

BLUE LAGOON ANNOUNCES RESULTS OF 2021 SOILS SAMPLING PROGRAM – IDENTIFIES NEW ZONES FOR PRIORITY FOLLOW UP IN 2022

January 20, 2022 – Vancouver, British Columbia – Blue Lagoon Resources Inc. (the “Company”) (CSE: BLLG; FSE: 7BL; OTCQB: BLAGF) is pleased to announce the results from its 2021 soil sampling program completed on its Dome Mountain Gold Project - an all-year-round accessible property located a short 50-minute drive from Smithers, BC.

The Company’s 2021 soil sampling program has resulted in identification of strong anomalous gold, zinc, and copper-in-soils zones in a number of new zones which warrant follow-up during the Company’s 2022 exploration program.

“The soil sampling program was remarkably successful in that we identified multiple gold-in-soils anomalies as well as strong multi-element associations with the gold. The more anomalous elements (Zn, Cu, As, Mo, Pb etc.) that we see associated with gold, the higher degree of confidence we have of an underlying mineralized system thus, allowing us to immediately prioritize our follow-up program.”, said Bill Cronk, Chief Geologist for Blue Lagoon Resources. “A highly anomalous zinc zone to the northwest of Freegold is especially of interest as values here are very high and dwarf the zinc values seen in soils associated with the known Boulder Vein system where gold in the current resource has a very close correlation with elevated zinc values in core.”

A total of 4216 soils have been collected on the Dome Mountain property since 2020, of which 3167 samples were collected in 2021 (Figure 1).

Anomalous pathfinder elements associated with gold-in-soil anomalies at Freegold (including antimony, copper, molybdenum, zinc, lead, mercury, bismuth, uranium and silver) were drilled in the first part of the 2021 Phase 2 program and high-grade gold was intersected as expected (see press release December 7, 2021). Additional drilling at Freegold is currently on hold awaiting completion of ground based Deep IP and CSAMT, expected to be completed by the middle of February 2022.

Anomalous pathfinder elements associated with the high gold values at Boulder Vein include antimony, zinc, lead, and silver. Noranda first drilled the Boulder Vein system at Dome Mountain in 1985 based on zinc-in-soil anomalies. After more than 40,000 meters of core drilling on the Boulder Vein, Zinc is considered the premier pathfinder element at Dome Mountain.

