

**BLUE LAGOON INCREASES ITS
OWNERSHIP OF DOME MOUNTAIN BY 21.73%
NOW OWNS 100%**

July 21, 2021 – Vancouver, British Columbia – Blue Lagoon Resources Inc. (the “Company”) (CSE: BLLG; FSE: 7BL; OTCQB: BLAGF) is pleased to announce that it has consolidated its ownership of the Dome Mountain gold project and now owns 100% of the project. The Dome Mountain project is held through the Company’s subsidiary, Gavin Mines Inc. (“Gavin Mines”). Until recently the Company held 78.27% of the shares of Gavin Mines, with the remaining 21.73% being held by three arm’s length parties. The Company successfully negotiated with those parties to acquire their shares of Gavin Mines, and as a result now holds 100% of the outstanding shares of Gavin Mines.

“We are thrilled to have more than 12 months of discussions come to fruition in favor of the Company with the acquisition of the minority interest in Dome Mountain. This is yet another significant milestone we have accomplished in the short 14 months since acquiring this project,” said Rana Vig, President & CEO of Blue Lagoon Resources. “With 100% ownership, the Company is now well positioned to rapidly advance the Dome Mountain project and significantly improves its future chances of an acquisition by a major producer in the space,” he added.

The consolidation of ownership resulting in the Company owning the project 100% means that revenues from ongoing and future sales of product mined from the Dome Mountain mine will now accrue 100% to Blue Lagoon without deduction for minority interests in the project. In addition, Blue Lagoon now has full control over the project in negotiating any future sale or joint venture on all or any part of the project, which also significantly improves the valuation of the project by removing the need to also negotiate with minority stakeholders.

Special circumstances allowed the Company to acquire the minority interest for an aggregate cost of \$125,000 in cash and 400,000 common shares of the Company.

For further information, please contact:

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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 further exploration and exploitation of minerals deposits, market prices, 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.