



**BLUEBIRD MERCHANT VENTURES LIMITED**

**FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 30 JUNE 2023  
(UNAUDITED)**

## **CHAIRMAN'S STATEMENT**

The six-month period under review, although not without its challenges, has witnessed significant developments for your Company both in South Korea and the Philippines as we look to become a gold producing entity and deliver long term value for all stakeholders.

During the period, the Company published a Scoping Study highlighting the potential of the Gubong Gold Mine ("Gubong") and Kochang Gold and Silver Mine ("Kochang") in South Korea, secured a local JV partner in the Philippines to advance the Batangas Gold Project ("Batangas"), raised capital and cleared all corporate debt. However, as shareholders will be aware, the issuance of the Mountain Temporary Use Permits ("MTUPs") for Gubong and Kochang has taken far longer than anticipated, particularly in light of the fact that both projects have already received extraction licences.

### **South Korea**

The Gubong and Kochang licences remain first class assets and fit our model, being low CAPEX, high grade opportunities where we believe production can be recommenced quickly and existing resources can be expanded to facilitate long term, high value returns. In February, the potential of the two projects was highlighted in the publishing of the Scoping Study, which reported a post-tax NPV of USD 181 million, free cash of USD 50 million per annum, an IRR of 111% and a USD 630 per oz All in Sustaining Cost. This was conducted on a USD 1,750 per oz gold price against the current gold price of c. USD 1,930 per oz.

However, in order to advance, the Company needs the grant of the MTUPs. Throughout the period, the Board was focussed on the granting of these, which are the last part of the legal requirements needed to commence bringing the mines back into production. The Company's lawyers and permitting consultants frequently reiterated their confidence in the likely granting of these MTUPs and emphasised that all legal and regulatory requirements had been covered in Bluebird's initial c.800-page submission. Despite the supply of additional information, including community engagement and clarity on environmental impact, the issuance of the MTUP at Kochang was referred to the Board of Audit and Inspection, Korea. Its adjudication is mandated to take 60 days, so is scheduled for September. However, as previously reported, this timeline is not guaranteed and following advice from our legal advisors, it can often be materially different from what is mandated. When the Board receives an official response, we will communicate this to the market. It is extremely frustrating that while the Company has support from the local landowners and community, and the submission covered all the legal requirements, the granting has not occurred. The Board remains confident but believe this has become regionally political and therefore we welcome the audit procedure.

As a result of the above, we paused the submission for a MTUP at Gubong to evaluate all permutations encountered at Kochang. The politicising of events led us to the conclusion that there was a need for more South Korean representation and accordingly we identified a local partner to look to jointly develop the larger of our two projects. It recognises the scale and potential of the asset, which we estimate to have in excess of 1.3Moz Au and believe that it can both assist in the securing of the permit and the funding of the development of the mine to production. Notably, a similar JV model has been

successful at Batangas in the Philippines where our partner has been instrumental in securing the recently announced Certificate of Approval.

### **Batangas**

We remain extremely positive about the development potential of this high-grade project in the Philippines. This was our original listing asset, whose development was placed on hold due to a deterioration of political support for mining in the Philippines. With the election of President Marcos in June 2022, this situation has ameliorated translating into the project being primed for development. Accordingly, we signed a JV with a Philippine company, which has decades of mining experience in-country and recognised the potential of the project.

The JV covers the entire Batangas Project area, which has a total JORC compliant resource of 440,000 ounces, including a maiden ore reserve of 128,000 ounces (including silver credits), although work will initially focus on the Lobo area, implementing the necessary work with a view to advancing it to construction. Lobo has a JORC Compliant Ore Reserves of 171,000 tons at 6.6 g/t for 36,000 oz Au, an 82,000 oz Au inferred resource plus multiple epithermal and high-grade targets identified over 14km of identified mineralised structures. Grades include high-grade surface trench intersections of 8.35m @ 18.4 g/t Au, 2.6m @ 28.6 g/t Au and 3m @ 22.2 g/t Au.

The JV structure provides the Company with a free carry to a production decision at Lobo in return for 60% of the project equity. To provide context in terms of value, on top of the identified ounces and expansion potential, exploration expenditure to the tune of c.USD 20 million has been invested across the Batangas licence to date. In the initial prospectus, the Company had an option to farm into 51% of the project and will now have a free carry to construction decision and maintain a 40% interest.

