

Blue Lagoon Files Updated Technical Report

DECEMBER 24, 2020, Vancouver, British Columbia – Blue Lagoon Resources Inc. (the “Company”) (CSE: BLLG; FSE: 7BL; OTCQB: BLAGF) is pleased to announce that it has filed an updated technical report on the Company's Dome Mountain Gold Mine Project entitled “NI 43-101 Technical Report, Dome Mountain Mine, British Columbia, Canada” dated December 21, 2020” (the “**Technical Report**”). The Technical Report was prepared pursuant to the form required under National Instrument 43-101 by Roughstock Mining Services LLC. The report is available at www.sedar.com.

The Technical Report discloses a mineral resource of 70,418 oz Au and 341,784 oz Ag in the indicated category and 109,160 oz Au and 473,890 oz Ag in the inferred category, based on 398 drill holes (39,398 meters) completed at the Dome Project over the period from 1985 to 2016. The following parameters were used for the resource estimation:

- Cut-off grade 3.42 g/t
- US\$1300/oz Au
- 2.25-meter cut and fill minimum width.
- All veins were estimated using ordinary kriging.
- Effective Date of resource estimate of December 21, 2020.

INDICATED RESOURCE

MINIMUM MINING WIDTH (2.25m)	AU CUTOFF GRADE 3.42 g/tonne			AG g/tonne		
	Tonnes	Gold Grade	Gold Grams	Gold Ounces	Silver Grade	Silver Ounces
Boulder Vein	166,511	12.12	2,017,497	64,864	60.30	322,790
Boulder East Vein	9,470	18.24	172,749	5,554	62.39	18,994
TOTAL	175,980	12.45	2,190,246	70,418	60.41	341,784

INFERRED RESOURCE

MINIMUM MINING WIDTH (2.25m)	AU CUTOFF GRADE 3.42 g/tonne			AG g/tonne		
	Tonnes	Gold Grade	Gold Grams	Gold Ounces	Silver Grade	Silver Ounces
Boulder Vein	151,831	8.45	1,283,393	41,262	46.43	226,630
Boulder East Vein	142,289	7.08	1,007,753	32,400	20.29	92,830
Argillite Vein	72,694	11.20	814,290	26,180	58.18	135,970
Boulder HW Vein	41,292	7.02	289,822	9,318	13.91	18,460
TOTAL	408,105	8.32	3,395,258	109,160	36.12	473,890

The Technical Report updates and replaces the mineral resource estimates disclosed in the prior technical report filed by the Company entitled “Preliminary Economic Assessment Dome Mountain Mine British Columbia, Canada” dated July 13, 2020 (the “Prior Report”), which was retracted by news release dated September 22, 2020 following a technical disclosure review by the BCSC. The Prior Report disclosed an indicated resource of 78,260 oz Au and 405,783 oz Ag and an inferred resource of 128,173 oz Au and 472,554 oz Ag. Differences in resources between the Technical Report and the Prior Report are due primarily to applying a cut-off grade of 3.42 g/t Au to both the gold and silver resource blocks, applying only the cut and fill resource model and, reducing the Boulder and Boulder East grade cap from 89.69 to 69.38 gold g/t.

The Technical Report was prepared by Rough Stock Mining Services (Montana) and authored by Steve Cutler CPG, Jennifer Evans CPG, and Jill Pardoe P. Geo.

The scientific and technical disclosure in this news release was approved by William Cronk, P.Geo., a qualified person as defined in NI 43-101 and a consultant to the Company.

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The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Statement Regarding Forward-Looking Information: This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address events or developments that Blue Lagoon Resources Inc. (the "Company") expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include results of exploration activities may not show quality and quantity necessary for further exploration or future exploitation of minerals deposits, volatility of gold and silver prices, and continued availability of capital and financing, permitting and other approvals, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.