
Blue Lagoon Initiates PEA For Its Dome Mountain Gold Mine

April 23, 2020 – Vancouver, British Columbia – Blue Lagoon Resources Inc. (the “Company”) (CSE: BLLG; FSE: 7BL; OTCQB: BLAGF) is pleased to announce that it has initiated a Preliminary Economic Assessment (“PEA”) for its Dome Mountain Gold Mine Project (“Dome Mountain Mine”) which holds a 75,000 tonne per year mine permit. In addition, the Company holds a long term Milling and Mining Profit Share Agreement with Nicola Mining Inc. (“Nicola”), which operates a modern mill facility located near Merritt, BC. Under the terms of the Agreement, Nicola will process material from the Company’s high-grade gold Dome Mountain Mine.

Roughstock Mining Services LLC (“Roughstock”) of Bozeman, MT. has been engaged to complete the PEA, which expects to analyze and present the economics of an underground mine utilizing an offsite milling facility. The PEA will include the following key elements:

1. Outline a mine plan for the Dome Mountain Gold Mine Project.
2. Identify mine CapEx and OpEx including economics of off-site milling, smelting, and refining.
3. Recommendations for a 2020 definition drilling program focused on upgrading existing inferred resources to the indicated category.
4. Provide a current NI 43-101 mineral resource estimate that incorporates data from exploration completed during the Company’s 2016 exploration program.

“The Roughstock team is comprised of experts in underground mine design. It’s also clear that from past technical reviews of the project, their team has an excellent understanding of the existing underground development and exploration data at the Dome Mountain Mine,” said Rana Vig, President and CEO of Blue Lagoon Resources.

“This PEA will also provide for a current mineral resource estimate by incorporating results from a 7,210 meter infill drill program that took place in 2016 where four new veins were discovered within the Boulder Vein System. That drill program added 330 meters of strike length to the Boulder Vein which remains open along strike to the west, east and at depth. Past historical mineral resource estimates didn’t include that extensive additional drill data. The 2016 drill data also adds considerably to the understanding of the delineation of the mineralization,” he said.

The PEA technical report is expected to be filed within the next 8 weeks, and Blue Lagoon anticipates announcing a summary of the key results much sooner.

The Company has not made a production decision with respect to the Dome Mountain Gold Mine Project.

The scientific and technical data contained in this news release was prepared and reviewed 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.

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", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" 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 analysis of past of exploration data and results may not show quality and quantity necessary for further exploration or exploitation of minerals deposits, timing or availability of information and technical report authors, market prices for precious metals, and continued availability of capital and financing, compliance with permitting requirements 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 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 beliefs, estimates or opinions, or other factors, should change.

