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NEWS RELEASE

Volcanic Gold receives drill permits for Holly project, Guatemala

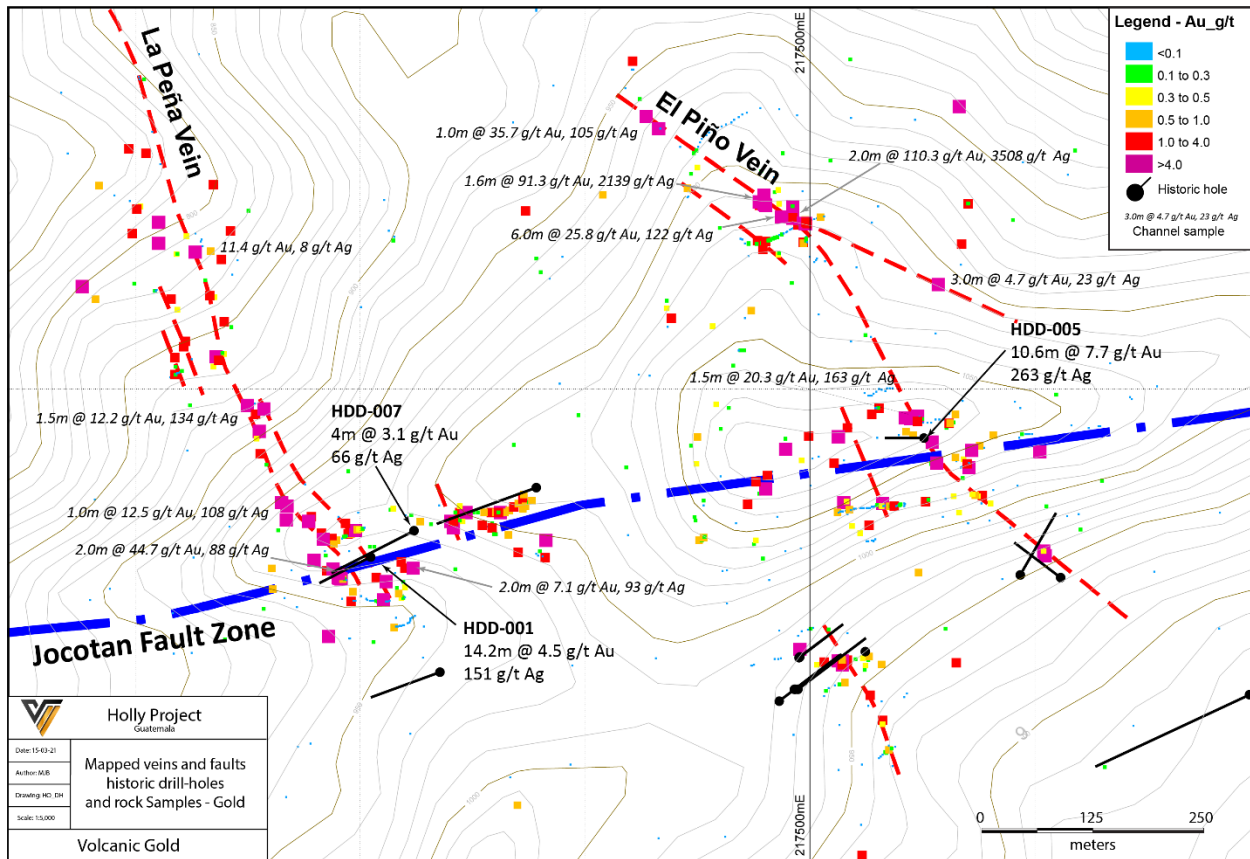
March 18, 2021 – Vancouver, British Columbia – Volcanic Gold Mines Inc. (TSXV: VG) is pleased to announce that it has received final approval from the Ministerio de Ambiente y Recursos Naturales (Ministry of Environment and Natural Resources) to conduct drilling on the Holly Project in eastern Guatemala.

Simon Ridgway, Volcanic’s CEO, commented: “The Ministry of Environment and Natural Resources has granted an environmental permit for the planned exploration program and we are very pleased to have received the drill permits for the Holly Project.”

Mr. Ridgway continued: “In 2003 a short scout drill program intersected several high-grade Au-Ag veins, including 10.6m at 7.7 g/t gold and 263 g/t silver. These high grade drill intercepts never received follow-up drilling. The high grade veins strike perpendicular to the large altered and mineralized Jocotán fault zone. The Jocotan fault or the vein intersections with the fault have never been drill tested. We are financed for a significant program and the team is motivated to test these highly prospective targets.”

The Company will now move forward with logistics planning and drill contractor selection with a plan to commence drilling shortly after the Easter break. The emphasis will be on exploring for high grade shoots associated with the intersection of the Jocotan Fault Zone zone and the NW-SE trending high grade vein systems, El Piño and La Peña. Sampling at El Pino has returned grades of up to 2m at 110.3 g/t Au and 3508 g/t Ag, and the La Peña vein, which crops out 620m to the west, sampling has returned 2m at 44 g/t Au and 88 g/t Ag. Surface rock and soil geochemistry indicates these two parallel quartz veins each have over a 600m strike potential.

Figure 1: Holly Exploration Targets and historic drill-holes



Technical Information

The technical contents of this press release have been reviewed by Matthew Booth, a Qualified Person for the purposes of NI 43-101. Mr. Booth has over 17 years of mineral exploration experience and is a Qualified Person member of the American Institute of Professional Geologists (CPG 12044).

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.