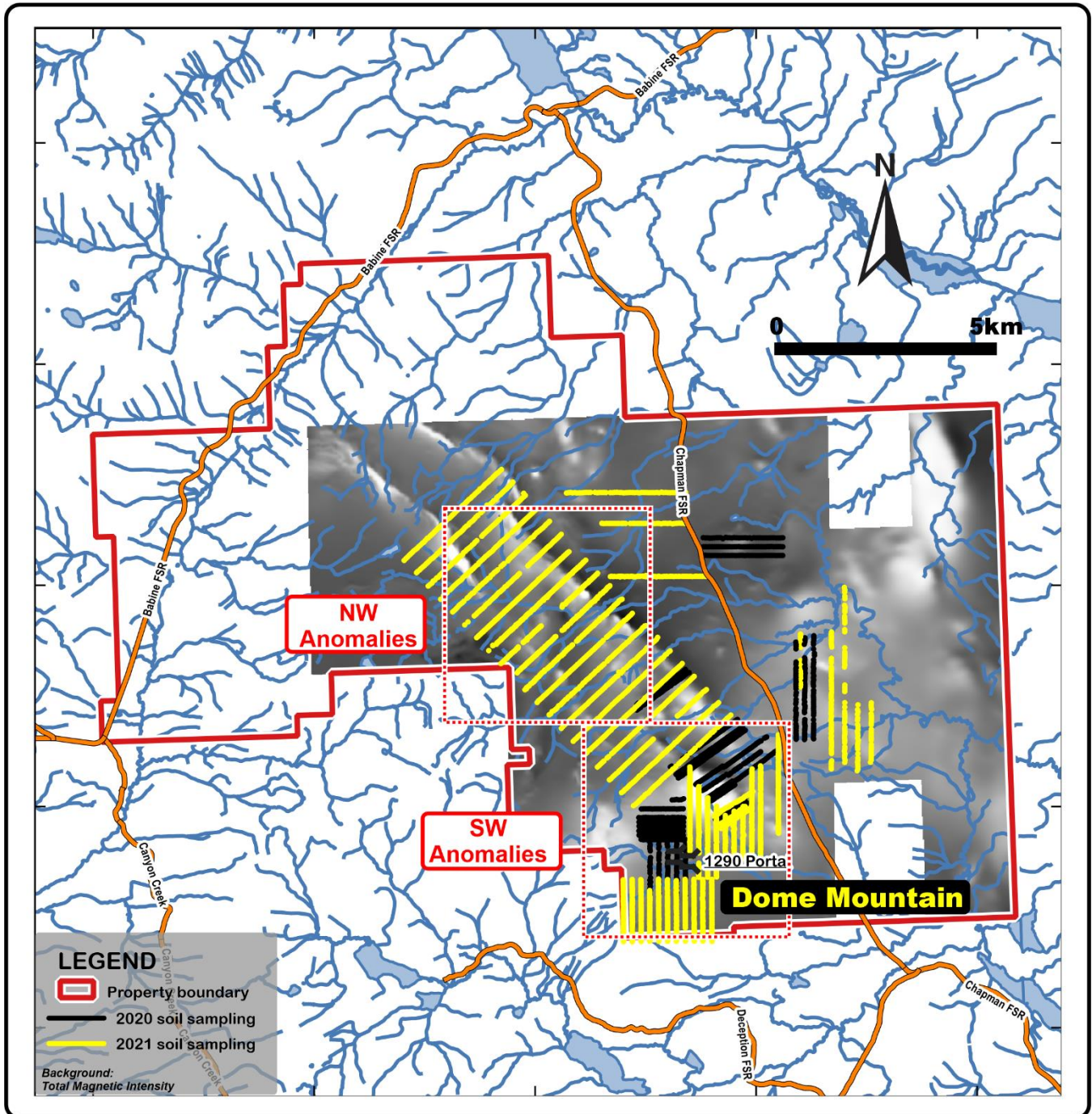


Figure 1 Map showing soil samples collected on the Dome Mountain Project showing samples collected in 2020 (black) and samples collected in 2021 (Yellow).

Figure 2 shows multi-element results for soils collected northwest of the Freegold Showing and along a strong northwest trending mag anomaly. Soil lines are spaced at 400 meters apart and samples collected along the line at 25 or 50 meters spacing. The zinc anomaly is the largest on the property to date with gold and contains anomalous pathfinder elements including copper, molybdenum, arsenic and antimony. Once snow free conditions are met in 2022, this target will be followed up with infill soils and prospecting to advance to the drill target stage.

