



200 Burrard Street, Suite 650 Tel: 604.801.5432
Vancouver, BC V6C 3L6 Fax: 604.662.8829
TSX-V: VG

NEWS RELEASE

Volcanic provides update on drilling activities at the Mandiana and WAMA Projects, Guinea, and announces high-resolution airborne magnetic survey

June 8, 2017 – Vancouver, British Columbia – Volcanic Gold Mines Inc. (“Volcanic”) (TSXV: VG) is pleased to report on the progress of exploration drilling at its Mandiana Project (“Mandiana”), as well as at the contiguous lands recently acquired under option from West African Mining Associates SARL (“WAMA”) in Guinea. A total of almost 3,000m of reverse-circulation and diamond drilling, and over 6,000m of air-core drilling have now been completed at these projects. A high-resolution airborne magnetic survey over the projects, to be flown at 50m line spacing and low sensor clearance, is expected to commence during the month of June. The purpose of this survey will be to provide important targeting information associated with known mineralized trends.

Volcanic’s reverse-circulation and diamond drilling is being conducted both within, and in the immediate surroundings of, the Inferred Mineral Resource (the “Mineral Resource”) at the Yagbelen deposit at Mandiana, as previously defined by Sovereign Mines of Africa plc (“Sovereign”). As well as serving to infill the Mineral Resource, the purpose of drilling is to gain vital information on the geological controls on mineralization, as a basis for targeting further resource drilling activities later in 2017.

Reverse-circulation drilling of the Farabakoura target at the WAMA Project has also been advanced, its purpose being to confirm the high grade historic results announced by Volcanic on April 18, 2017 and described below. Air-core drilling is also ongoing at the WAMA Project, and has to date been deployed in exploration of strike and lateral extensions to mineralization to the north, east and south of the Yagbelen Resource, and in a similar fashion along a north-south axis characterized by artisanal working and high grade historic drilling intervals at Farabakoura. Drilling is being performed in a series of “fences” established at 100-200m intervals, along which inclined holes are drilled at 40-50m spacings. This rapid, low-cost approach to exploration has been designed to provide detailed and accurate information on near-term resource targets.

Drilling results are awaited, and will be reported upon in due course.

About the Mandiana and WAMA Projects

In January 2017, Volcanic acquired a 75% interest in the Mandiana Project. The remaining 25% interest in the Mandiana Project is held by SOGUIPAMI, a Guinean government-owned business entity formed to conduct mineral exploration projects. In April 2017, Volcanic entered into a binding letter agreement to earn-in to an 80% interest in the WAMA Project which adjoins the entire length of the southern boundary of, and lies within the same mineralized trends as the Mandiana Project.

The Mandiana and WAMA Projects are underlain by geology comparable to that of many other Birimian-age volcano-sedimentary sequences in West Africa, in which gold mineralization typically exhibits a strong relationship with major structural and hydrothermal zones. At both the Mandiana and WAMA Projects the gold mineralization associates with a network of quartz veins which appear to relate to such zones, and is located at major lithological and structural breaks. In the near vicinity and of very similar geological character is AngloGold Ashanti's Siguiri Gold Mine (Measured and Indicated Resources of 3.37 Moz Au and Inferred Resources of 2.14 Moz Au). Other significant gold deposits and mines in the neighbouring area include Hummingbird Resources' Yanfolila project, Avnel's Kalana property, and Avocent's Tri-K project.

Of key importance at the Mandiana and WAMA Projects is the presence of shallow but extensive artisanal workings in the project area, which are seen to follow the north-south mineralized trend common in known deposits in the vicinity. Limited drilling beneath such working by both Sovereign and WAMA led to the identification of bedrock gold mineralization. Many kilometers of artisanal workings on these trends remain to be drill tested.

