

BLUE LAGOON RECEIVES FINAL MINE PERMITS FOR ITS DOME MOUNTAIN GOLD PROJECT IN BRITISH COLUMBIA

Poised To Become BCs Next Gold Producer

February 6, 2025– Vancouver, British Columbia – Blue Lagoon Resources Inc. (the “Company”) (CSE: BLLG; FSE: 7BL; OTCQB: BLAGF) is pleased to announce that it has received its mining permit from the Ministry of Mining and Critical Minerals and its effluent/discharge permit from the Ministry of Environment and Parks for its 100% owned Dome Mountain Gold Project, an all-year road accessible project located a short 50-minute drive from Smithers, British Columbia, Canada. The achievement of this milestone truly marks a transformative moment for the Company as it transitions from an exploration-focused company to a near-term gold and silver producer.

"It is incredibly rare for a junior mining company to evolve from pure exploration into production, and today, we proudly stand on the brink of that transformation," said **Rana Vig, President and CEO of Blue Lagoon Resources**. "Securing the final mine permit is not just a milestone - it's a testament to the relentless dedication of our team, the strength of our partnerships, our extensive collaboration with Lake Babine Nation, and our unwavering commitment to responsible resource development in our beautiful Province. Blue Lagoon is now poised to become British Columbia's next gold producer, and this is just the beginning of an exciting new chapter for our Company and our shareholders," he added.

Blue Lagoon's chief geologist, Bill Cronk, said, "what makes this accomplishment even more remarkable is that we are delivering to our shareholders one of only a handful of mining permits granted in British Columbia over the last decade. This speaks to the exceptional quality of the high-grade Dome Mountain Gold Project, our commitment to meeting the highest environmental and regulatory standards, and the trust we've earned from both the provincial government and local communities. It's an extraordinary achievement that positions Blue Lagoon Resources for lasting growth in one of the world's most mining-friendly jurisdictions."

Key Highlights:

- **Final Mine Permits Secured:** Authorizes full-scale underground mining operations at Dome Mountain, British Columbia. Initial production is limited to 55,000 tonnes per year with expected recovery of approximately 15,000 ounces Au per year.
- **Operational Readiness:** The Company is preparing to initiate mining operations as early as July 2025.
 - Infrastructure, equipment, technical staff /consultants, mining contractor and operational plans being finalized and put in place.
- **Toll Milling Agreement:** The Company holds an active toll-milling agreement with Nicola Mining and will ship its mined mineralized material to their milling facilities at Merritt, B.C. for processing.
- **Near-Term Production:** The Company is now focused on finishing last preparatory activities and tasks related to the safe and secure opening of Dome Mountain, including the required installation of our planned water treatment facility at site, expected to be completed within three months.

Valuable Toll Milling Partnership



Pictures above show first truck load of Dome mineralized material arriving at Nicola Mining in April 2021 that was sent by the Company to refine logistics and finalize optimal trucking routes.

"We are proud to support Blue Lagoon Resources as they transition into production at the Dome Mountain Gold Project," said **Peter Espig, President of Nicola Mining Inc.** "Our collaboration in 2021, which involved processing 5,000 tonnes of Dome Mountain material at our mill, provided both teams with invaluable operational insights. This hands-on experience helped optimize logistics, improve processing efficiency, and fine-tune key aspects of the milling process. We look forward to continuing our partnership as Blue Lagoon embarks on this exciting new chapter as British Columbia's next gold producer."



Nicola Mining's President, Peter Espig (left) with Blue Lagoon Resources President & CEO, Rana Vig, standing at mill site next to Dome Mountain's high-grade mineralized material



Blue Lagoon Resources President & CEO, Rana Vig, standing next to conveyer transporting Dome Mountain mineralized material from Nicola's primary crusher to its secondary crusher during testing phase in 2021

As the Company transitions into production, its strategic focus will be on generating and investing cash from operations to self-fund further exploration across the expansive Dome Mountain property that has 15 known high grade gold veins with 90% of the nearly 21,000 hectare property yet to be explored (see the Company's news release dated May 4, 2020). This disciplined approach is designed to unlock the district-scale potential of the project while minimizing shareholder dilution. Additionally, the Company will allocate funds toward infill drilling the Boulder vein to expand the known resource, improve resource classification, and extend the mine's life, ensuring sustainable growth and long-term value creation for its shareholders.

