

BLUE LAGOON ENCOUNTERS ADDITIONAL SIGNIFICANT INTERSECTIONS FROM DRILLING ALONG STRIKE EAST OF THE BOULDER VEIN RESOURCE

May 2, 2023– Vancouver, British Columbia – Blue Lagoon Resources Inc. (the “Company”) (CSE: BLLG; FSE: 7BL; OTCQB: BLAGF) is pleased to announce final results from the 2022 Phase II drilling program on its year-round, road accessible, Dome Mountain Gold Project, located a short 50-minute drive from Smithers, British Columbia.

Drilling in this area was designed to follow-up the high-grade vein intersection cut in drill hole DM-21-224. This hole, collared from the Chance Structural Area, was drilled back toward the Boulder East zone. (Figure 1). Drill hole DM-21-224 intersected two significant gold-silver veins:

- 14.80 g/t Au and 68.6 g/t Ag over 7.31 metres (381.20-388.51 metres), including 62.60 g/t Au and 302.0 g/t Ag over 1.10 metres
- 26.90 g/t Au and 157.0 g/t Ag over 1.04 metres (443.52-444.56 metres).

Drilling in 2022 set up on a new drill pad, closer to the vein structure (Figure 1). The first hole (DM-22-232) was planned to target very close to the DM-21-224 intercept. Subsequent holes (-234) tested down-dip of hole -224, while, drill holes DM-22-235, and -238 tested along-strike by approximately 50 metres in each direction. (Drill hole DM-22-237 was abandoned due to technical issues and redrilled as hole DM-22-238).

Table 1: Drill hole collar specifications, *Boulder East*

Hole ID	Location (UTM Zone 9 North)			Total Depth (m)	Orientation		Tenure/ Lease
	Easting	Northing	Elevation		Azimuth	Dip	
DM-22-232	653742.113	6069035.291	1256.965	353.00	180	-52	238538
DM-22-234	653742.106	6069035.548	1256.957	566.00	180	-60	238538
DM-22-235	653743.047	6069035.263	1256.805	400.00	166	-52	238538
DM-22-237 (abandoned)	653740.211	6069034.630	1256.819	53.07	195	-52	238538
DM-22-238	653740.211	6069034.630	1256.819	347.38	195	-52	238538
			TOTAL	1719.45			

