work conducted points to a low capital and operating cost environment, which translates to the Korean projects having major potential to produce high margin production leading to what I hope will be a dramatic re-rating of the Company's value."

This announcement contains inside information for the purposes of article 7 of the market abuse regulation EU 596/2014 ("MAR").

****ENDS****

For further information please visit https://bluebirdmv.com or contact:
Jonathan Morley-Kirk - Non-Executive Chairman
email: jmk@bluebirdmv.com

About Bluebird:
Bluebird Merchant Ventures Plc (BMV.L) is a London listed South Korea-focused resources company centred on bringing historically producing gold mines back into production. The Company, led by a team of proven mine rehabilitation experts, currently has two 100% owned licensed high grade narrow vein mining projects, the Kochang Gold and Silver Project ('Kochang') and the Gubong Gold Project ('Gubong'), which each have a defined route to low cost/ low capex production with a cumulative target of producing 100,000 oz + Au per annum. Additionally, the Company has the highly prospective Batangas Gold Exploration Project in the Philippines, which has a current reserve of 128,000oz Au, a resource of 440,000oz Au and has had c.US$20m

invested in it to date. The management team has invested cUS$2 million personally into the Company and believe, following analysis of historic production and exploration data, as well as extensive sampling, geological, geophysical and engineering studies, there is potential for in excess of 1.5 million oz of mineable gold in its Korean projects alone.

Kochang is an epithermal vein deposit with parallel vertical ore bodies covering 8.3 sq km that reportedly produced 110,000 oz of gold and 5.9 million oz of silver between 1961 and 1975. Consisting of a gold and silver mine, there are currently four main veins and a number of parallel subsidiary veins vein which have been identified, as well as a newly identified cross-cutting vein. Historic drilling indicates the veins continue to depth below the current 250m mine and mapping shows the veins on surface providing potential above and below the old workings. The veins extend to the NE providing a strike length of 2.5km with 600m between the two mines not exploited. There is potential to expand operations to the southwest/northeast and to depth, as well as exploit the already mined areas. The total current non JORC estimate is between 550,000 and 700,000 tonnes, with a range of grades between 5.2 g/t to 6.6 g/t gold, and 27.3 g/t to 34.8 g/t silver. Following the granting of a Mountain Use permit, there is an estimated 6 to 9 month development time to trial mining.

Gubong, which was historically the second largest gold mine in South Korea has 9 granted tenements covering c.25 sq km. Gubong is flat dipping with 9 veins extending 500m below surface and known to extend at least a further 250m. However, the production opportunity for Bluebird prior to looking at deepening the mine is the 25 levels already developed with all the remnants and unmined areas left by the original miners. The 25 levels extend over 120 km in total length which indicates the size of the opportunity. The Korea Resources Corporation ('KORES') estimated 2.34M tonnes at some 6 g/t Au garnered from 57 drill holes over 17,715.3 metres. With additional sampling, mapping, pit modelling and grade analysis, plus the fact that Gubong is an orogenic deposit, which typically have a depth of 2km compared to the current depth of 500m, the Board believe it has a potential resource of 1 million + oz Au in-situ, plus an estimated additional 300,000 oz Au from satellite ore bodies.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our Privacy Policy.

END

UPDUVRORUAUKRRR