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FOR IMMEDIATE RELEASE

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**Volcanic reports 14.8m @ 3.96 g/t gold and 1,097 g/t silver,
including 2.2m @ 9.79 g/t gold and 2,035 g/t silver, and 1.85m @
5.6 g/t gold and 2,801 g/t silver at Holly Project, Guatemala**

Vancouver, British Columbia – Volcanic Gold Mines Inc. (TSXV: VG) is pleased to report further high grade drill results from La Peña vein at the Holly Project in Guatemala.

Hole HDD-21-004 at La Peña vein intersected 14.8m at 3.96 g/t Au and 1,097 g/t Ag. This is the deepest intercept on the La Peña vein system to date with silver grades increasing with each step down.

Additionally, below the La Peña vein drill hole 4 cut a zone of disseminated silver mineralization grading 378 g/t Ag over 9.15m within the footwall of the vein (not included in the reported intercepts). This silver mineralization was finely disseminated in altered volcanic rocks without significant veining. The overall silver interval with La Peña vein and footwall disseminated silver mineralization returned 34.6m at 574 g/t Ag. The hole stopped a few meters after the disseminated silver interval, with the final meters not assayed.

This new style of silver-only disseminated mineralization was not previously recognized on the property. Holly has a multi-phase mineralizing system with silver/gold ratios from 1-to-1 to 1,000-to-1 indicating multiple mineralizing pulses. As well, new veins are being intersected in the drilling unmapped at surface, with some exhibiting visible gold and ginguero banded sulfides in the core.

Simon Ridgway, Volcanic's President and CEO, commented: "It is great to see La Peña vein developing as a robust gold/silver system. We are currently drilling hole HDD-21-021, stepping out along strike of La Peña vein which does not appear to be a narrow shoot."

Assays received from holes HDD-21-005 / 006 / 007 / 008, which targeted the El Pino vein system, cut weaker mineralization. However the El Pino vein zone is exposed over 100m higher than La Peña, so it may warrant more work.

The next assays due to be received and reported are from holes HDD-21-009 through Hdd-21-012 which tested the Alpha vein zone over a 450m strike system. Drilling appears to have intersected a robust vein and breccia with good visible banded sulphides. Currently the drill rig is back on the La Peña vein stepping out on strike and down dip.

Figure 1. La Peña Zone; Cross Section:

