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Bluebird Merchant Ventures Limited
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(the "Company" or "Bluebird")

Bluebird Receives Response to Gubong Application

Bluebird Merchant Ventures (EPIC: BMV), the Korean focused gold development group, is pleased to announce that it has received a positive response to the application for the 'permit to develop' the Gubong Mine.

The Provincial Government, the authority that will grant the permit under the authority of the Ministry of Trade, Industry and Energy (MOTIE), has requested clarification and additional information to support the application which is mostly technical in nature. The Company has been given until 17 April 2019 to submit a reply. After careful review, the Company is confident that it will be in a position to submit the formal responses ahead of the stated time.

Colin Patterson, CEO, commented:

"The South Korean authorities continue to impress us in their efficiency with regards to permit application processing, which are faster than industry norms. In my four decades working in the mining industry, reopening and operating mines in various parts of the world, I have never seen such a quick response by a government department to an application to develop a mine. This bodes very well for Bluebird.

"It is important that shareholders keep in mind that the progress made so far at Gubong and Kochang has been achieved with an expenditure of less than £1.5 million and this has brought us very close to the point of constructing a producing goldmine. Such rapid progress would be difficult to achieve with an exploration project, both in terms of expenditure and the time required to achieve production.

"When we produce gold in South Korea it will be of national significance as we will be reopening the first gold mine in South Korea in two decades."

Permit to Develop

The application for the 'permit to develop' was submitted on 23 January 2019. The response was received by the Company at the expected time which was forty business days from the date the application was submitted.

The Directors are encouraged by the speed in which the South Korean authorities have reviewed the application. In most developed countries a 'permit to develop' can take two years to attain and often requires a number of ancillary permits for blasting, water treatment and environmental impact. In South Korea, a single application for a 'permit to develop' is all that is required to apply for all these aspects. This is a major advantage when it comes to advancing towards production.

The Company has also made inquiries regarding the progress of the Kochang application for the 'permit to develop' which was submitted on 8 March 2019. The application is progressing well and the Company expects to receive a response in May.

The timing for the outcomes of government processes can be difficult to predict. However, the Company remains confident that both applications will be successful.

Next week, Graeme Fulton, General Manager of the Gubong and Kochang projects, will commence preparatory work to refurbish the Kochang adit. Once completed, the underground drilling equipment can be taken underground and the infill drilling programme can commence. This programme may be partially funded by the Korea Resources Corporation (KORES).

The Company will update the market in due course as the permitting process progresses and when the outcome of the grant application to KORES for the assisted drilling programme is received.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION EU 596/2014 ("MAR")

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Notes to Editors

The Gubong mine was once the second largest producing gold mine in South Korea until its closure in 1971 when gold prices were US$40 per ounce. The mine consists of nine shallow dipping stacked veins. Although production was mainly from vein number six, five other veins were mined from 1928 until its closure. Over 17,000 metres of drilling was carried out over the years and there are over 120 kilometres of existing underground development.

The Kochang mine is a gold-silver mine that operated between 1928 and 1975 and produced over five million ounces of silver at over 1000 g/t and 110,000 ounces of gold at 19.6 g/t. This gold production was mainly derived from the three main veins at the North East end of the "Gold Mine" part of Kochang, with the majority of the silver production from the "Silver Mine" some 2.5 kilometres to the south west. The mine closed in 1975 when the gold price was USD 140 per ounce. Today the mine consists of three steeply dipping veins. Bluebird has opened up three kilometres of original development, taken over 400 samples and has confirmed process viability by carrying out initial metallurgical test work.

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