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NEWS RELEASE

Volcanic is pleased to announce new exploration and management team to advance Guatemala gold and silver projects

January 5, 2021 – Vancouver, British Columbia – Volcanic Gold Mines Inc. (TSXV: VG) is pleased to announce a new management and exploration team dedicated to advancing its gold and silver projects in Guatemala.

Simon Ridgway, founder and director of Volcanic, will take over management of the Company as CEO and President. Simon has extensive knowledge of Guatemala, both geological and socio-political, having been one of the first modern gold explorers to work in the country. Simon has led his geological teams to the discovery of several gold deposits in Central America and is keen to repeat those successes.

Simon Ridgway comments: “Volcanic’s Guatemala gold and silver projects have been waiting for several years for the right political and market conditions, and the time is now. Volcanic is well financed and we look forward to exploring Holly, Banderas and the regional projects aggressively this year.”

Volcanic is pleased to announce the appointment of a new Exploration Manager, Matthew Booth who will reside in Guatemala and manage the exploration, drilling and local geological team. Matt has a MSc Mineral Exploration from University of Leicester and 19 years field exploration experience, predominantly in Latin America. He was recently Exploration Manager for Golden Minerals in Mexico. Volcanic has assembled an expert team of local and international geologists, community relations experts and logistics personnel, and has significant drilling and exploration programs planned for this year.

Charles Straw, Volcanic’s former CEO, has done a great job in negotiating the Radius - Volcanic joint venture and financing the Company, and the Board thanks him for his efforts. Charles will remain an active director of the Company.

Volcanic is also pleased to welcome Derek Liu who was recently elected as an additional member of the Board of Directors. Derek is a member of the Chartered Professional Accountants of British Columbia and has an MBA from Laurentian University. He has held senior accounting positions at a number of public Canadian mining companies for the past several years and is currently Chief Financial Officer of Silvercorp Metals Inc. which is a significant shareholder of the Company.

About Volcanic

Volcanic brings together an experienced and successful mining, exploration and capital markets team focused on building multi-million ounce gold and silver resources in underexplored countries. Through the strategic acquisition of mineral properties with demonstrated potential for hosting gold and silver resources, and by undertaking effective exploration and drill programs, Volcanic intends to become a leading gold-silver company.

For further information, visit our website at www.volgold.com.

Volcanic Gold Mines Inc.

Simon Ridgway, President and CEO

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

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 plans for exploration work in Guatemala. 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 planned exploration work will be 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.