Since signing the JV, we have received the Certificate of Approval from the Mines and Geosciences Bureau for its Two-Year Community Development Plan. This represents a significant step forward and underlines the importance of the Company's local development partner in navigating the regulatory environment to allow the Lobo underground mine to be advanced to a production decision. Importantly, the Company already has two 25-year Mineral Production Sharing Agreements covering this area.

The next steps for the JV partner include a new drilling campaign to increase the resource, the development of an underground mine plan, and the application for an Environmental Compliance Certificate. We are working closely with our partners to achieve these objectives, generate consistent news and advance to a decision to mine as quickly as possible.

### **Corporate**

Early in the period we raised GBP 1,215,000 through SI Capital via a placing and subscription for 60,750,000 New Ordinary Shares at 2 pence per share. This followed the raising of GBP 230,000 in December 2022. The capital raise was to fully fund proof-of-concept production at Kochang but, with

the delays with permitting, we took the decision to pay down our existing loans to become debt free. The Directors remain significant shareholders of the business owning a cumulative 166,176,351 shares in the Company.

The Company recognises the importance of cash preservation and being responsible custodians of our assets, to protect the capital structure of the Company where possible. Accordingly, the Board has taken measures to reduce spend and again the directors' remuneration will be taken in equity which means cash overheads are low. Therefore, with a free carry in the Philippines too, we don't envisage having to return to the market anytime soon. Additionally, on granting of licences in South Korea, multiple financing opportunities should be available; it is just about deciding which is in the best interest of shareholders.

More recently Catalyse Capital Ltd ("Catalyse"), a long running and supportive shareholder of the Company, has agreed to acquire Southern Gold Limited's ("Southern Gold") 122.5 million shares in the Company. The Board believes that the share purchase by Catalyse, that recognises the true potential of the Company's South Korean and Filipino gold projects, will remove a significant perceived 'overhang' in the trading of the Company's shares. Southern Gold's selling, caused by their strategic shift away from gold and into critical metals, has undoubtedly affected our share price, and to ameliorate the Southern Gold situation is good news for the Company and will allow investors to focus on the inherent value of our three-project portfolio.

### **Conclusion**

The sum of the parts of the business, three high grade gold projects, an estimated 1.5m oz Au in South Korea, close to 450,000 oz Au in the Philippines where we have a free carry to a production decision, defined paths to production, supportive local partners, a heavily invested management, cash, and no debt, are not reflected in our current price. We await progress on all three projects and believe that by the time I report next, we will have full clarity on our potential as we look to build value and reward shareholders for their patience.



**Jonathan Morley-Kirk**  
Chairman  
28 August 2023

## **DIRECTORS' REPORT**

The Directors present their report together with the unaudited financial statements of the Group for the half-year ended 30 June 2023.

### **The Group**

Bluebird Merchant Ventures Limited ("Company"), the parent company, is registered and domiciled in the British Virgin Islands.

MRL Gold Inc is a subsidiary of the Company and Egerton Gold Philippines Inc is the sole associate company. These companies are registered and domiciled in the Philippines.

Gubong JV Project Co PTE Limited and Kochang JV Project Co PTE Limited are subsidiaries of the Company and are registered and domiciled in Singapore. These companies are the 100% owner of the South Korean registered and domiciled Gubong Project Co Limited and Geochang Project Co Limited respectively.

### **Results and Dividends**

The results of the Group for the half-year ended 30 June 2023 show a loss before taxation of USD 216,262 (30 June 2022 showed a loss of USD 853,955).

No dividends have been paid or proposed for the period.

### **Operational Activities**

Refer Chairman's Report.

### **Company Directors**


|                     | <b>Position</b>       | <b>Appointed</b> | <b>Audit Committee</b> | <b>Remuneration Committee</b> | <b>H&amp;S Committee</b> |
|---------------------|-----------------------|------------------|------------------------|-------------------------------|--------------------------|
| J. Morley-Kirk      | Non-Exec. Chairman    | March 2014       | Chair                  | Member                        | Member                   |
| C. Sinclair-Poulton | Non-Exec. Director    | September 2015   | Member                 | Chair                         | Chair                    |
| C. Human            | BVI Resident Director | August 2022      | -                      | -                             | -                        |
| A. Bishop           | Executive             | March 2014       | -                      | -                             | -                        |
| C. Barclay          | Executive             | March 2017       | -                      | -                             | -                        |
| C. Patterson        | Executive             | September 2015   | -                      | -                             | -                        |

## **Share Capital**

At 30 June 2023 the issued share capital of the Company stood at 689,865,042 shares.

This Directors' Report was approved by the Board of Directors on 24 August 2023 and is signed on its behalf.

