

BLUE LAGOON STARTS DRILLING AT DOME MOUNTAIN GOLD MINE

September 29, 2026 – Vancouver, British Columbia – Blue Lagoon Resources Inc. (the “Company”) (CSE: BLLG; FSE: 7BL; OTCQB: BLAGF) has commenced drilling as part of the Company’s previously announced 10,000 metre Phase One exploration program at its 100% owned Dome Mountain Gold Mine near Smithers, British Columbia.

The drill program is designed to test a number of high-priority exploration targets across the broader 22,000 hectare Dome Mountain property while also advancing opportunities to expand the existing mineral resource. The program forms the first phase of a multi-year exploration strategy intended to systematically evaluate the significant exploration potential surrounding the Company’s producing Dome Mountain Gold Mine.

“With drilling now underway, we are beginning the next important phase of our growth strategy at Dome Mountain,” said Rana Vig, President and CEO of Blue Lagoon Resources. “While our focus remains firmly on achieving steady state gold production, we believe the extensive land package surrounding the mine provides us with a significant opportunity to grow the resource base and potentially make new discoveries. We look forward to keeping shareholders updated as the program progresses.”

Full details regarding the Phase One drill program, including the principal targets and supporting geological information, are contained in the Company’s September 8, 2026 news release. The previously announced program includes both regional exploration targets and drilling intended to support future resource expansion.

Technical information in this news release was approved by Ted VanderWart, P.Geo., a senior geologist with Blue Lagoon Resources and a qualified person under NI 43-101.

For further information, please contact:

Rana Vig
President and Chief Executive Officer
Telephone: 604-218-4766
Email: rana@bllg.ca

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 that has commenced production at 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 subsequently commenced underground mining operations. Mineralized material from Dome Mountain is processed under a long-term milling agreement with Nicola Mining. During the second half of 2026, the Company plans to continue reinvesting internally generated cash flow into near-mine and regional exploration to further expand its resource base across 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 has not based 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 Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This news release contains forward-looking statements regarding the Company's exploration and drilling activities at the Dome Mountain Gold Project, including the scope, timing and objectives of the Phase One drill program and the potential for resource expansion and new discoveries. Forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those anticipated. Readers are cautioned not to place undue reliance on such statements. The Company undertakes no obligation to update forward-looking statements except as required by applicable securities laws.