

BLUE LAGOON CONTINUES TO DISCOVER MINERALIZATION HITS 24.07 g/t GOLD & 127.92 g/t SILVER OVER 3 METERS ON BOULDER VEIN EASTERN EXTENSION

March 25, 2021, Vancouver, British Columbia – Blue Lagoon Resources Inc. (the “Company”) (CSE: BLLG; FSE: 7BL; OTCQB: BLAGF) is pleased to provide the following drilling update on its Dome Mountain Gold Project, an all-year accessible property located a short 50-minute drive from Smithers BC., which holds both an Environmental Management Act Permit (EMA) and a Mining Permit providing for up to 75,000 tonnes production annually.

The results below are part of a 20,000-meter diamond drill program, the largest ever conducted on the property, which started in January 2021 and is expected to continue into the summer.

Blue Lagoon Resources Chief Geologist, William Cronk said, “The results for hole DM-21-160 are highly encouraging and highlight the eastern extension of the Boulder Vein, an area of particular interest as our recent airborne survey identified a one km plus mag feature that could add significant strike length to the known mineralization at the Boulder Vein.” See Figure 1 and 2. “We are excited and plan to prioritize more drilling along this mineralized eastern extension which could add significant value to the project,” he added.

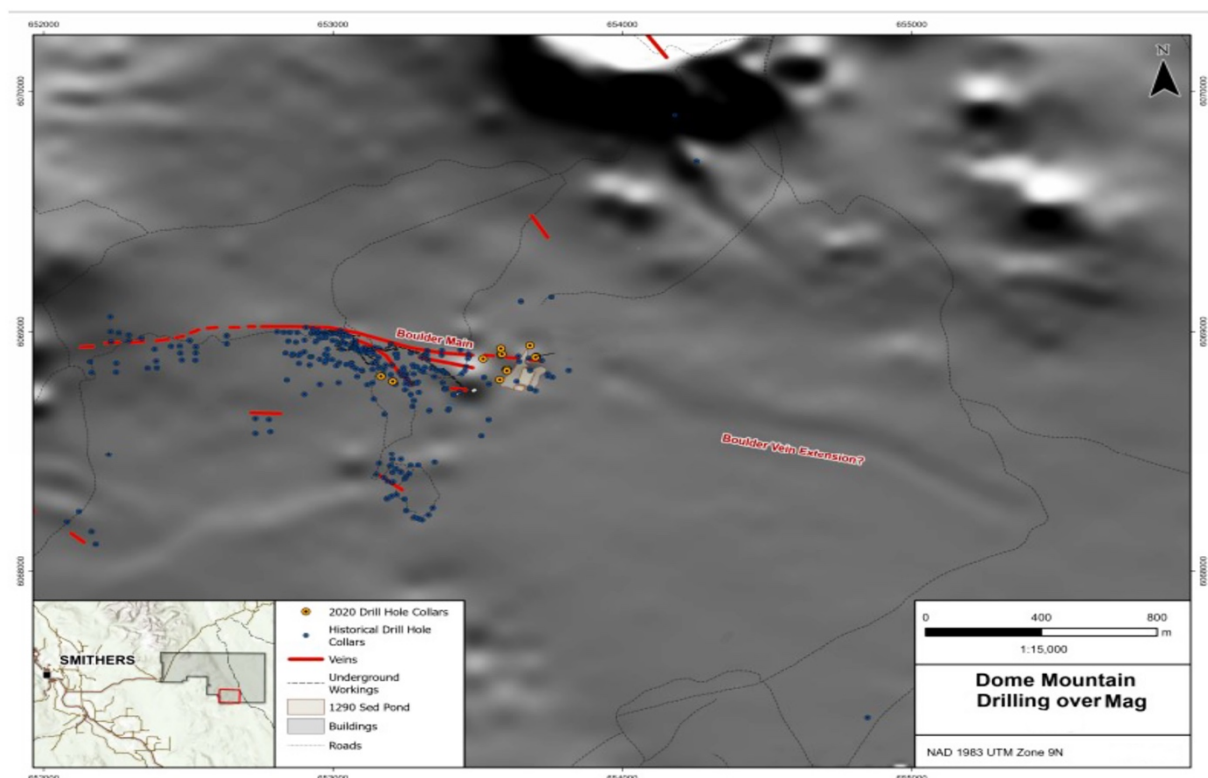


Figure 1: Boulder Vein (in red) and showing Mag feature highlighting a potential eastern extension of the Boulder Vein.

The recent results include assays for holes DM-21-143,144,145, 157,159,160, 161 and 162 (Figure 2). Significant highlights are as follow in Table 1.

TABLE 1

Hole ID	From	To	Interval	Au (g/t)	Ag (g/t)
DM-21-143	24.65	25.16	0.51	22.8	220
DM-21-145	34.75	35.80	1.05	9.29	17.00
DM-21-145	109.46	110.28	0.72	16.80	66.00
DM-21-157	13.00	14.00	1.0	49.80	61.00
DM-21-157	39.00	40.28	1.28	20.40	69.00
DM-21-160	88.00	88.50	0.5	2.12	7.00
DM-21-160	88.50	89.00	0.5	34.50	73.00
DM-21-160	89.00	89.50	0.5	18.50	236.00
DM-21-160	89.50	90.00	0.5	67.10	155.00
DM-21-160	90.00	91.00	1.0	8.66	24.00
DM-21-161	213.00	214.00	1.00	14.20	54.00

Select drill hole intercepts from holes DM-21-143,145,157,160 and 161.