By Order of the Board



**Jonathan Morley-Kirk**  
Chairman  
28 August 2023

**BLUEBIRD MERCHANT VENTURES LIMITED**  
Financial Report for the Half-Year Ended 30 June 2023 (Unaudited)

**FINANCIAL STATEMENTS**

**Consolidated Income Statement**

For the half-year ended 30 June 2023

|   | <b>Note</b> | <b>30 Jun 2023<br/>(USD)<br/>(Unaudited)</b> | <b>30 Jun 2022<br/>(USD)<br/>(Unaudited)</b> |
|---|-------------|--|--|
| Administrative expenses                   |             | (598,558)                                    | (648,820)                                    |
| Farm-in costs                             |             | -  | -  |
| <b>Operating loss</b>                     |             | <b>(558,558)</b>                             | <b>(648,820)</b>                             |
| Exchange gain/(loss)                      |             | 95,613                                       | (14,689)                                     |
| Finance gain/(expense)                    | 7           | 286,683                                      | (190,446)                                    |
| <b>(Loss)/profit before taxation</b>      |             | <b>(216,262)</b>                             | <b>(853,955)</b>                             |
| Income tax expense                        |             | -  | -  |
| <b>(Loss)/profit for the period</b>       |             | <b>(216,262)</b>                             | <b>(853,955)</b>                             |
| <b>Attributable to:</b>                   |             |  |  |
| Equity shareholders to the parent company |             | (216,262)                                    | (853,955)                                    |
| <b>Earnings per share:</b>                |             |  |  |
| Earnings per share (USD cents per share)  | 8.3         | (0.0003)                                     | (0.0014)                                     |

The accompanying accounting policies and notes form an integral part of this financial report.

**BLUEBIRD MERCHANT VENTURES LIMITED**  
Financial Report for the Half-Year Ended 30 June 2023 (Unaudited)

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**Consolidated Statement of Comprehensive Income**

For the half-year ended 30 June 2023

|   | <b>30 Jun 2023</b> | <b>30 Jun 2022</b> |
|---|--------------------|--------------------|
|   | <b>(USD)</b>       | <b>(USD)</b>       |
|   | <b>(Unaudited)</b> | <b>(Unaudited)</b> |
| <b>(Loss)/profit for the period</b>                   | <b>(216,262)</b>   | <b>(853,955)</b>   |
| Exchange difference on translating foreign companies* | 70,274             | 417                |
| <b>Total comprehensive income for the period</b>      | <b>(145,988)</b>   | <b>(853,538)</b>   |

\* May be reclassified to profit or loss

The accompanying accounting policies and notes form an integral part of this financial report.



**BLUEBIRD MERCHANT VENTURES LIMITED**  
Financial Report for the Half-Year Ended 30 June 2023 (Unaudited)

**Consolidated Statement of Financial Position**

At 30 June 2023

|                                  | Note | 30 Jun 2023<br>(USD)<br>(Unaudited) | 30 Jun 2022<br>(USD)<br>(Unaudited) |
|----------------------------------|------|-------------------------------------|-------------------------------------|
| <b>Non-current assets</b>        |      |                                     |                                     |
| Mines under development          | 10   | 19,816,088                          | 19,816,088                          |
|                                  |      | 19,816,088                          | 19,816,088                          |
| <b>Current assets</b>            |      |                                     |                                     |
| Trade and other receivables      | 6    | 3,030                               | 7,568                               |
| Cash and cash equivalents        |      | 519,201                             | 118,207                             |
|                                  |      | 522,231                             | 125,775                             |
| <b>Current liabilities</b>       |      |                                     |                                     |
| Trade and other payables         | 2    | (142,397)                           | (319,074)                           |
| Other financial liabilities      | 2    | (353,300)                           | (859,146)                           |
| Derivative financial liabilities | 5    | (269,917)                           | (476,334)                           |
|                                  |      | (765,614)                           | (1,654,554)                         |
| <b>Net Assets</b>                |      | <b>19,572,705</b>                   | <b>18,287,309</b>                   |
| <b>Equity</b>                    |      |                                     |                                     |
| Issued share capital             | 8.1  | 21,236,160                          | 19,974,242                          |
| Unissued share capital           | 8.2  | 840,150                             | 31,836                              |
| Reserves                         | 9    | 1,400,656                           | 1,337,379                           |
| Retained earnings                |      | (3,904,261)                         | (3,056,148)                         |
| <b>Total Equity</b>              |      | <b>19,572,705</b>                   | <b>18,287,309</b>                   |

The accompanying accounting policies and notes form an integral part of this financial report.

