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FOR IMMEDIATE RELEASE

June 9th, 2022

Volcanic Announces Initial Resource Estimate of 406,316 oz at 9.57 g/t Gold Equivalent at Holly

2022-06-09 -VG - News Release

Shares issued 45,551,210

VG close - C\$0.31, W/C +\$7.0 million cash

Vancouver, British Columbia – Volcanic Gold Mines Inc. (TSXV-VG) (“Volcanic” or “the Company”) is pleased to announce a maiden Inferred Mineral Resource Estimate for the Holly property, Guatemala. The mineral resource estimate is reported in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards (2014) incorporated by reference in National Instrument 43-101 - Standards of Disclosure for Mineral Projects. Full results tables and additional maps and geological sections are available on the Volcanic website.

Highlights

- A maiden Inferred Mineral Resource has been estimated for the first target, La Peña vein at the Holly project, Guatemala.
- The high grade La Peña vein remains open to expansion along strike and importantly at depth, where exceptionally high grade results have been returned.
- Multiple other drill targets remain un-tested at Holly with potential for new discoveries.

Table 1: Holly, Peña Vein Resource Estimate

(Effective date 7th June, 2022)

Category	Cut-off grade AuEq ⁽²⁾ (g/t)	Tonnes above cutoff (millions)	Gold (g/t)	Silver (g/t)	Gold (oz)	Silver (oz)	Gold Equivalent ⁽²⁾ (g/t)	Gold Equivalent ⁽²⁾ (oz)
Inferred	3.00	1.32	6.46	256	272,110	10,913,360	9.57	406,316

Notes:

1. Resources estimated using a 3.0 g/t Gold equivalent cut-off grade and a top cap grade of 100 g/t Gold and 2,000 g/t Silver and presented on a 100%-basis
2. Gold Equivalent Au(eq) values based on Au US\$1800 and Ag US\$22 using formula (Au g/t + (Ag g/t*0.01222))

3. Mineral Resources which are not Mineral Reserves have not demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues. The mineral resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum standards on mineral resources and reserves, definitions, and guidelines prepared by the CIM standing committee on reserve definitions and adopted by the CIM council. Notwithstanding, to meet the requirement that the reported Mineral Resources show “reasonable prospects for eventual economic extraction”.
4. The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as an Indicated or Measured Mineral Resource. It is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.
5. