

## **Blue Lagoon Highlights Optimal Market Timing As Underground Mining Advances At Dome Mountain**

**October 9, 2025 – Vancouver, British Columbia** – Blue Lagoon Resources Inc. (“Blue Lagoon” or the “Company”) (CSE: BLLG; OTCQB: BLAGF; FSE: 7BL) is pleased to announce that underground mining has entered its second week at the Company’s fully permitted Dome Mountain Gold Project near Smithers, British Columbia, amid one of the strongest gold price environments on record.

Last week’s start of underground operations marked the beginning of Blue Lagoon’s transition from development to production - a milestone occurring at an opportune time as gold prices reach fresh record highs and worldwide investor interest in precious metals accelerates.

“Timing in the mining business is everything,” said Rana Vig, President & CEO of Blue Lagoon Resources. “With underground mining now underway and gold prices at record levels, Blue Lagoon is well positioned to capitalize on this strong market environment. Our strategy has always been to move Dome Mountain into production efficiently and responsibly - and today, those efforts are aligning with market conditions.”

In the coming weeks, mined mineralized material will be transported under the Company’s milling agreement with Nicola Mining Inc., providing a fully permitted and capital-efficient path to gold concentrate sales once shipments begin. The agreement was recently extended to a 10-year term, further strengthening the long-term partnership between the two companies (see news release September 29, 2025).

### **MARKET BACKDROP**

As reported by Reuters on October 8, 2025 (“Gold set to extend record-breaking run on global anxieties,” by Polina Devitt), spot gold broke above US\$4,000/oz as analysts cited persistent geopolitical and economic risks, continued central-bank purchases, and robust investor demand - factors they say leave little to halt gold’s record-breaking run into 2026, with other precious metals also benefiting from the momentum.\*

“This is a favourable environment, and while we don’t control the gold price, we can control readiness and execution,” added Mr. Vig. “Our goal is to translate this backdrop into efficient operations and disciplined progress toward cash flow thereby increasing shareholder value without further dilution.”

\*[Gold set to extend record-breaking run on global anxieties](#), by [Polina Devitt](#)

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**About Blue Lagoon Resources Inc.**

Blue Lagoon Resources Inc. (CSE: BLLG; FSE: 7BL; OTCQB: BLAGF) is a Canadian-based, well-funded, growth-oriented mining company focused on advancing its 100% owned Dome Mountain Gold Project in British Columbia. Led by a team with deep mining and finance experience, the Company operates in one of the world's most attractive mining jurisdictions.

In February 2025, Blue Lagoon achieved a major milestone with the granting of a full mining permit - one of only nine issued in British Columbia since 2015 - and has since commenced underground mining operations. Mineralized material from Dome Mountain will be processed under a long-term toll milling agreement with Nicola Mining, with first gold sales targeted for Q4 2025. Beginning in H1 2026, the Company plans to reinvest internally generated cash flow into near-mine and regional exploration to further expand its resource base.

With a strong commitment to sustainability, community, and First Nation engagement, Blue Lagoon's objective is to become a profitable, cash-flowing gold producer while creating lasting value for shareholders and stakeholders alike.

The Company is not basing its production decision at Dome Mountain on a feasibility study of mineral reserves demonstrating economic and technical viability. The production decision is based on having existing mining infrastructure, past bulk sampling and processing activity, and the established mineral resource. The Company understands that there is increased uncertainty, and consequently a higher risk of failure, when production is undertaken in advance of a feasibility study.

*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", "targets", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "mine", "production" 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, delays in mine development activities, future cash flow expectations 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, contractors and consultants 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, contractor's and consultants' beliefs, estimates or opinions, or other factors, should change.*