  
**Jonathan Morley-Kirk**  
 Chairman  
 28 August 2022

**BLUEBIRD MERCHANT VENTURES LIMITED**  
Financial Report for the Half-Year Ended 30 June 2023 (Unaudited)

**Consolidated Statement of Changes in Equity**

For the half-year ended 30 June 2023

|                                   | Share<br>Capital<br>(USD) | Unissued Share<br>Capital<br>(USD) | Retained<br>Earnings<br>(USD) | Reserves<br>(USD) | Total<br>Equity<br>(USD) |
|-----------------------------------|---------------------------|------------------------------------|-------------------------------|-------------------|--------------------------|
| <b>At 31 Dec 2021</b>             | <b>19,584,044</b>         | <b>34,521</b>                      | <b>(2,202,193)</b>            | <b>1,336,962</b>  | <b>18,753,334</b>        |
| (Loss)/profit for the period      | -                         | -                                  | (853,955)                     | -                 | (853,955)                |
| Other comprehensive profit/(loss) | -                         | -                                  | -                             | 417               | 417                      |
| Total comprehensive (loss)/profit | -                         | -                                  | (853,955)                     | 417               | <b>(853,538)</b>         |
| Shares issued/to be issued        | 390,198                   | (2,685)                            | -                             | -                 | 387,513                  |
| Total transaction with owners     | 390,198                   | (2,685)                            | -                             | -                 | 387,513                  |
| <b>At 30 Jun 2022</b>             | <b>19,974,242</b>         | <b>31,836</b>                      | <b>(3,056,148)</b>            | <b>1,337,379</b>  | <b>18,287,309</b>        |
| (Loss)/profit for the period      | -                         | -                                  | (631,851)                     | -                 | (631,851)                |
| Other comprehensive (loss)/profit | -                         | -                                  | -                             | (6,997)           | (6,997)                  |
| Total comprehensive (loss)/profit | -                         | -                                  | (631,851)                     | (6,997)           | <b>(638,848)</b>         |
| Shares issued/to be issued        | 339,216                   | 282,761                            | -                             | -                 | 621,977                  |
| Total transaction with owners     | 339,216                   | 282,761                            | -                             | -                 | <b>621,977</b>           |
| <b>At 31 Dec 2022</b>             | <b>20,313,458</b>         | <b>314,597</b>                     | <b>(3,687,999)</b>            | <b>1,330,382</b>  | <b>18,270,438</b>        |
| (Loss)/profit for the period      | -                         | -                                  | (216,262)                     | -                 | (216,262)                |
| Other comprehensive profit/(loss) | -                         | -                                  | -                             | 70,274            | 70,274                   |
| Total comprehensive (loss)/profit | -                         | -                                  | (216,262)                     | 70,274            | <b>(145,988)</b>         |
| Shares issued/to be issued        | 922,702                   | 525,553                            | -                             | -                 | 1,448,255                |
| Total transaction with owners     | 922,702                   | 525,553                            | -                             | -                 | <b>1,448,255</b>         |
| <b>At 30 Jun 2023</b>             | <b>21,236,160</b>         | <b>840,150</b>                     | <b>(3,904,261)</b>            | <b>1,400,656</b>  | <b>19,572,705</b>        |

The accompanying accounting policies and notes form an integral part of this financial report.

**BLUEBIRD MERCHANT VENTURES LIMITED**  
Financial Report for the Half-Year Ended 30 June 2023 (Unaudited)

**Consolidated Cash Flow Statement**

For the half-year ended 30 June 2023

|  | <b>30 Jun 2023</b> | <b>30 Jun 2022</b> |
|--|--------------------|--------------------|
|  | <b>(USD)</b>       | <b>(USD)</b>       |
|  | <b>(Unaudited)</b> | <b>(Unaudited)</b> |
| <b>Cash flows from operating activities</b>          |                    |                    |
| Cash paid to suppliers and employees                 | (163,125)          | (221,615)          |
| <b>Net cash from operating activities</b>            | <b>(163,125)</b>   | <b>(221,615)</b>   |
| <b>Cash flows from investing activities</b>          |                    |                    |
| Loans to subsidiaries                                | (20,000)           | -                  |
| <b>Net cash used investing activities</b>            | <b>(20,000)</b>    | <b>-</b>           |
| <b>Cash flows from financing activities</b>          |                    |                    |
| Net proceeds from equity issued                      | 1,340,474          | 43,154             |
| Proceeds from loans                                  | -                  | 130,000            |
| Loan repayments                                      | (674,058)          | -                  |
| <b>Net cash used financing activities</b>            | <b>666,416</b>     | <b>173,154</b>     |
| <b>Net increase/(decrease) in cash</b>               | <b>483,291</b>     | <b>(48,461)</b>    |
| Cash and cash equivalents at the start of the period | 35,910             | 166,668            |
| Cash and cash equivalents at the end of the period   | 519,201            | 118,207            |

There have been non-cash transactions relating to the settlement of operating and financial liabilities in the period (refer notes 5 and 8 of the unaudited financial statements).

