



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

Tel: 604.801.5432  
Fax: 604.662.8829

**FOR IMMEDIATE RELEASE**

**February 24, 2022**

## **Volcanic reports on incident at drill rig in Guatemala**

### **2022-02-24 -VG - News Release**

Shares issued 45,543,710

VG close - C\$0.47; W/C +\$7.5 Million cash

Vancouver, British Columbia – Volcanic Gold Mines Inc. (TSXV: VG) regrets to report that a violent attack occurred yesterday at the Holly Property in Eastern Guatemala where the Company has been drilling for the past several months. No one was injured, however equipment was damaged.

A group of individuals, mostly young adults, gathered close to where the rig was working. Suddenly and without warning, a small group of these youngsters attacked the rig with fire bombs, setting light to the rig, pumps and equipment, and the surrounding forest.

No one was hurt, however significant damage was done to the drill rig and equipment.

### **Background**

In the latter part of 2021 and the first months of this year, a small group of individuals from the area have been aggressively spreading mis-information about our activities and the effects they say mining can have in the region. The main communities covering the Holly project area have expressed their support of the project and the Company has access agreements with community development councils and private land owners. Despite significant effort, the anti-mining group has been unable to gain wide community support or legally halt the project. During the last 6 months approximately 70% of local residents (approximately 1000 people) have attended Company informative tours of the project site and core shed, keeping people educated about mining and informed of our activities which employ many people, gaining general support for the project and the Company. Unfortunately a small group has resorted to violent means to further their cause.

Our team has also been making good progress working with Central and Local governments and has set a date in March when the Presidential Commission for Peace and Human Rights will hold a number of technical sessions where all the parties can present the facts. The dialogue will be attended by Chiquimula's Governor and Mayors, and will be under the direction of the Commission. Representatives of the Ministry of Energy and Mines, Ministry of the Environment, Ministry of Health, as well as the local authorities of the villages in the area of influence are expected to attend and address issues of concern.

Simon Ridgway, Volcanic's President and CEO, commented: "This is a very unfortunate incident, and it certainly has implications in the near term for the Company and for future drilling of the Holly property. We have been organizing technical sessions to start in March where the Presidential Commission will hold round tables in the area of Holly and Banderas to discuss the benefits of advancing mineral exploration in the region and provide opportunities for the small minority to present their concerns. We are looking forward to those sessions and hope they will result in greater support for the Company's exploration work in the area."

### **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](http://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](http://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.*