

FORM 11

NOTICE OF PROPOSED STOCK OPTION GRANT OR AMENDMENT

Name of Listed Issuer: Blue Lagoon Resources Inc. (the "Issuer").

Trading Symbol: BLLG

Date: July 15, 2021

1. New Options Granted:

Date of Grant: July 15, 2021

Name of Optionee	Position (Director/ Officer/ Employee/ Consultant/ Management Company)	Insider Yes or No?	No. of Optioned Shares ⁽¹⁾	Exercise Price	Expiry Date	No. of Options Granted in Past 12 Months
Lorie Poulton Farrell	Employee	No	60,000	\$0.70	July 15, 2026	N/A
Olivier Tielens	Consultant	No	350,000	\$0.70	July 15, 2026	N/A
Gurdeep Bains	Director	Yes	100,000	\$0.70	July 15, 2026	N/A
Norman Brewster	Director	Yes	50,000	\$0.70	July 15, 2026	N/A
Rana Vig	CEO	Yes	400,000	\$0.70	July 15, 2026	N/A
Total:			960,000			

Total Number of optioned shares proposed for acceptance: 960,000.

2. Other Presently Outstanding Options:

Name of Optionee	No. of Optioned Shares ⁽¹⁾	Exercise Price	Original Date of Grant	Expiry Date
Bill Cronk	100,000	\$1.20	September 20, 2019	September 20, 2021
A.G. Partner Holdings Ltd.	840,000	\$1.50	March 27, 2020	March 27, 2025
A.G. Partner Holdings Ltd.	200,000	\$1.20	June 2, 2020	June 2, 2025
Almunir Kamdar	50,000	\$0.50	July 13, 2020	July 13, 2025

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Curtis Brazeau	50,000	\$0.50	July 13, 2020	July 13, 2025
Jeb Adi Handwerker	37,500	\$0.50	July 13, 2020	July 13, 2025
Yannis Tsitos	100,000	\$0.50	July 13, 2020	July 13, 2025
Bill Cronk	250,000	\$0.60	August 20, 2020	August 20, 2025
Curtis Brazeau	100,000	\$0.60	August 20, 2020	August 20, 2021
Phillistine Olson	50,000	\$0.55	August 20, 2020	August 20, 2025
Roy Edvardsen	50,000	\$0.55	March 19, 2021	March 19, 2026
Wayne Kindrat	50,000	\$0.55	March 19, 2021	March 19, 2026
Total:	1,877,500			

(1) Set out number of optioned shares for each grant with different terms.

3. Additional Information

- (a) If shareholder approval was required for the grant of options (including prior approval of a stock option plan), state the date that the shareholder meeting approving the grant was or will be held.

Not applicable.

- (b) State the date of the news release announcing the grant of options.

July 15, 2021

- (c) State the total issued and outstanding share capital at the date of grant or amendment.

87,496,727

- (d) State, as a percentage of the issued and outstanding shares of the Issuer indicated in (c) above, the aggregate number of shares that are subject to incentive stock options, including new options, amended options and other presently outstanding options.

3.24%

- (e) If the new options are being granted pursuant to a stock option plan, state the number of remaining shares reserved for issuance under the plan.

5,912,173

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- (f) If the Issuer has completed a public distribution of its securities within 90 days of the date of grant, state the per share price paid by the public investors.

On July 15, 2021, the Issuer completed a private placement (the “**Private Placement**”) of 4,761,154 charity flow-through units (“**Charity Units**”) at a price of \$0.7425 per Charity Unit, 609,758 regular flow-through units (the “**FT Units**”) at a price of \$0.82 per FT Unit, and 7,446,818 non-flow-through units (the “**NFT Units**”) at a price of \$0.55 per NFT Unit, for aggregate gross proceeds of \$8,130,908.31. Each of the units is comprised of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant is exercisable into one common share of the Company at an exercise price of \$0.75 per share in the case of the Charity Units and the NFT Units, or \$1.10 per share in the case of the FT Units, until July 15, 2023. Please refer to the Issuer’s Form 9 dated July 14, 2021 for further information regarding the Private Placement.

- (g) Describe the particulars of any proposed material changes in the affairs of the Issuer.

None.

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4. Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 11 Notice of Proposed Stock Option Grant or Amendment is true.

Dated July 15, 2021.

Rana Vig
Name of Director or Senior
Officer

"Rana Vig"
Signature

CEO
Official Capacity

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