The accompanying accounting policies and notes form an integral part of this financial report.

## NOTES TO THE FINANCIAL INFORMATION

For the half-year ended 30 June 2023

### 1. Accounting Policies

The financial statements are in compliance with the DTR rules and the accounting policies are consistent with the previous financial year and corresponding interim reporting period.

### 2. Going Concern

In common with many junior mining companies, the Group raises equity funds for its activities in share placements. When necessary it also raises loan funding from related and third parties.

At the period end the Group had net current liabilities of USD 142,397, exclusive of USD 269,917 of warrants which are to be settled in shares and USD 353,300 of debt which is to be repaid from production.

Based on the current plans and financial projections, the Group's current cash resources and funding available are sufficient to enable the Group to meet its recurring commitments for the following twelve months, but not its forecasted expenditure which includes notable costs to progress the South Korean projects. As noted in the Chairman's Statement, on granting of licences in South Korea, multiple financing options should be available.

The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

### 3. Segmental Reporting

#### 3.1 For the half-year ended 30 June 2023

| <b>Income Statement</b>                              | <b>BVI<br/>(USD)</b> | <b>Philippines<br/>(USD)</b> | <b>South Korea<br/>(USD)</b> | <b>Total<br/>(USD)</b> |
|--|----------------------|------------------------------|------------------------------|------------------------|
| For the half-year ended 30 June 2023                 | <b>(Unaudited)</b>   | <b>(Unaudited)</b>           | <b>(Unaudited)</b>           | <b>(Unaudited)</b>     |
| Administrative costs                                 | (460,758)            | (1,753)                      | (136,047)                    | <b>(598,558)</b>       |
| Exchange gains/(losses)                              | 95,613               | -                            | -                            | <b>95,613</b>          |
| Finance costs  | 286,683              | -                            | -                            | <b>286,683</b>         |
| <b>Loss for the period</b>                           | <b>(78,462)</b>      | <b>(1,753)</b>               | <b>(136,047)</b>             | <b>(216,262)</b>       |
| Other comprehensive income                           | -                    | (117,094)                    | 187,368                      | <b>70,274</b>          |
| <b>Total comprehensive income<br/>for the period</b> | <b>(78,462)</b>      | <b>(118,847)</b>             | <b>51,321</b>                | <b>(145,988)</b>       |

**BLUEBIRD MERCHANT VENTURES LIMITED**  
Financial Report for the Half-Year Ended 30 June 2023 (Unaudited)

| <b>Statement of Financial Position</b> | <b>BVI<br/>(USD)</b> | <b>Philippines<br/>(USD)</b> | <b>South Korea<br/>(USD)</b> | <b>Total<br/>(USD)</b> |
|--|----------------------|------------------------------|------------------------------|------------------------|
| At 30 June 2023                        | <b>(Unaudited)</b>   | <b>(Unaudited)</b>           | <b>(Unaudited)</b>           | <b>(Unaudited)</b>     |
| Non-current assets                     | -                    | -                            | 19,816,088                   | <b>19,816,088</b>      |
| Trade and other receivables            | 3,030                | -                            | -                            | <b>3,030</b>           |
| Cash and cash equivalents              | 509,172              | 286                          | 9,743                        | <b>519,201</b>         |
| <b>Total assets</b>                    | <b>512,202</b>       | <b>286</b>                   | <b>19,825,831</b>            | <b>20,338,319</b>      |
| Current liabilities                    | (62,086)             | (80,311)                     | -                            | <b>(142,397)</b>       |
| Other financial liabilities            | -                    | -                            | (353,300)                    | <b>(353,300)</b>       |
| Derivative financial liabilities       | (269,917)            | -                            | -                            | <b>(269,917)</b>       |
| <b>Net assets</b>                      | <b>180,199</b>       | <b>(80,025)</b>              | <b>19,472,531</b>            | <b>19,572,705</b>      |