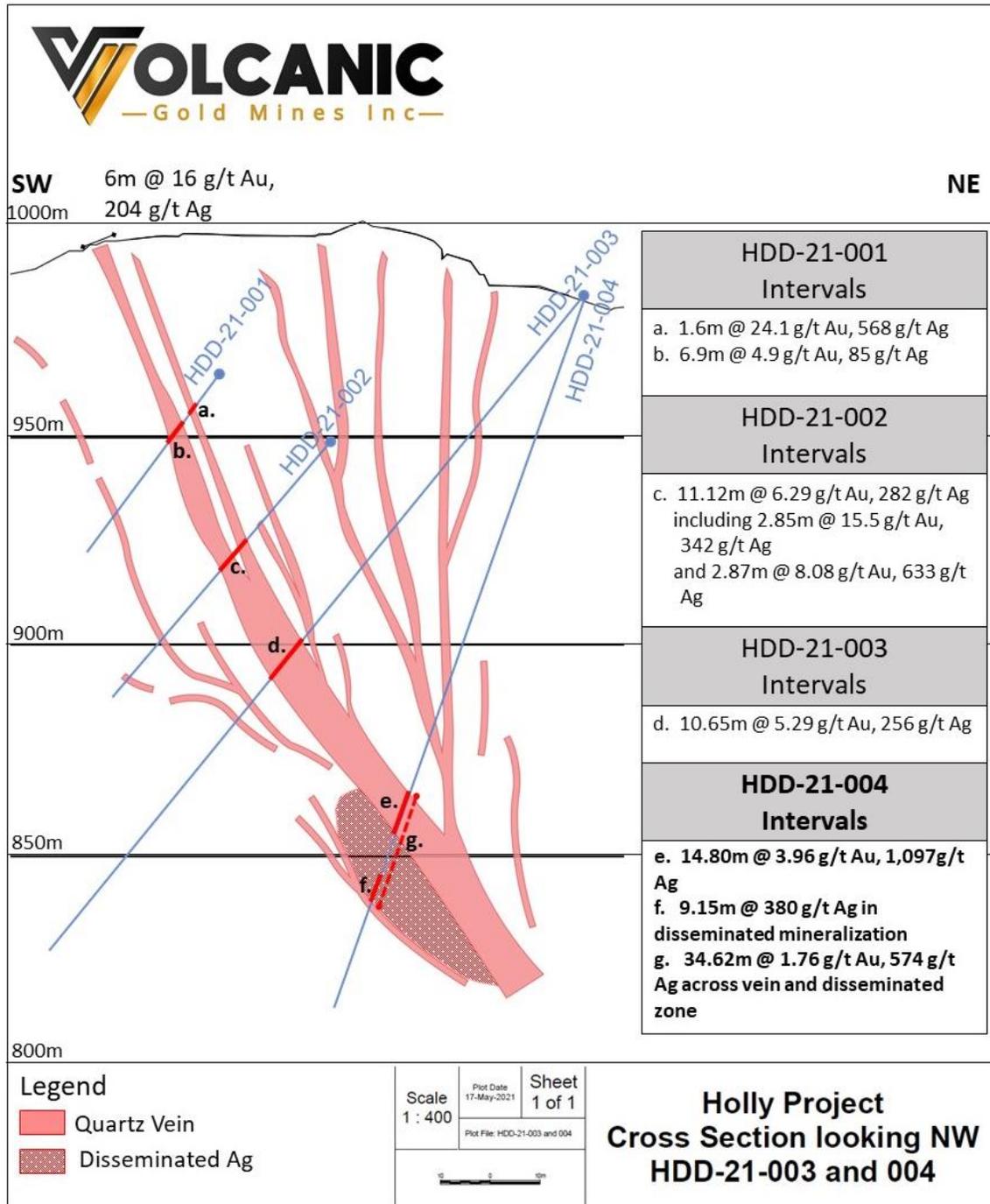
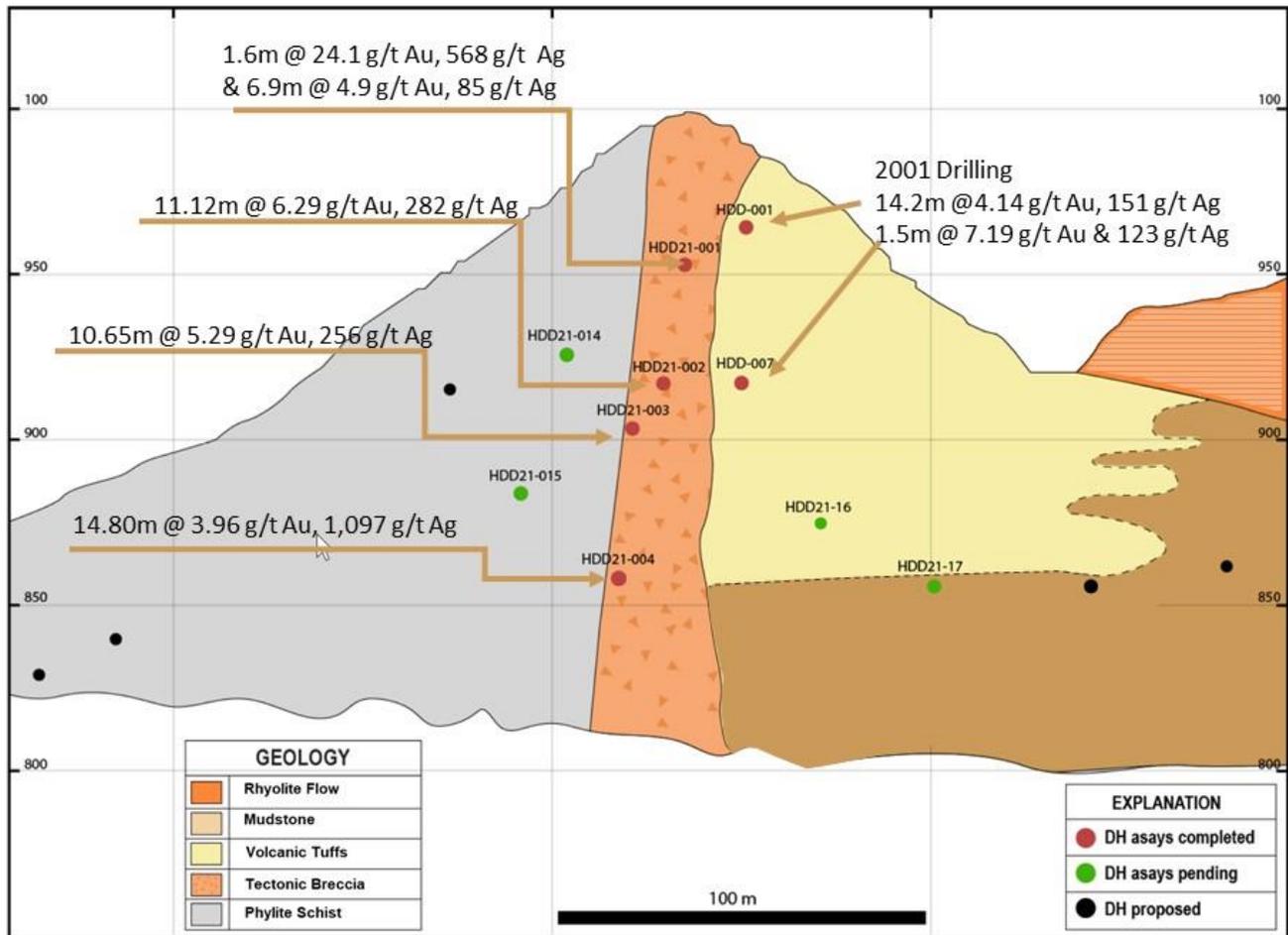