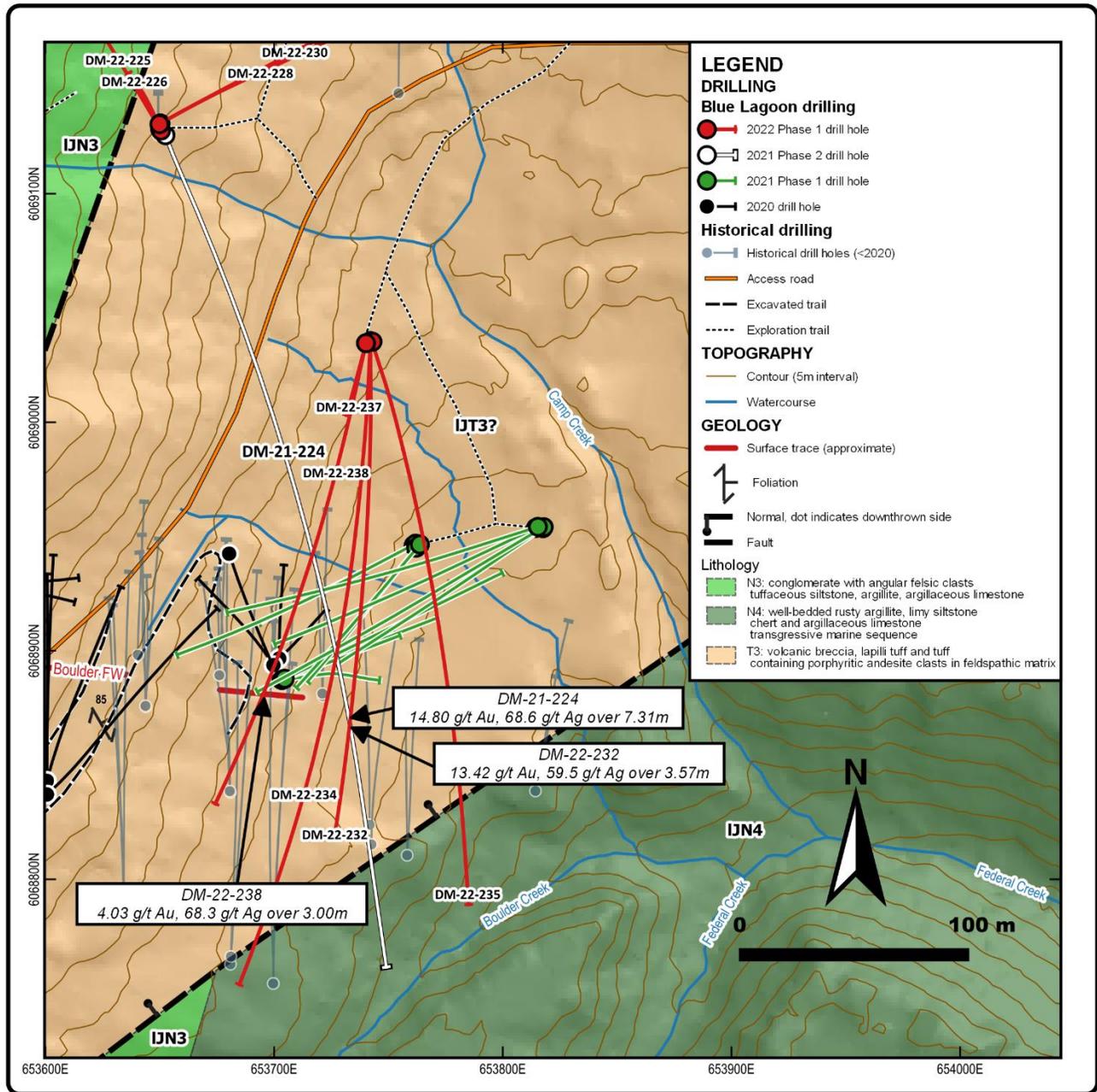


Figure 1: Boulder East Drill Plan

Observations and Results

Drilling this area intersected the typical lithologies comprised of a surface screen of mixed argillites, underlain by lithic tuffs. Both are overprinted by moderate clay +/- pyrite-quartz and chlorite and extensively fractured and faulted. These are underlain by a thick package of dominantly of feldspar-phyrlic crystal tuffs with interbedded lithic/lapilli tuffs.

The targeted quartz-carbonate-sulphide mineralization was intersected in DM-22-232. The vein zone occurs from 284.75 to 293.20 metres, consisting of sheared quartz-carbonate-sulphide veins with approximately 10% pyrite and minor chalcopyrite and arsenopyrite concentrated in patchy blebs within the veins and disseminated pyrite within the altered tuffaceous host wall rock.

DM-22-234 was planned to test up-dip of the -224 and -232 intersections, while DM-22-235 and -238 targeted to test 50 metres along strike to the east and west, respectively.

DM-22-234 did not intersect any comparable mineralization at the anticipated depth. Several small (< 1m) intersections grading greater than 1 g/t Au were found but do not appear related to the main veining. A best of 10.40 g/t Au and 32.2 g/t Ag over 0.60 metres was intersected well up-hole (144.80-145.50m) from 10 to 20 cm veins with up to 20% pyrite. It appears the vein here is dipping away from the hole azimuth and the hole stayed in the footwall of the vein.

In DM-22-235 strong mineralized intercepts were found at depths of 160.50-170 as faulted and blocky core bearing pyrite, from 293 to 301 metres as moderately fractured core bearing disseminated pyrite, and from 316 to 324 metres as frequent alteration surrounding 1cm veinlets bearing weak to moderate mineralization. The lowest mineralization likely represents the eastern strike extension of the mineralization, although grades are lower here (0.84 g/t Au over 0.50 metres). The best grades in this hole come from a 25 cm pyrite-dominant vein at approximately 246 metres depth, returning 26.90 g/t Au and 99.0 g/t Ag over 0.68 metres.

DM-22-238 intersected two zones of precious metal bearing veins. Both may be related to the Boulder East structure even though they are separated over 40 metres of core length. Faulting within the structure, as well as a sinuous vein within the host structure may have resulted in multiple intersections. Alternatively, the upper mineralization could be related to the Boulder East footwall structure. The upper intersection, from 265.00 to 268.00 grades 4.03 g/t Au and 68.3 g/t Ag over 3.00 metres. The lower intersection, from 316.12 to 316.65 grades 7.57 g/t Au and 22.0 g/t Ag over 0.53 metres.

Table 2: Selected significant intersections, *Boulder East*

Hole	Interval (m)			Grade (g/t)	
	From	To	Length	Au	Ag
DM-22-232	201.75	202.42	0.67	1.71	0.50
	285.50	289.07	3.57	13.42	59.50
	291.20	292.30	1.10	38.62	85.30
DM-22-234	144.00	145.40	1.40	5.24	14.10
	206.00	206.50	0.50	1.12	1.20
	207.00	207.50	0.50	5.95	1.40
	225.60	226.60	1.00	1.25	1.60
	284.70	285.50	0.80	2.68	3.40
	421.60	422.60	1.00	1.27	0.30
DM-22-235	498.81	500.00	1.19	0.98	2.10
	186.35	187.15	0.80	1.06	0.60
	230.00	231.50	1.50	2.78	6.00
DM-22-238	245.77	246.45	0.68	26.90	99.00
	217.25	217.50	0.25	3.85	4.90
	265.00	268.00	3.00	4.03	68.30
	316.12	316.65	0.53	7.57	22.00

Additional drilling will be needed to properly characterize the vein in this area. It may be that there is a steeply raking ore shoot within the complex structural environment. Drilling should be carried out from the south to north to afford a better intercept angle on the vein and hosting structures.

QUALITY ASSURANCE AND CONTROL

Core selected for sampling was cut in half with a core saw or split with a hydraulic splitter with one half bagged for shipping. Strict chain of custody storing, and shipping protocol was maintained. All core preparation and analyses were completed by Activation Laboratories Ltd. located in Kamloops, BC. Core was crushed, split, and pulverized with 250 grams passing 200 mesh. Each sample was analyzed for gold by fire assay with ICP-OES finish (Act Labs Code 1A2-ICP) and for multi-elements by 4-acid total digestion ICP with OES finish.(Act Labs Code 1F2) Any gold overlimits (>30 ppm Au) were analyzed by gravimetric fire assay. Standards and blanks were inserted by Company staff. The drilling and sampling program was undertaken by Company personnel and under the direction of Ted Vanderwart, *P.Geo.*

The scientific and technical disclosure 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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