3.2 For the half-year ended 30 June 2022

| <b>Income Statement</b>                          | <b>BVI<br/>(USD)</b> | <b>Philippines<br/>(USD)</b> | <b>South Korea<br/>(USD)</b> | <b>Total<br/>(USD)</b> |
|--|----------------------|------------------------------|------------------------------|------------------------|
| For the half-year ended 30 June 2022             | <b>(Unaudited)</b>   | <b>(Unaudited)</b>           | <b>(Unaudited)</b>           | <b>(Unaudited)</b>     |
| Administrative costs                             | (577,443)            | (2,594)                      | (68,783)                     | <b>(648,820)</b>       |
| Exchange losses                                  | (14,689)             | -                            | -                            | <b>(14,689)</b>        |
| Finance costs                                    | (190,446)            | -                            | -                            | <b>(190,446)</b>       |
| <b>Loss for the period</b>                       | <b>(782,578)</b>     | <b>(2,594)</b>               | <b>(68,783)</b>              | <b>(853,955)</b>       |
| Other comprehensive income                       | 417                  | -                            | -                            | <b>417</b>             |
| <b>Total comprehensive income for the period</b> | <b>(782,161)</b>     | <b>(2,594)</b>               | <b>(68,783)</b>              | <b>(853,538)</b>       |

| <b>Statement of Financial Position</b> | <b>BVI<br/>(USD)</b> | <b>Philippines<br/>(USD)</b> | <b>South Korea<br/>(USD)</b> | <b>Total<br/>(USD)</b> |
|--|----------------------|------------------------------|------------------------------|------------------------|
| At 30 June 2022                        | <b>(Unaudited)</b>   | <b>(Unaudited)</b>           | <b>(Unaudited)</b>           | <b>(Unaudited)</b>     |
| Non-current assets                     | -                    | -                            | 19,816,088                   | <b>19,816,088</b>      |
| Trade and other receivables            | 3,972                | -                            | 3,596                        | <b>7,568</b>           |
| Cash and cash equivalents              | 104,893              | 8,631                        | 4,683                        | <b>118,207</b>         |
| <b>Total assets</b>                    | <b>108,865</b>       | <b>8,631</b>                 | <b>19,824,367</b>            | <b>19,941,863</b>      |
| Current liabilities                    | (228,548)            | (90,526)                     | -                            | <b>(319,074)</b>       |
| Other financial liabilities            | (505,846)            | -                            | (353,300)                    | <b>(859,146)</b>       |
| Derivative financial liabilities       | (476,334)            | -                            | -                            | <b>(476,334)</b>       |
| <b>Net assets</b>                      | <b>(1,101,863)</b>   | <b>(81,895)</b>              | <b>19,471,067</b>            | <b>18,287,309</b>      |

**BLUEBIRD MERCHANT VENTURES LIMITED**  
Financial Report for the Half-Year Ended 30 June 2023 (Unaudited)

**4. Loss for the Period before Tax**

|   | <b>30 Jun 2023</b> | <b>30 Jun 2022</b> |
|---|--------------------|--------------------|
|   | <b>(USD)</b>       | <b>(USD)</b>       |
|   | <b>(Unaudited)</b> | <b>(Unaudited)</b> |
| Loss for the Period has been arrived at after charging: |                    |                    |
| Directors Remuneration                                  | 120,766            | 122,713            |
| Staff Costs   | 57,162             | 50,369             |

**5. Derivative Financial Liabilities**

**5.1 Share Warrants – Issued**

Warrants issued and warrants to be issued are denominated in Sterling and are classified as derivative financial liabilities carried at fair value through profit and loss.

There were 125,287,840 warrants in issuance at 30 June 2023:

|                                   | <b>Weighted Average Exercise Award</b> |                   |                   |                   |               |                  |
|-----------------------------------|--|-------------------|-------------------|-------------------|---------------|------------------|
|                                   | <b>1.30p</b>                           | <b>2.00p</b>      | <b>2.50p</b>      | <b>3.50p</b>      | <b>3.962p</b> | <b>5.75p</b>     |
| <b>Outstanding at 30 Jun 2021</b> | <b>2,692,307</b>                       | -                 | -                 | -                 | -             | <b>5,757,924</b> |
| Issued in 2021/22                 | -                                      | -                 | 25,280,000        | -                 | 9,464,916     | -                |
| Lapsed                            | -                                      | -                 | -                 | -                 | -             | -                |
| Re-issued                         | -                                      | -                 | 9,464,916         | -                 | (9,464,916)   | -                |
| Exercised                         | (2,692,307)                            | -                 | -                 | -                 | -             | -                |
| <b>Outstanding at 30 Jun 2022</b> | -                                      | -                 | <b>34,744,916</b> | -                 | -             | <b>5,757,924</b> |
| Issued in 2022/23                 | -                                      | 5,035,000         | 5,000,000         | 74,750,000        | -             | -                |
| Lapsed                            | -                                      | -                 | -                 | -                 | -             | -                |
| Re-issued                         | -                                      | 34,744,916        | (34,744,916)      | -                 | -             | -                |
| Exercised                         | -                                      | -                 | -                 | -                 | -             | -                |
| <b>Outstanding at 30 Jun 2023</b> | -                                      | <b>39,779,916</b> | <b>5,000,000</b>  | <b>74,750,000</b> | -             | <b>5,757,924</b> |