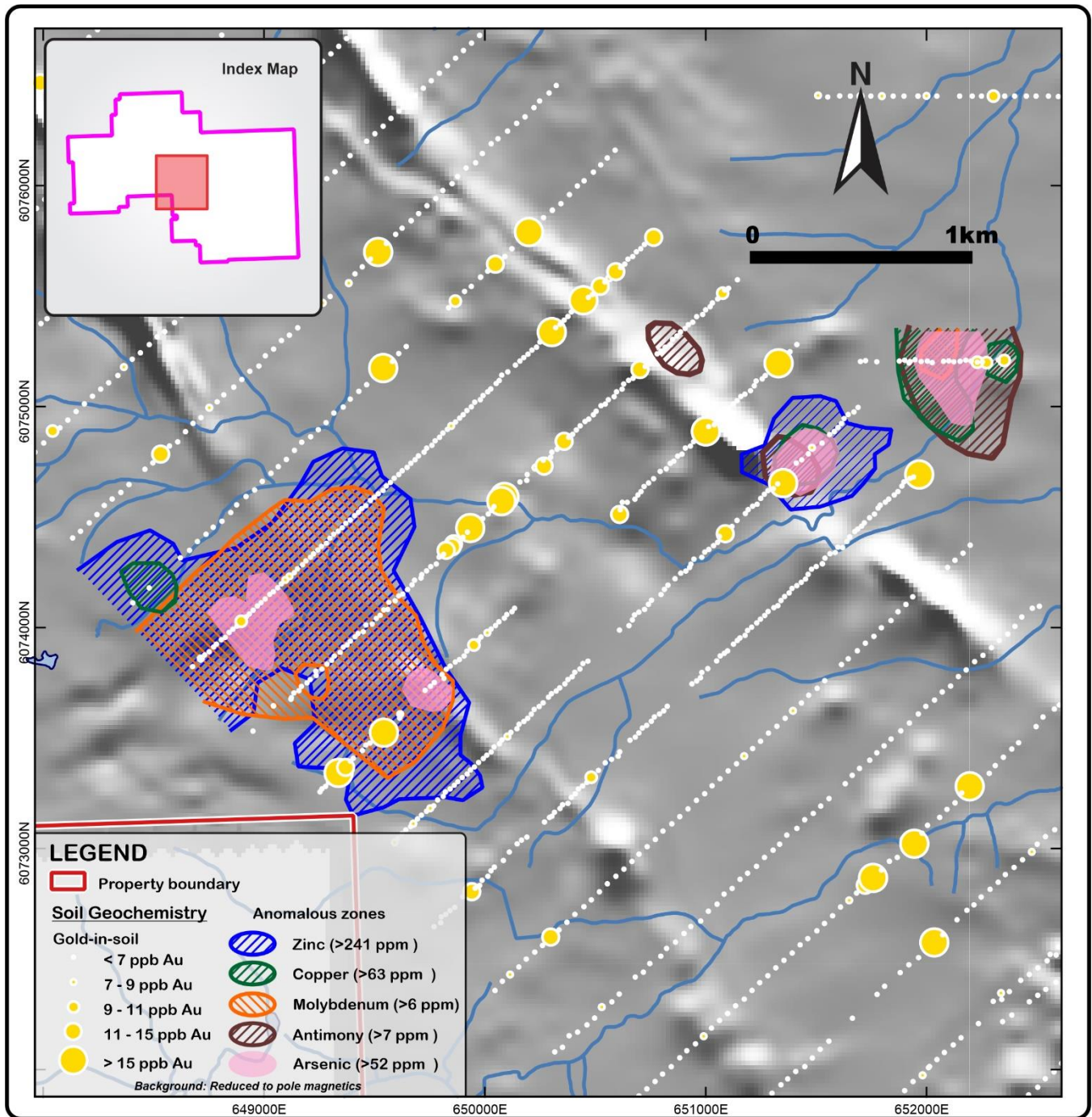


Figure 2 Map highlighting anomalous zones to the northwest of Freegold. Highest zinc values in soils on the property up to 5610 ppm. 15ppb Au and greater is in the 95th percentile of anomalous values.

Figure 3 shows soils results to the southwest part of the project area. Strong gold in soils have been found and anomalous pathfinder elements associated with the targets (molybdenum, copper, arsenic and antimony) highlight areas for further work to develop near term drill targets.