Figure 2. La Peña Zone; Long Section:



Technical Information

Bruce Smith, M.Sc. (Geology), a member of the Australian Institute of Geoscientists, is Volcanics's Qualified Person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects. Mr. Smith has 27 years of mineral exploration experience and has prepared and approved the technical information contained in this news release.

Quality Assurance and Quality Control

Volcanic Gold follows industry standard procedures for diamond core drilling and analysis. Drilling is carried out using NQ and HQ size tooling. Drill core is cut in half using a rock saw with one-half of the core then taken as a sample for analysis. Sample intervals are generally 1m intervals, producing samples of between 2 to 9 kg. Half-core samples are delivered to the internationally certified Bureau Veritas Mineral laboratory facilities in Nicaragua where the samples are prepared. Assays are completed by Bureau Veritas in Canada. The samples are fire assayed for Au and are analysed for Ag and multi-elements using method code ICP following a four-acid digestion. Overlimits are analysed using an appropriate method. Multi-element geochemical standards and blanks are routinely entered into the drill core sample stream to monitor laboratory performance. Quality control samples submitted were returned within acceptable limits.

Terms of Guatemala Radius Gold and Volcanic Gold Mines option

Pursuant to an option agreement signed in May 2020 with Radius Gold Inc. (TSXV:RDU), Volcanic can earn a 60% interest in the Holly and Banderas projects by spending the cumulative amount of US\$7.0 million on exploration of the properties within 48 months from the date of the agreement. An initial US\$1M must be spent on exploration within the 12 months of receiving the required drill permits, which expenditure will include a minimum 3,000m of drilling on the properties.

Following the exercise of the Option, Volcanic will enter into a standard 60/40 Joint Venture in order to further develop the Properties. Volcanic has also been granted an exclusive right to evaluate all other property interests of Radius in Guatemala with a right to acquire an interest in any or all other such properties on reasonable terms.

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.