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At 30 June 2023, these warrants were fair valued at USD 269,917, using a Black-Scholes model, based on the following parameters – a risk free rate of 2.40%, a volatility of 88% for those warrants with a life of three years and 80% for those warrants with a life of one year.

5.2 Derivative Financial Liabilities

|   | <b>30 Jun 2023<br/>(USD)<br/>(Unaudited)</b> | <b>30 Jun 2022<br/>(USD)<br/>(Unaudited)</b> |
|---|--|--|
| Derivative financial liabilities – warrants | 269,917                                      | 476,334                                      |
| <b>Total</b>                                | <b>269,917</b>                               | <b>476,334</b>                               |

5.3 Reconciliation of Liabilities arising from Financing Activities

|                                    | <b>Current<br/>Other<br/>Financial<br/>Liabilities<br/>(USD)<br/>(Unaudited)</b> | <b>Derivative<br/>financial<br/>instruments<br/>(USD)<br/>(Unaudited)</b> | <b>Total<br/>(USD)<br/>(Unaudited)</b> |
|------------------------------------|--|---|--|
| <b>At 30 June 2022</b>             | <b>859,146</b>   | <b>476,334</b>  | <b>1,335,480</b>                       |
| Cash Flows                         | 182,000  | -   | <b>182,000</b>                         |
| Non-cash flows:                    |  |   |  |
| Settlement through issue of shares | (65,000)   | -   | <b>(65,000)</b>                        |
| Loan charges and interest          | 25,312   | -   | <b>25,312</b>                          |
| Fair Value Changes                 | -  | 136,495   | <b>136,495</b>                         |
| <b>At 31 December 2022</b>         | <b>1,001,458</b>   | <b>612,829</b>  | <b>1,614,287</b>                       |
| Cash Flows                         | (674,058)  | -   | <b>(674,058)</b>                       |
| Non-cash flows:                    |  |   |  |
| Loan charges and interest          | 25,900   | -   | <b>25,900</b>                          |
| Fair Value Changes                 | -  | (342,912)   | <b>(342,912)</b>                       |
| <b>At 30 June 2023</b>             | <b>353,300</b>   | <b>269,917</b>  | <b>623,217</b>                         |

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**6. Trade and Other Receivables**

|              | <b>30 Jun 2023</b><br><b>(USD)</b><br><b>(Unaudited)</b> | <b>30 Jun 2022</b><br><b>(USD)</b><br><b>(Unaudited)</b> |
|--------------|--|--|
| Deposits     | 3,030  | 6,626  |
| Prepayments  | -  | 942  |
| <b>Total</b> | <b>3,030</b>   | <b>7,568</b>   |

**7. Finance Gain/(Expense)**

|                     | <b>30 Jun 2023</b><br><b>(USD)</b><br><b>(Unaudited)</b> | <b>30 Jun 2022</b><br><b>(USD)</b><br><b>(Unaudited)</b> |
|---------------------|--|--|
| Fair value movement | 286,683  | (190,446)  |
| <b>Total</b>        | <b>286,683</b>   | <b>(190,446)</b>   |

**8. Share Capital**

8.1 Issued Share Capital

|   | <b>30 Jun 2023</b>                  |                                  | <b>30 Jun 2022</b>                  |                                  |
|---|-------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
|   | <b>Number</b><br><b>(Unaudited)</b> | <b>USD</b><br><b>(Unaudited)</b> | <b>Number</b><br><b>(Unaudited)</b> | <b>USD</b><br><b>(Unaudited)</b> |
| Opening Balance                               | 638,115,042                         | 19,974,242                       | 467,482,119                         | 11,849,479                       |
| Issued During the Period (Net of Issue Costs) | 51,750,000                          | 1,261,918                        | 170,632,923                         | 8,124,763                        |
| <b>Closing Balance</b>                        | <b>689,865,042</b>                  | <b>21,236,160</b>                | <b>638,115,042</b>                  | <b>19,974,242</b>                |

The shares have no par value.



