

BLUE LAGOON ADDS SECOND DRILL RIG TO ITS 20,000 METER DRILL PROGRAM ON DOME MOUNTAIN

February 1, 2022 – Vancouver, British Columbia – Blue Lagoon Resources Inc. (the “Company”) (CSE: BLLG; FSE: 7BL; OTCQB: BLAGF) is pleased to announce that it has mobilized a second crew to support the recently announced 20,000-meter drill program on its Dome Mountain Gold Project, an all-year accessible property located a short 50-minute drive from Smithers BC.

The second drill rig will initially focus on the Boulder Vein where holes will be drilled from two pads and directed to drill at high angle into the known Boulder Vein, targeting down dip mineralization below the 1000-meter level. Utilizing HQ core, five to six holes are planned to be drilled at the same azimuth from each pad with a goal in mind of drilling from the known into the unknown with strong attention to core orientation.

HOW DEEP DOES IT GO?

In 2020, hole DM-20-139 hit 17.69 g/t Au and 70.41 g/t Ag from a depth of 335.47m to 338.6m (3.13 meters), the deepest intercept yet on the Boulder Vein which essentially extended the down dip extent of the Boulder Vein by another 200 meters (see News release Dec 9, 2020).

“While drill rig number one is focusing on follow up drilling on the new and recently discovered areas of great interest, this second drill rig will once again target the Boulder Vein, this time at even deeper levels, and continue to test ‘proof of concept’ that the gold bearing mineralization at Boulder Vein goes much deeper than what the historical drilling has outlined,” said William Cronk, Blue Lagoon Resources Chief Geologist.

The geology at Dome Mountain bears a remarkable resemblance to the world-class Buritica gold deposit in Colombia. Buritica is comprised of a swarm of sheeted, near vertical high-grade veins that extend to depths of at least 1.5 km and remain open to depth. Using this as a geologic model and the fact that hole DM-20-139 encountered 17.69 g/t Au and 70.41 g/t Ag from a depth of 335.47m to 338.6m (3.13 meters) at least 200 m beneath the existing resource, Blue Lagoon's geologic team is confident that there is substantial upside to expand the Boulder Vein and perhaps find additional veins nearby.

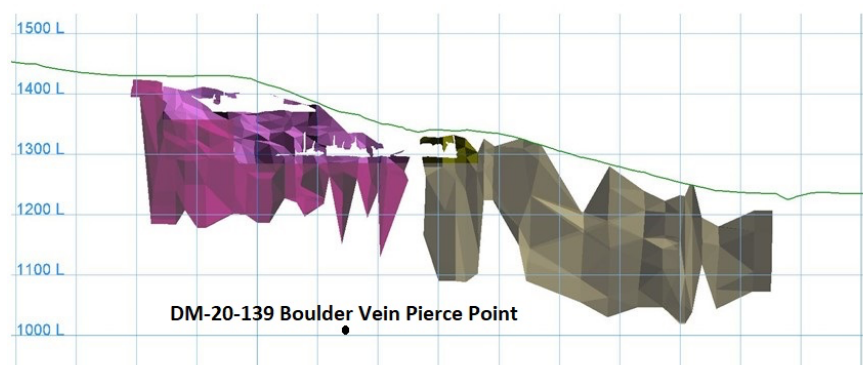


Figure 1

Boulder Resource Section showing hole DM-20-139 pierce-point of the Boulder Vein at depth, relative to the modeled Boulder Vein Resource. The high-grade gold intercept, the deepest intercept to date on the Boulder Vein, is 150 meters deeper than the lowest elevation of the Boulder Resource.

The first Phase of the Company's recently announced 20,000-meter drill program will continue until mid to late March 2022 and is expected to recommence shortly after the snow melts and break-up is complete and ground conditions become more favorable for drill crews to remobilize.

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.

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