

## **BLUE LAGOON'S MILLING PARTNER HAS PROCESSED 3,000 TONNES OF DOME MOUNTAIN MATERIAL PRODUCING OVER 210 TONNES OF GOLD & SILVER CONCENTRATE**

**March 18, 2026 – Vancouver, British Columbia** – Blue Lagoon Resources Inc. (CSE: BLLG; OTCQB: BLAGF; FSE: 7BL) is pleased to provide an operational update from its milling partner, Nicola Mining Inc. (“Nicola”), regarding the ongoing processing of mineralized material from our Dome Mountain underground mine.

To date, Nicola has processed approximately 2,954 dry tonnes of Dome Mountain high-grade mineralized material at its milling facility in Merritt, B.C., at a weighted average feed grade of 9.7 g/t gold (Au) and approximately 35.6 g/t silver (Ag). This material has yielded over 210 dry tonnes of gold and silver flotation concentrate which is then bagged and readied for sale and shipment to Ocean Partners. Excellent gold recovery of 93.4% has been achieved in Nicola’s flotation mill.

The 210 dry tonnes of concentrate produced to date is comprised of 188 physically bagged tonnes, with a further approximately 22 tonnes of concentrate currently held in the circuit stock tanks and representing an average in-process inventory.

As of March 17, 2026, an estimated 1,828 tonnes of unprocessed mineralized material remains on stockpiles at the Nicola facility. This material will yield additional gold and silver concentrate as milling operations continue. The mill’s second concentrate filter has recently been commissioned, and a second concentrate thickener is expected to be operational shortly, further improving concentrate handling capacity and plant operating time.



*Bags full of gold and silver concentrate processed from Dome Mountain mineralized material are readied and await shipment at Nicola's milling facility in Merritt, B.C.*

“We are very encouraged by the consistent production results from Nicola’s mill and the excellent gold recovery from our Dome Mountain material. With nearly 3,000 tonnes now processed we continue to build cash flow. The remaining stockpile at the mill along with continuing trucking from Dome Mountain ensures production will continue over the weeks ahead, and we look forward to providing further updates as shipments are completed”, said Rana Vig, President and CEO of Blue Lagoon Resources.

The scientific and technical data contained in this news release was approved by Ted VanderWart, P.Geo., a qualified person as defined in NI 43-101 and a consultant to the Company. All tonnage and grade figures were provided to Blue Lagoon by Nicola Mining Inc. The concentrate assays were completed at Base Met Labs, an accredited metallurgical testing facility located in Kamloops, BC.

**For further information, please contact:**

Rana Vig

President and Chief Executive Officer

Telephone: 604-218-4766

Email: [rana@bllg.ca](mailto:rana@bllg.ca)

**About Blue Lagoon Resources Inc.**

Blue Lagoon Resources Inc. (CSE: BLLG; OTCQB: BLAGF; FSE: 7BL) is a Canadian-based, well-funded, growth-oriented mining company producing from its 100% owned Dome Mountain Gold Mine near Smithers, 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 is processed under a long-term milling agreement with Nicola Mining. In H2 2026, the Company plans to reinvest internally generated cash flow into near-mine and regional exploration to further expand its resource base on its extensive property.

With a strong commitment to sustainability, community, and First Nation engagement, Blue Lagoon’s objective is to be 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.*

**Forward-Looking Statement**

This news release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information includes, but is not limited to, statements regarding ongoing and future milling operations, concentrate production and shipments expected operational performance and recoveries, anticipated reconciliation of advance payments following processing and settlement, the expectation of consistent operational cash flow, continued growth of the Company, and the advancement of underground development and production

activities at the Dome Mountain Gold and Silver Project. Forward-looking information is based on management's current expectations, estimates, assumptions and beliefs, including, without limitation, assumptions regarding continued processing at the mill facility, anticipated grades and recoveries, the ability to continue mining and delivering mineralized material, commodity price assumptions, and general economic and market conditions. While the Company believes that these assumptions are reasonable, forward-looking information is inherently subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those expressed or implied by such forward-looking information. Such risks and uncertainties include, without limitation, delays in milling or processing, variations in grade and recovery rates, operational risks associated with underground mining, risks related to third-party milling arrangements, fluctuations in gold and silver prices, regulatory and permitting risks, financing risks, and general economic, market and business conditions. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated. Readers are cautioned not to place undue reliance on forward-looking information. The Company undertakes no obligation to update or revise any forward-looking information, except as required by applicable securities laws.