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8.2 Unissued Share Capital

|                         | 30 Jun 2023           |                    | 30 Jun 2022           |                    |
|-------------------------|-----------------------|--------------------|-----------------------|--------------------|
|                         | Number<br>(Unaudited) | USD<br>(Unaudited) | Number<br>(Unaudited) | USD<br>(Unaudited) |
| Salary Sacrifice        | 12,987,564            | 286,136            | 714,325               | 31,836             |
| Momentum Resources Ltd* | 23,000,000            | 554,014            | -                     | -                  |
| <b>Total</b>            | <b>35,987,564</b>     | <b>840,150</b>     | <b>714,325</b>        | <b>31,836</b>      |

\* In March 2023 Momentum Resources Ltd transferred 23,000,000 shares to new investors in the Company as part of the Pledged Share Pool agreed by the Directors.

8.3. Earnings Per Share

|  | 30 Jun 2023<br>(USD)<br>(Unaudited) | 30 Jun 2022<br>(USD)<br>(Unaudited) |
|--|-------------------------------------|-------------------------------------|
| Basic and diluted earnings per share   | (0.0003)                            | (0.0014)                            |
| Profit/(loss) used to calculate basic and diluted earnings per share                       | (216,262)                           | (853,955)                           |
| Weighted average number of shares used in calculating basic and diluted earnings per share | 674,863,653                         | 628,157,969                         |

Basic loss per share is calculated by dividing the loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding and shares to be issued during the year. The potential ordinary shares were anti-dilutive as the Group was in a loss making position and therefore the conversion of potential ordinary shares would serve to decrease the loss per share from continuing operations. Where potential ordinary shares are anti-dilutive a diluted earnings per share is not calculated and is deemed to be equal to the basic earnings per share.

9. **Reserves**

|                              | 30 Jun 2023<br>(USD)<br>(Unaudited) | 30 Jun 2022<br>(USD)<br>(Unaudited) |
|------------------------------|-------------------------------------|-------------------------------------|
| Translation Reserve          | 70,576                              | 7,299                               |
| Share Based Payments Reserve | 1,330,080                           | 1,330,080                           |
| <b>Total</b>                 | <b>1,400,656</b>                    | <b>1,337,379</b>                    |

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**10. Mines Under Development**

|  | <b>30 Jun 2023</b> | <b>30 Jun 2022</b> |
|--|--------------------|--------------------|
|  | <b>(USD)</b>       | <b>(USD)</b>       |
|  | <b>(Unaudited)</b> | <b>(Unaudited)</b> |
| <b>Mines under development at start of period</b>                  | <b>19,816,088</b>  | -                  |
| Consideration paid to Southern Gold Limited                        | -                  | 10,000,000         |
| Company's 50% Joint Venture Interest                               | -                  | 10,000,000         |
| <b>Total consideration</b>   | <b>-</b>           | <b>20,000,000</b>  |
| Less fair value of net assets:                                     |                    |                    |
| Non-current assets   | -                  | (2,535,532)        |
| Current assets   | -                  | (64,302)           |
| Current liabilities  | -                  | -                  |
| <b>Fair value uplift to mines under development on acquisition</b> | <b>-</b>           | <b>17,400,166</b>  |
| Mines under development before acquisition of joint ventures       | -                  | 2,415,922          |
| <b>Mines under development at year end</b>                         | <b>19,816,088</b>  | <b>19,816,088</b>  |

The mines under development asset fair value uplift arose from the execution of an agreement the Company announced on 29 June 2021 to increase the Group's ownership to 100% in the Gubong and Geochang gold mines via the acquisition of Southern Gold Limited's 50% Joint Venture Interest in the South Korean gold projects, which were acquired as the Company, through its pre-feasibility studies, demonstrated value in the projects for the Company's shareholders.

The total consideration was paid to Southern Gold Limited by the issuance of 200 million BMV shares at GBP 3.6p per share (USD 5.0 cents).

The Joint Venture Interest in the South Korean gold projects was revalued prior to acquisition to the consideration required to acquire the joint ventures, which generated a gain on acquisition of USD 8.3 million and the recording of mines under development totalling USD 19.8 million at 31 December 2021.

There has been no addition in the half-year ended 30 June 2023 as the Company secures the required permits.