
**Blue Lagoon Signs Binding Letter Agreement with
Metal Mountain Resources Inc.**

Vancouver, British Columbia – February 27, 2020 - **Blue Lagoon Resources Inc.** (“**Blue Lagoon**” or the “**Company**”) (CSE: BLLG; FSE:7BL; OTCQB: BLAGF) is pleased to announce the Company and Metal Mountain Resources Inc., a private BC Company, have replaced the non-binding letter of intent announced on February 25 with a binding letter agreement, for the acquisition by Blue Lagoon of 100% of the outstanding shares of Metal Mountain in exchange for approximately 12.15 million shares of Blue Lagoon.

Pursuant to the letter agreement, on closing of the transaction, Metal Mountain will amalgamate with a new subsidiary of Blue Lagoon to be incorporated for the purpose of this transaction. The shareholders of Metal Mountain will on closing receive 0.97266 shares of Blue Lagoon for every 4 common shares of Metal Mountain held by them. The Blue Lagoon shares will be subject to a hold period for an initial 12 months from closing, and thereafter the hold period will expire in installments as follows:

- 10% on each of 12 and 15 months from the closing date
- 15% on each of 18 and 24 months from the closing date
- 25% on each of 27 and 30 months from the closing date

Metal Mountain will schedule and call a meeting of its shareholders for the purposes of seeking approval of the transaction, including the amalgamation. Closing of the transaction is subject to various conditions, including any required stock exchange approvals, shareholder approval of Metal Mountain, and completion of due diligence investigations. The parties are working to prepare and settle the terms of a definitive agreement to replace the letter agreement.

For further information, please contact:

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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 exploration activities may not show quality and quantity necessary for further exploration and exploitation of minerals deposits, market prices, and continued availability of capital and financing, permitting 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.