Any production decision in advance of obtaining a feasibility study of mineral reserves demonstrating economic and technical viability of the project is associated with increased uncertainty and risk of failure.

Dome Mountain Gold Project

The Dome Mountain Project (Figure 1) covers an historical area of high-grade precious metal bearing veins centred on the past-producing Dome Mountain gold-silver mine which exploited the Boulder Main vein (1989-1992). The Project area is predominantly underlain by the Lower to Middle Jurassic Hazelton Group Island arc assemblage. The Boulder Main Vein, as well as its subsidiary veins (Figure 2), are characterized as steeply dipping, base metal rich, quartz carbonate veins embodied within an overall Alkali Gold System (mesothermal). The overall carbonate content can range as high as 30% and underlies the unit as a natural pH buffer and non-acid generating (NAG) system. Near term goals will include permitting the Argillite vein which will add additional high-grade value to the overall mine plan.

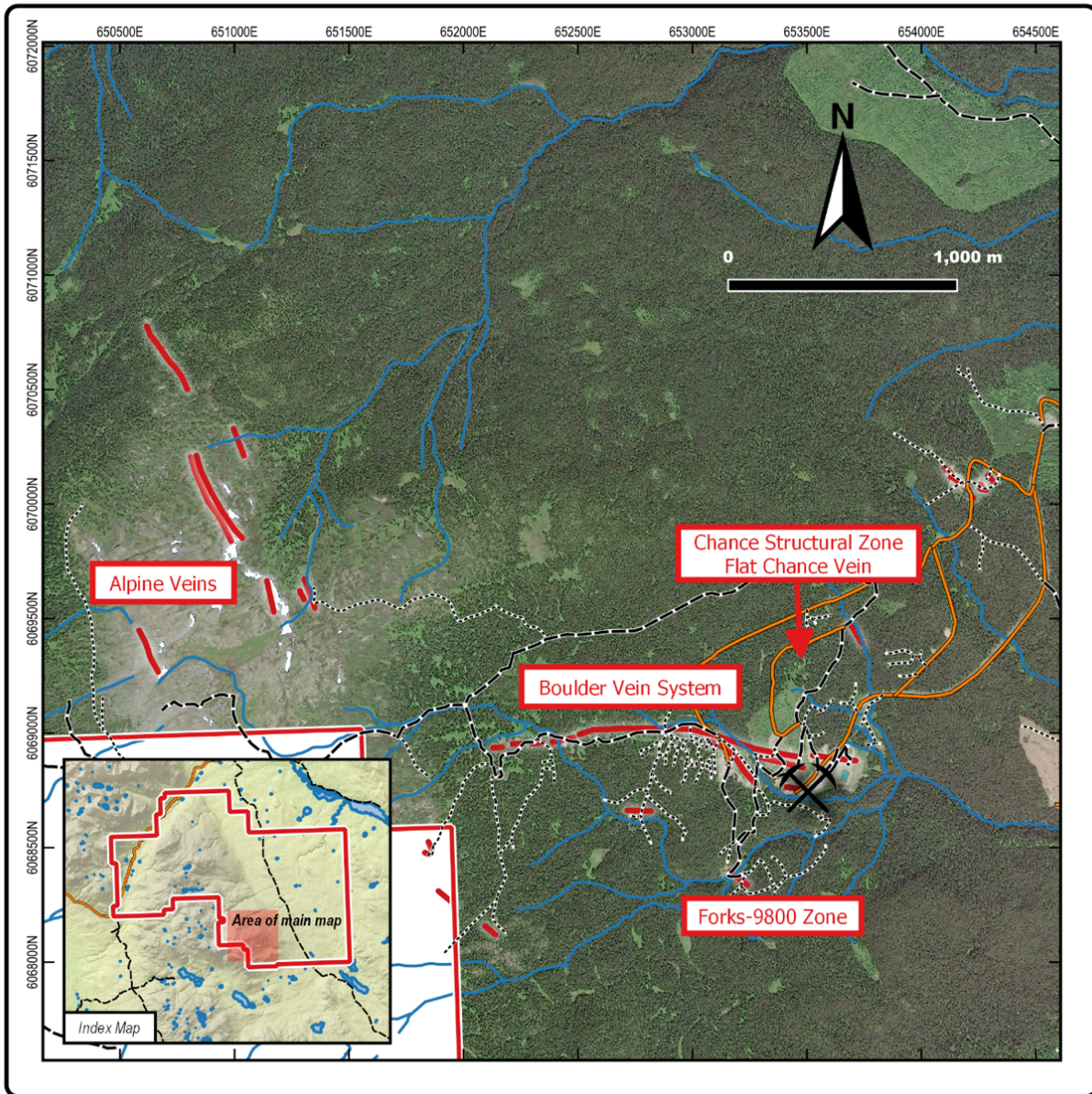


Figure 1: Location of key areas of the Dome Mountain property

Boulder Vein System Resource

To date the Company has drilled 94 drill holes (25,275 meters) into the Boulder Vein System since 2020, but historically almost 90,000 meters of drilling has been drilled on the Property since 1985.† The current resource estimate includes drilling from the 2020 and 2021 Phase 1 infill campaigns (Table 1) as well as historical drilling.

