

BLUE LAGOON HITS 14.8 G/T AU and 38.3 G/T AG OVER 7.3M IN NEWLY DISCOVERED CHANCE ZONE

February 7, 2022 – Vancouver, British Columbia – Blue Lagoon Resources Inc. (the “Company”) (CSE: BLLG; FSE: 7BL; OTCQB: BLAGF) is pleased to announce that recent drilling has encountered new, high-grade vein intercepts at the Company’s 100% owned, year-round accessible, Dome Mountain Gold Project located a short 50-minute drive from Smithers, B.C.

Hole DM-21-224 was drilled from the most southern pad in the newly discovered Chance Structural Corridor (see news release Dec 7, 2021) and drilled at an Azimuth of 167 Degrees. The target here was the continuation of mineralization seen in the corridor where the structural trend intersected the proposed eastern continuation of the Boulder Vein. The hole encountered a new, high-grade vein running 14.8 g/t Au and 38.3 g/t Ag over 7.3m. A second high-grade vein running 26.9 g/t Au and +100.0 g/t* Ag over 1.04 meters was encountered further down hole.

Table 1 DM-21-224

| Hole ID | From (m) | To (m) | Interval (m) | Au g/t | Ag g/t |
|------------------|-----------------|---------------|---------------------|---------------|-----------------|
| DM-21-224 | 186.92 | 187.63 | 0.71 | 7.46 | 10 |
| DM-21-224 | 247 | 247.8 | 0.8 | 6.89 | 25 |
| DM-21-224 | 381.2 | 388.51 | 7.31 | 14.8 | 38.3 |
| including | 381.2 | 381.6 | 0.4 | 47.3 | 87 |
| including | 383 | 384.1 | 1.1 | 62.6 | +100.00* |
| including | 387.93 | 388.51 | 0.58 | 31.5 | 58 |
| DM-21-224 | 443.52 | 444.56 | 1.04 | 26.9 | +100.00* |

*Ag over 100ppm detection limit will be re-run with silver assay

“We knew we were in a good zone in the Chance Structural Corridor which has shown us multiple mineralized intercepts in previous holes” said William Cronk, Chief Geologist for Blue Lagoon Resources. “We systematically worked our way south and then drilled south-southeast into the proposed eastern extension of the Boulder Vein in anticipation of mineralization at the intersection of two strong lineaments; the Chance Structural Zone and the eastern extension of the Boulder Vein. Previously reported intercepts were high grade in this area and the expectation is that we will be able to follow this intercept with near term holes which will test for further high-grade mineralization at depth and along strike,” he added.

Drilling is now being conducted from the same pad as that for DM-21-224 for east-west mineralization north of the pad. Once completed, the drill rig will move approximately 100m south and focus on this high-grade intercept.

Assay results for 28 holes remain outstanding.

QUALITY ASSURANCE AND CONTROL

All core analyses in DM-21-224 were completed by Act Labs out of Kamloops B,C. Canada. 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 140 mesh (RX1). Each sample was analyzed by IF2 4-acid digestion ICP with ES finish 1A2-ICP fire assay (30g) with ICP-MS finish, and all Au overlimits >30ppm were analyzed with 1A3 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 Lorie Farrell PGEO..

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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