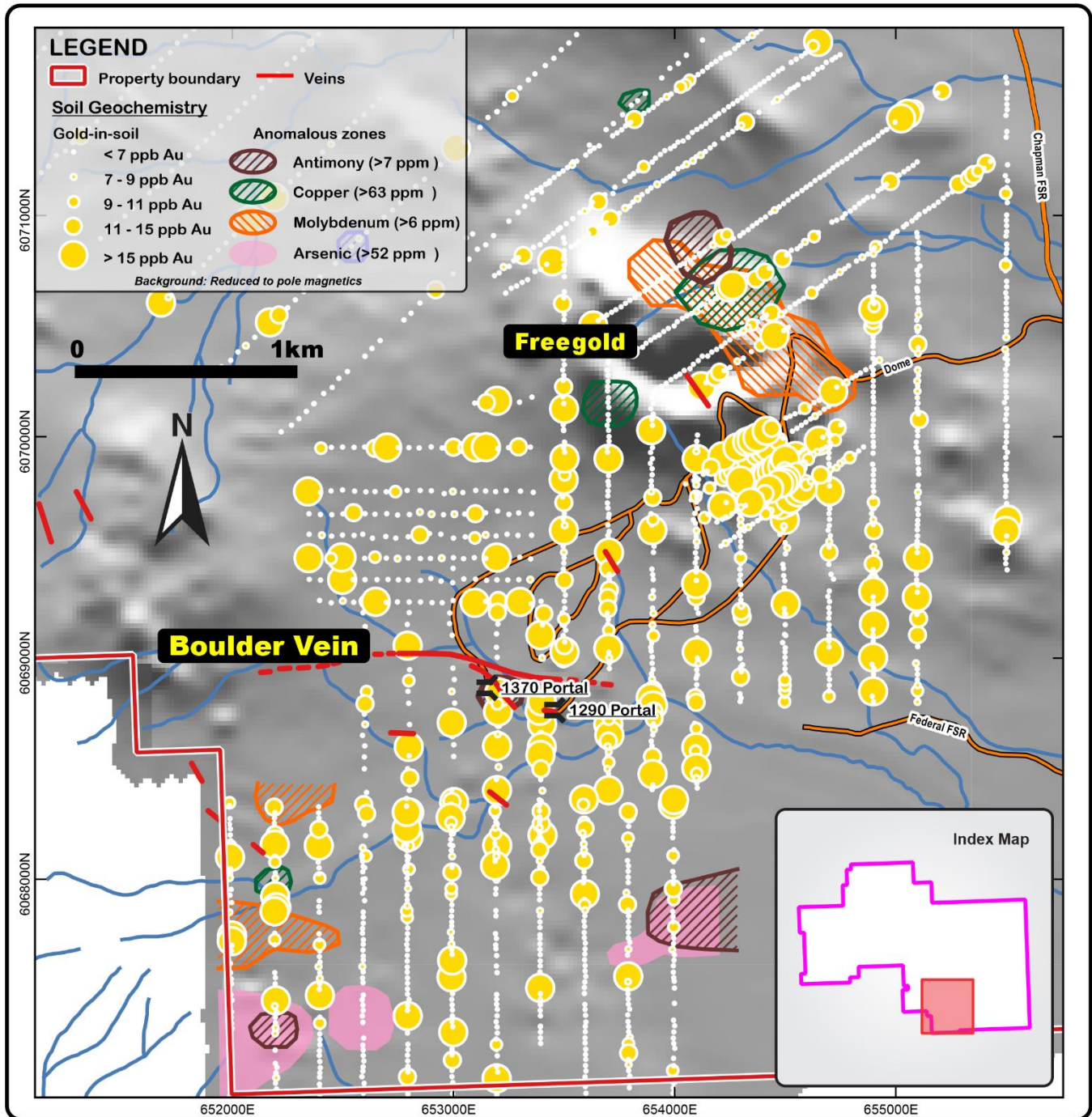


Figure 3

The planned 2022 soil sampling program will build on the Company’s previous programs and will continue in early summer with a minimum of 2500 samples expected to be collected as the follow-up to the 2020-2021 program and as a first pass exploration on portions of the land package which has yet to be explored.

QUALITY ASSURANCE AND CONTROL

The Company submitted 3167 soil samples for analysis which were collected on the Dome Mountain Gold Project in late 2021. 329 of these samples were QAQC samples inserted into the sample stream to maintain

a 10% QAQC program consisting of standards, blanks and field duplicates. Sample lines selected for the survey were based on known locations of underlying gold mineralization and/or based on structural interpretations based on the 2020 airborne survey.

SAMPLE PROTOCOLS

Soil samples were collected using two-man teams equipped with Geotool and shovel. Samples were collected from the B-horizon at a depth ranging from 10 cm to 90 cm. Average depth of sample collected was 32 cm. Sample spacing along the lines varied from 25 meters to 50 meters depending upon location and target with line spacing varying from 200 meters to 400 meters.

Sample data collected at the sample locations included UTM location, depth of sample, color, moisture content, texture (sand, silt, clay), and percentage, angularity and lithology of pebbles and or cobbles. Samples collected amounted to approximately 1 kilogram of material and placed in a white soil sample bag. Wet samples were additionally placed into a 1000 ml plastic zip loc bags to prevent contamination. At the end of the day all samples were placed inside the Company's shop facility on a rack and allowed to dry for at least one week before shipping to ALS in North Vancouver, BC. Samples remained in secure storage until shipped to Vancouver.

Sample preparation at ALS utilized Prep 41 method (dry and sieve to -80 mesh) and followed up analysis for gold by method Au-AA24 (by fire assay) and 48-elements by method ME-MS61, (four acid digestion with ICP-MS finish).

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

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