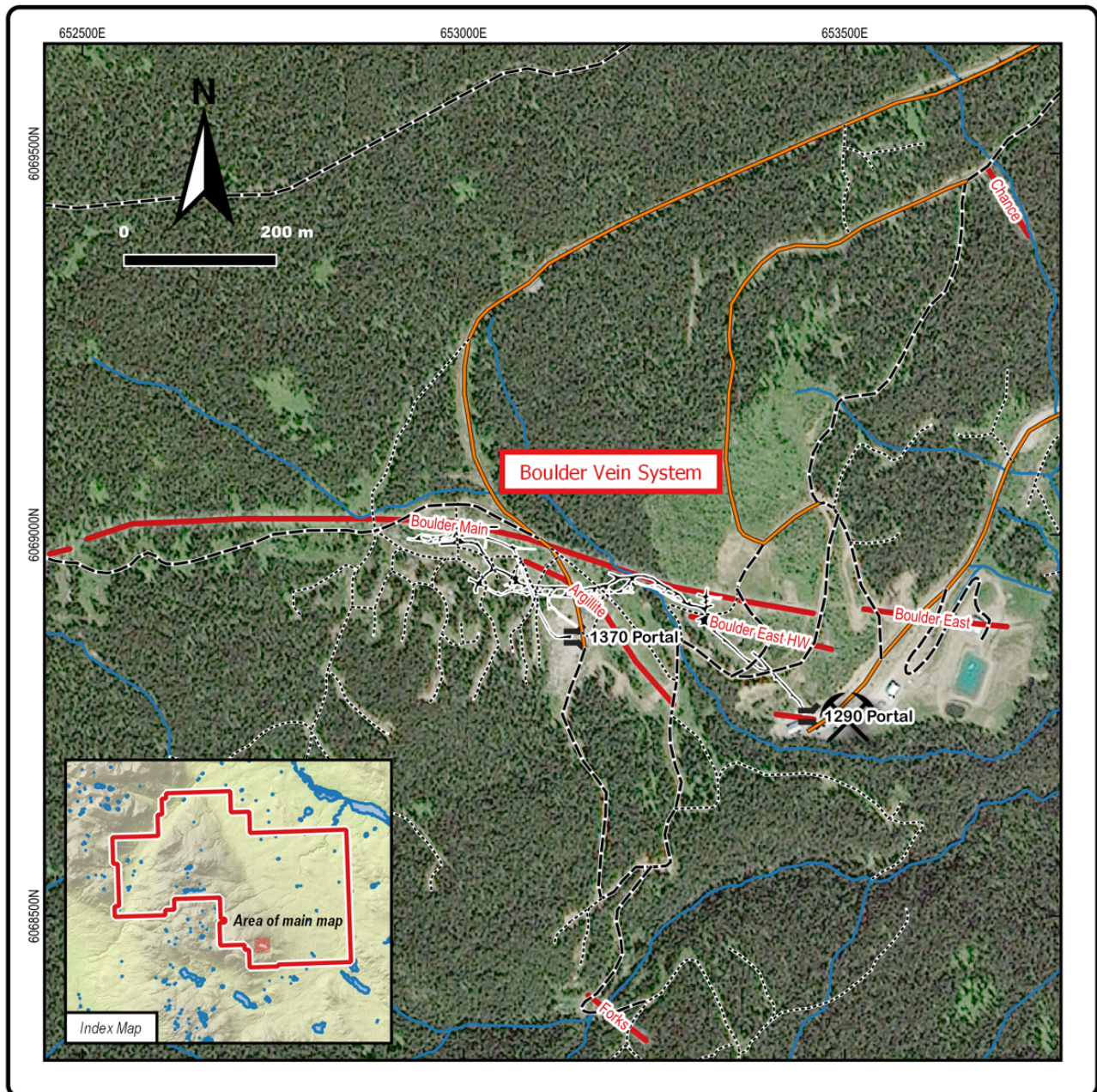


Figure 2: Map showing various veins that comprise the Boulder Vein System.
 Note that veins are not to scale and represent approximate surface expression of the vein traces.

Table 1: Summary of drilling by the Company on Boulder Vein System since 2020.

Year / Phase	No. Drill Holes	No. Meters
2020	26	3,786
2021 Phase 1	28	6,839
2021 Phase 2	1	509
2022 Phase 1	10	4,149
2022 Phase 2	19	7,083
2023 Phase 1	10	2,909

Through the initial programs of infill drilling the Company was able to increase the total gold ounces in the indicated category by 145%, or 102,582 ounces. In addition, 45,000 ounces of gold were moved into the measured category, which was a first for the project. The current mineral resource statement † (see News Release, February 3, 2022) discloses a mineral resource of:

Table 2: Mineral Resource Statement at 3.5 g/t cut-off, Dome Mountain Project, British Columbia, October 15, 2021 †

Class	Tonnes	Au (g/t)	Ag (g/t)	Au Oz	Ag Oz
Measured	136,000	10.32	57.31	45,000	250,000
Indicated	662,000	8.15	41.19	173,000	876,000
Inferred	85,000	6.02	26.13	16,000	71,000

(1) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.

(2) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(3) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to Measured and Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(4) The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.

† Arseneau, G. 2022. Mineral Resource Estimate for the Dome Mountain Gold Project, Smithers, British Columbia, Canada, prepared for Blue Lagoon Resources Inc. by Arseneau Consulting Services, effective date, October 15, 2021, NI 43-101 compliant technical report date January 31, 2022.