DM-21-160 cut a significantly thick intercept from 88.0 to 91.0m that runs 24.07 g/t Au and 127.92 g/t Ag over 3.0 meters. Included in this interval are three 0.5-meter intervals containing 34.5 g/t Au, 18.5 g/t Au and 67.1 g/t Au (which also contained visible gold). Silver plays a significant role here as it is highly anomalous with gold in steeply dipping sulfide bearing quartz veins. This intercept cuts the vein at a high degree to the core axis and consists of typical Boulder Vein characteristics namely, quartz carbonate and semi to massive sulphide dominated by pyrite with lesser sphalerite, chalcopyrite, and galena. Locally chalcopyrite is greater than pyrite.

QUALITY ASSURANCE AND CONTROL

All core analyses were completed by Bureau Veritas out of Vancouver. Core selected for sampling was cut with a core saw in half with one half bagged for shipping. Strict chain of custody storing, and shipping protocol were maintained. Core was crushed, split, and pulverized with 250 grams passing 200 mesh. Each sample was analyzed by MA370 4-acid digestion ICP with ES finish and FA 150 fire assay with ICP-MS finish, and all Au overlimits <1ppm were analyzed with FA 550 fire assay and gravimetric finish. Standards and Blanks were inserted by Company staff. The sampling program was undertaken by Company personnel by and under the direction of Dr. Mathias Westphal P.Geo.

The scientific and technical data contained 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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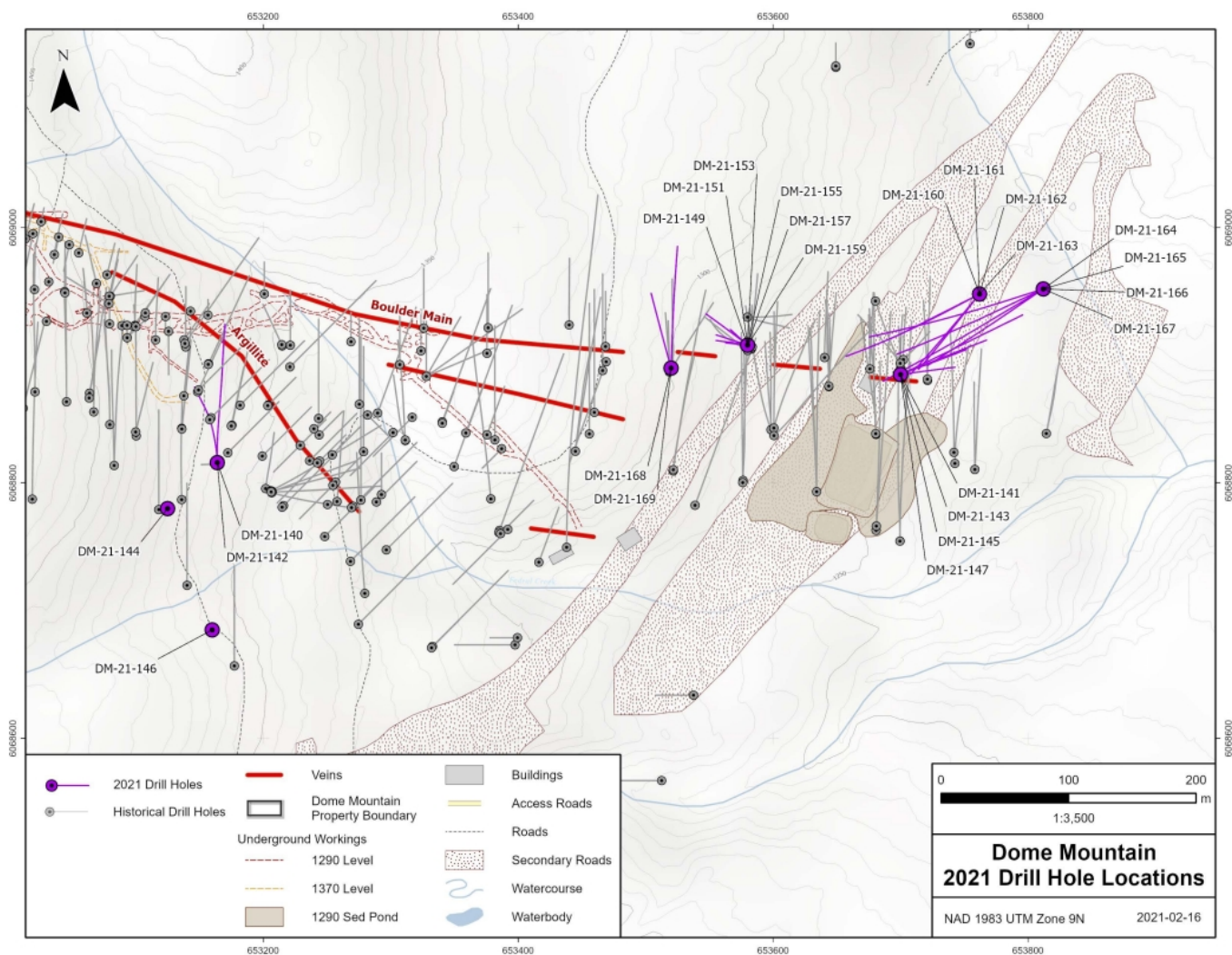


Figure 2: Mine site area with 2021 drilling highlighted and showing eastern extension of mineralized Boulder Vein (dashed red Lines).

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

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 that may not show quality and quantity necessary for upgrading mineralization classification or for further exploration and exploitation of minerals deposits, market 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.