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FOR IMMEDIATE RELEASE

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Volcanic Gold Drills 6.52m @ 16.31 g/t Au at Holly

2021-09-09 -VG - News Release

Shares issued 44,600,000

VG close - C\$0.39c, W/C +\$9 Million

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

Highlights:

HDD-21-017 from 134.25 to 143.08 returns **8.83m @ 8.81 g/t Au and 355 g/t Ag**

HDD-21-019 from 171.90 to 178.42 returns **6.52m @ 16.31 g/t Au and 55* g/t Ag**

HDD-21-020 from 61.70 to 67.10 returns **5.40m @ 5.91 g/t Au and 70* g/t Ag**

Results from the Holly project drilling have been received for holes up to HDD-21-020 and consistently, the deeper holes return better results, with mineralization open to the south/north and down dip.

A table of 2021 holes drilled at La Peña is set out below:

DRILLHOLE	FROM (m)	TO (m)	INTERVAL (m)	GOLD (g/t)	SILVER (g/t)
HDD-21-001	46.10	47.70	1.60	24.10	568
and	53.70	60.60	6.90	4.90	85
HDD-21-002	95.15	106.27	11.12	6.29	282
including	95.15	98.00	2.85	15.50	342
including	102.35	105.22	2.87	8.08	633
HDD-21-003	101.85	112.50	10.65	5.29	256
HDD-21-004	119.5	143.50	24	3.10	694
including	131.40	133.67	2.27	9.79	2035
including	136.00	137.85	1.85	5.60	2801
HDD-21-004	154.02	163.17	9.15	-	380
HDD-21-14	52.22	54.75	2.53	2.90	108
including	57.70	59.80	2.10	3.60	92
HDD-21-015	108.65	124.20	15.55	7.67	615
including	108.65	115.90	7.25	16.20	848
HDD-21-016	77.00	79.00	2.00	4.15	154
HDD-21-017	134.25	143.08	8.83	8.81	355

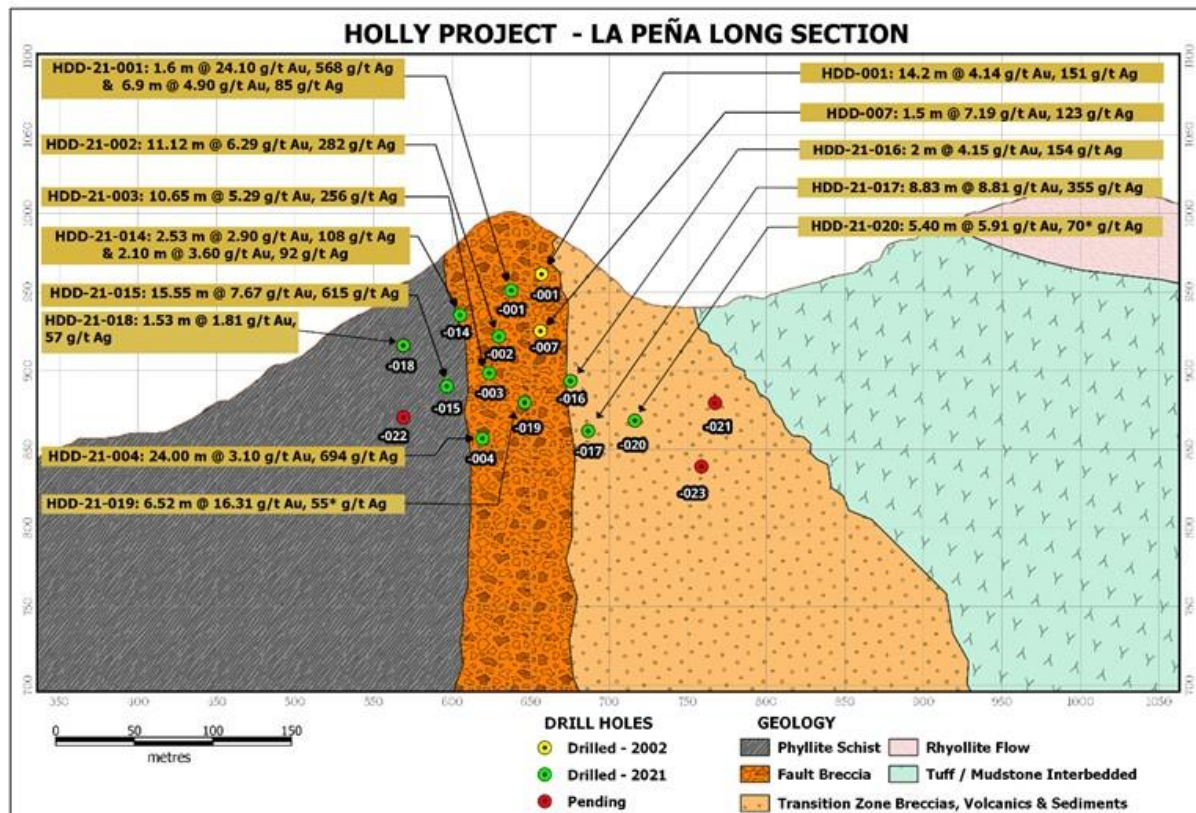
HDD-21-018	71.67	73.20	1.53	1.81	57
HDD-21-019	28.97	30.50	1.53	100*	100*
and	171.90	178.42	6.52	16.31	55*
including	172.90	176.60	3.70	28.31	73*
HDD-21-020	61.70	67.10	5.40	5.91	70*
including	63.00	64.00	1.00	29.41	100*
and	131.00	134.20	3.20	-	100*

Note: As indicated by * symbols, some samples from HDD-21-019 and HDD-21-020 are still pending final results that returned over 100 g/t silver and or 100 g/t gold . Final gold and silver assay results are expected soon and will likely increase the weighted averages for these intercepts. Reported intervals are drilled width. True width is estimated at 80% of true width.

To date the La Peña vein has been tested over a strike length of 220m and a vertical depth up to 200m. Drilling has encountered variable grades within the vein although most holes that intercept the vein deeper return high grades. The drill will be turning again on the 15th of September and the focus of the program will be to confirm depth and strike continuity to establish a high grade maiden resource.

The La Peña is one of many north-south veins that cross the regional Jocotan plate bounding fault. Mineralization controls at the Holly project are still not well understood but consistently where drilling intersects the north-south veins within Jocotan fault breccia, the mineralization and gold-silver grades are the strongest. A major focus of the upcoming drilling will be to not only confirm mineralization in La Peña and other veins, but to test the extensive breccia in the plate bounding Jocotan fault.

Figure 1. La Peña Zone; Long Section:



Technical Information

Bruce Smith, M.Sc. (Geology), a member of the Australian Institute of Geoscientists, is Volcanic'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.