The two principal goals of the Company for the Boulder Vein System were:

- ✓ to infill drill in the previously reported inferred resource in order to increase the defined resource into an indicated and/or measured category and;
- ✓ to explore for more Boulder Style mineralization on strike and down dip from the resource and outline the potential for a Blue Sky 1M+ ounce resource there.

Both goals have been met.

Boulder Main Vein Size Potential

The Boulder Main Vein resource has a strike length of 530 meters and 200 meters down dip. Drilling to date has tested strike in both directions and down dip another 200 meters and has successfully shown the Boulder Vein mineralization continues for at least another 550 meters along strike (200+ meters west and 350+ meters east) and, 200+ meters down dip. Though sufficient infill drilling has not yet been completed to define a much larger resource, company geologists conclude that the drilling outlines potential for at least 1 million ounces gold and over 4 million ounces silver, given the consistency in gold and silver grades. In addition, deep holes at depth such as DM-22-273 showing increasing significance of copper mineralization (5.73 g/t Au, 80.9 g/t Ag and 1.21% Cu over 16.55 meters; including 5.65 meters returning 11.02 g/t Au, 115.8 g/t Ag and 2.31% Cu (see News Release dated January 16, 2023). Note that the potential resource range described above is conceptual in nature, there has been insufficient drilling to define such a conceptual range, and it is uncertain if further exploration will result in a resource within that range. The conceptual range was determined based on a review of historical and company data described above.