Prior to cessation of work activities due to a shortage of market funding in 2013, Sovereign drilled 119 RC and diamond drill holes for a total of 16,624 meters at Mandiana, including the four zones (Yagbelen, Foulouni, Damantare and Woyondjan) that form the basis of the Mineral Resource calculation, as well as at other features. Results of Sovereign's drilling programs completed between 2011 and 2013 include:

- RCY07 - 28m @ 1.66 g/t Au from 103m
- RCY36 - 30m @ 3.15 g/t Au from 35m
- RCY37 - 40m @ 4.49 g/t Au from 150m
- RCY88 - 18m @ 1.93 g/t Au from 144m
- RCY89 - 12m @ 2.89 g/t Au from 73m, and 19m @ 2.58 g/t Au from 104m
- RCY114 - 28m @ 6.44 g/t Au from 168m with a top cut of 30 g/t Au

One of the most notable mineralized occurrences within the WAMA Project is the Farabakoura deposit. During 2014 and 2015 WAMA drilled 89 inclined RC holes beneath lateritic artisanal workings at Farabakoura, results¹ of which include:

- FKRC003 - 7m @ 28 g/t Au from 64m (visible gold observed in RC chips)
- FKRC005 - 12m @ 39.1 g/t Au from 68m (visible gold observed in RC chips)
- FKRC006 - 6m @ 13.8 g/t Au from 74m
- FKRC035 - 4m @ 5.2 g/t Au from 52m and - 6m @ 13.9g/t Au from 68m
- FKRC037 - 3m @ 8.1 g/t Au from 77m

- FKRC071 - 7m @ 102.5 g/t Au from 62m (visible gold observed in RC chips)
- FKRC074 - 6m @ 16 g/t Au from 71m
- FKRC075 - 6m @ 5.7 g/t Au from 69m
- FKRC076 - 6m @ 17.2 g/t Au from 81m
- FKRC087 - 6m @ 64.8 g/t Au from 43m

The weathering profile at the property extends in places to depths in excess of 200m from surface, producing friable, oxides material which beneath the lateritic profile is very easy to dig.

¹The reader is advised that the above results are historic in nature and are yet to be verified by Volcanic.

About Volcanic

Volcanic brings together a deeply experienced and successful mining, exploration and capital markets team focused on building a multi-million ounce gold resource in the underexplored West African country of Guinea and its neighbouring countries. Through the strategic acquisition of mineral properties with demonstrated potential for hosting gold resources, and by undertaking effective exploration and drill programs, Volcanic is seeking to become a leading junior gold resource company.

Qualified Person

Mr. Simon Meadows-Smith is a Qualified Person as defined by “*National Instrument 43-101 - Standards of Disclosure for Mineral Projects*” and has approved the disclosure of the scientific and technical information contained in this news release. Mr. Meadows-Smith holds a BSc degree in geology from Nottingham University, England, and has been involved in mineral exploration since 1988, including 20 years of experience working in West Africa. He is a Fellow in good standing of the Institute of Materials, Minerals & Mining in London.

For further information, contact Alex Langer, the Company’s VP Capital Markets, at 604-765-1604, or visit our website at www.volgold.com.

Volcanic Gold Mines Inc.

Jeremy Crozier, President

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Forward-looking statements

Certain statements contained in this news release constitute forward-looking statements within the meaning of Canadian securities legislation. All statements included herein, other than statements of historical fact, are forward-looking statements and include, without limitation, statements about the Company's exploration plans for its projects. Often, but not always, these forward looking statements can be identified by the use of words such as "estimate", "estimates", "estimated", "potential", "open", "future", "assumed", "projected", "used", "detailed", "has been", "gain", "upgraded", "offset", "limited", "contained", "reflecting", "containing", "remaining", "to be", "periodically", or statements that events, "could" or "should" occur or be achieved and similar expressions, including negative variations.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any results, performance or achievements expressed or implied by forward-looking statements. Such uncertainties and factors include, among others, whether the Company's exploration work on its projects will proceed as intended; changes in general economic conditions and financial markets; the Company or any joint venture partner not having the financial ability to meet its exploration and development goals; risks associated with the results of exploration and development activities, estimation of mineral resources and the geology, grade and continuity of mineral deposits; unanticipated costs and expenses; and such other risks detailed from time to time in the Company's quarterly and annual filings with securities regulators and available under the Company's profile on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Forward-looking statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to: that the Company's stated goals and planned exploration and development activities will be achieved; that there will be no material adverse change affecting the Company or its properties; and such other assumptions as set out herein. Forward-looking statements are made as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on forward-looking statements.