

BLUE LAGOON ENTERS INTO STRATEGIC SHAREHOLDER AGREEMENT WITH CRESCAT AND ITS GEOLOGIST, DR. QUINTON HENNIGH

August 3, 2021 – Vancouver, British Columbia – Blue Lagoon Resources Inc. (the “Company”) (CSE: BLLG; FSE: 7BL; OTCQB: BLAGF) is pleased to announce it has entered into a Strategic Shareholder Agreement with Crescat Capital LLC, and its geologist, Dr. Quinton Hennigh. As announced on July 8, Crescat made a strategic investment of C\$1.5 million in Blue Lagoon, also securing participation rights for future financings. Under the agreement, Dr. Hennigh will provide expertise regarding Blue Lagoon’s exploration and development strategy and other geological and technical matters.

“Quinton brings valuable experience and technical knowledge relevant to our operations at Dome Mountain which will prove to be greatly beneficial as we work towards advancing this highly prospective and under explored project,” said Rana Vig, President & CEO.

Upon review of the Company’s flagship project, Dr. Hennigh commented, "Blue Lagoon's Dome Mountain project displays characteristics of a certain type of intermediate sulfidation system called a carbonate-base metal-gold deposit. Examples of such deposits around the world include Kelian in Indonesia, Buritica in Colombia, and Highland Valley in Papua New Guinea. Although Dome Mountain has seen virtually no modern exploration, the property hosts a number of high-grade gold veins, in places quite closely spaced such as at the Freegold target. Blue Lagoon has already encountered multiple high-grade intercepts in some of their first drill holes on the project. Crescat is very excited to help fund a very aggressive drill program at Dome Mountain this year, one that could result in the recognition of Dome Mountain as a potentially large, high-grade gold system," he added.

Dr. Hennigh is an economic geologist with 25 years of exploration experience who, early in his career, explored for major mining firms including Homestake Mining Company, Newcrest Mining Ltd and Newmont Mining Corporation. He then joined the junior mining sector in 2007 and has been involved with a number of Canadian listed gold companies, including Gold Canyon Resources Inc., where he led exploration at the Springpole alkaline gold project near Red Lake Ontario, a 5-million-ounce gold asset that was sold in 2015 to First Mining Gold Corp. He is founder and Chairman of Novo Resources, an Australian focused gold producer and explorer. Dr. Hennigh was also instrumental in Kirkland Lake Gold’s acquisition of the Fosterville gold mine, which is located in Australia and was previously owned by Newmarket Gold Inc.

Crescat is a global macro asset management firm headquartered in Denver, Colorado. Crescat's mission is to grow and protect wealth over the long term by deploying tactical investment themes based on proprietary value-driven equity and macro models. Crescat's goal is industry leading absolute and risk-adjusted returns over complete business cycles with low correlation to common benchmarks. Crescat's investment process involves a mix of asset classes and strategies to assist with each client's unique needs and objectives and includes Global Macro, Long/Short, Large Cap and Precious Metals funds.

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.

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 use of proceeds from the Private Placement and acceptance of the stock options by the CSE. 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.

