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

US$5 Million Farm-Out Agreement for Gubong Gold Project in South Korea

A Transformative Free Carry Structure to Advance c.1.3m oz High Grade Gold Mine to Production

Bluebird Merchant Ventures Ltd, a gold company primarily focused on bringing historic mines back into production, is delighted to announce that it has signed a US$5 million Farm-out Agreement for its high grade Gubong Gold Project ('Gubong' or 'the Project') in South Korea ('the Agreement' or 'Farm-out').

Overview:

- Staged US$5 million investment by a consortium of South Korean businessman ('the consortium') to gain up to 60% of Joint Venture company ('JV') established to develop Gubong to production.
- Agreement provides Bluebird with a free carry to production at Gubong, previously South Korea's second largest gold mine.
- Agreement highlights the belief by both parties that Gubong's c.1.3Moz Au can be advanced to production.
- The consortium will provide JV management and finance and as well as corporate and planning expertise at local, district and governmental levels.
- Bluebird technical services chargeable to the JV at market rates
- JV model successfully implemented in the Philippines where the Batangas Gold Project ('Batangas') is being advanced towards production with an EIS Study in progress (US$2 million investment).
- Evaluating a similar JV agreement to develop the Kochang Gold and Silver Mine in South Korea.

Bluebird CEO Colin Patterson said, *"This US$5 million investment is fantastic news for Bluebird on multiple levels as we look to develop the high grade Gubong gold mine. We have been working informally with our South Korean partners over the last year to find the optimal development path for Gubong and this agreement means we have a free carry on the Project to production. We believe that our partner's willingness to enter into a formal agreement and invest significant capital, currently more than our market cap, emphasises that the right path has been identified and that together we can bring Gubong into production. Importantly, being South Korean nationals, its team better understand the local, district and national geo-political environment and can ensure all stakeholders are supportive while we will continue to provide the technical knowledge to drive value.*

"In the Philippines, we've found the JV model to be the best fit, reducing risk and lessening our dependence on capital markets for value delivery. Our recent investment secures a free carry on the Gubong and Batangas high-grade gold projects, representing a capital commitment of around US$7 million. With promising long-term gold fundamentals, we look forward to providing regular updates on our progress and creating value for all involved."

Details

Gubong is the larger of two 100% owned gold mining projects in South Korea. It was historically the second largest gold mine in South Korea and the Korea Resources Corporation estimated 2.34Mt at some 6 g/t Au garnered from 57 drill holes over 17,715.3m. It is an orogenic deposit, which typically have a depth of 2km compared to the current depth of 500m. The Company believes it has a potential resource of +1Moz Au in-situ, plus an estimated additional 300,000 oz Au from satellite ore bodies. Having completed extensive analysis of the historic data, it aims to bring the Project into production with a medium-term target of 60,000 oz Au per annum rising to 100,000 oz Au.

Under the terms of the Agreement, the South Korean's will form an SPV for the investment that will facilitate Gubong's development, investing up to US$5 million in return for a maximum 60% of the Project. The South Korean JV partner is a consortium of successful South Korean business professionals with a broad range of expertise, including metal trading. The Company has been working informally with the consortium to assess the most favourable path to advance Gubong, with the resultant JV structure considered the most optimal option to achieve success.

The Farm-out is over three stages with milestones needed to be achieved for the grant of equity in the JV. In the first and second stages, the JV will aim to obtain the relevant permits relating to bringing Gubong back into production (such as the Mountain Temporary Use Permit - MTUP) and once received prepare a Development Report, which details the planned development of taking Gubong into production. In the third stage, the JV will execute this report and carry out other exploration and production related activities including but not limited to sampling, drilling, trenching, dewatering, permitting, mapping, surveys, technical studies (including the Development Report, environmental studies, acquiring land, feasibility studies and/or studies of resources and reserves) and governmental or local stakeholder liaison.

The expenditure milestones by the investor giving a total of 60% of the Project are as follows:

- Stage 1 Shares: US$250,000 or 3% of the JV
- Stage 2 Shares: US$750,000 or 9% of the JV
- Stage 3 Shares: US$4,000,000 or 48% of the JV

The investor can also elect to fast-track expenditure at its discretion.

Bluebird shall not be required to contribute to the costs of the JV/Gubong development up to the completion of Stage 3, providing the Company with a free carry to production.

Both parties realise the potential of Gubong with the Farm-Out representing a major endorsement of the Project's potential and underpins the joint belief that the relevant permits will be obtained, and that the mine has strong potential to be a bought back into production. The value of Gubong and the Kochang Gold and Silver mine, the smaller of the Company's South Korean projects, was highlighted in a Scoping Study, which included a post-tax NPV of US$181 million, free cash of

US$50 million per annum, an IRR of 111% and a US$630 per oz All in Sustaining Cost ("AISC"). The study was conducted on a USS1,750 per oz Au price compared to the current price of c.US$2,300 per oz.

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About Bluebird

Bluebird Merchant Ventures Ltd (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.

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 several 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 150m 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 resource potential 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 moderately 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 120km in total length which indicates the size of the opportunity. The Korea Resources Corporation ('KORES') estimated 2.34M tonnes at some 7.3g/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 geological potential of 1 million + oz Au in-situ, plus an estimated additional 300,000 oz Au from satellite ore bodies.

Additionally, the Company has the highly prospective Batangas Gold Exploration Project in the Philippines, where it has an agreement with a Philippine company, whose owners have decades of experience in mining, to develop the Project. The JV covers the entire Batangas Project area, which has a current JORC compliant resource of 440,000 ounces, including a maiden ore reserve of 128,000 ounces (including silver credits). Exploration expenditure to the tune of c.$20m has already been invested. Work is focused on completing exploration and environmental work programmes initially targeting the high-grade Lobo area, although there is excellent exploration potential across the licence with high-grade targets already identified and 14km of identified mineralised structures. The staged agreement is based on the JV partner achieving defined development goals and provides Bluebird with a free carry on the development of Batangas with a view to advancing to construction.

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