The next phase(s) drilling will focus on expanding the known mineralization further along strike and at depth as well as infill drilling to add ounces to the growing resource. The identification of zones of wide, well-mineralized veins in all directions indicates the ability to continue to grow the resource quickly (Figure 3, yellow). Successful on-strike and down-dip drilling in the next phase(s) would indicate the potential to add further Au ounces resulting in a total potential deposit resource of greater than 1M+ ounces Au. Infill drilling would commence and be financed by funds generated from production of the Boulder Vein.

With systematic drilling the Company targets to show that the Boulder Main Vein resources can be successfully improved to a world class gold resource (Figure 3).

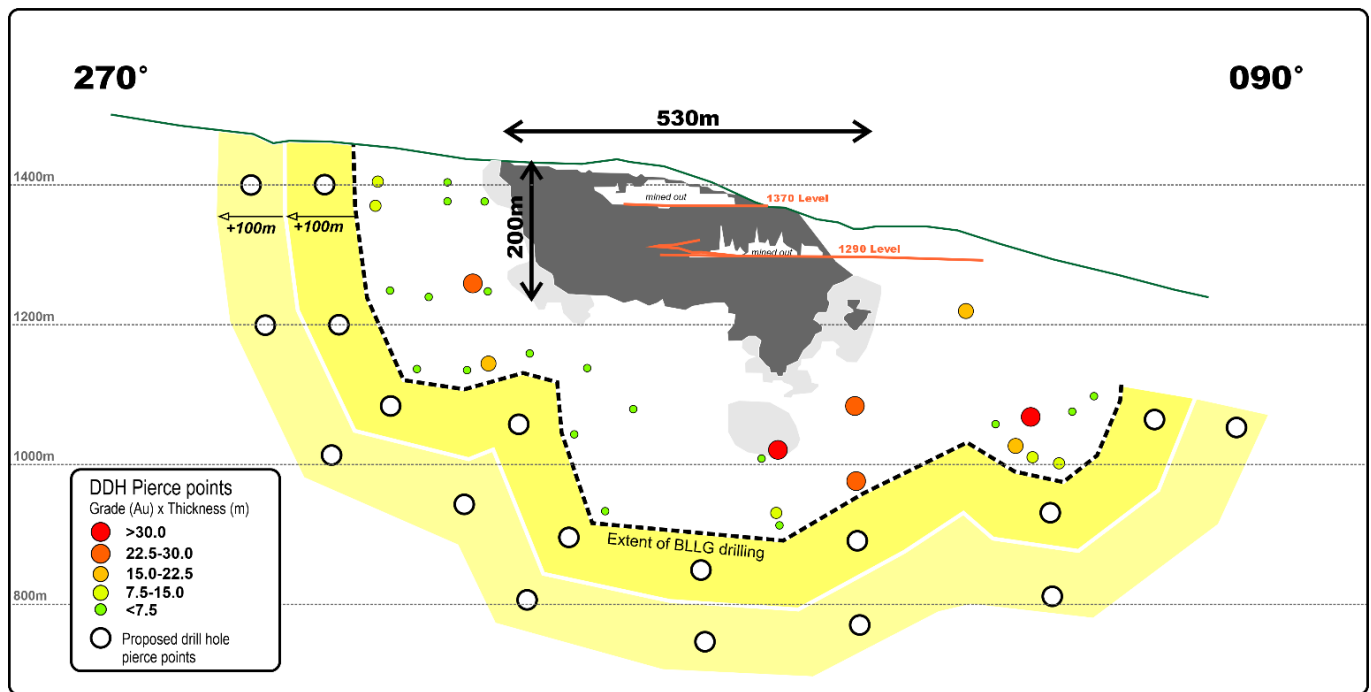


Figure 3: Long section showing Current Boulder Main Vein resource in Black, dashed line shows extent of Boulder Vein Mineralization identified by recent drilling. Yellow bands are 100 meters step outs for further drilling targeting expanded Boulder Vein mineralization along strike and at depth. White circles are targeted pierce points. Figure also shows the existing resource with locations of both portals and already mined out portions.

Blue Lagoon looks forward to a new era for the overall development of the Dome Mountain Gold Project, the challenges ahead, but most importantly the Company remains committed to the responsible development of Dome Mountain in harmony with the Province, community and First Nations interests.

The scientific and technical disclosure 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.

For further information, please contact:

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

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.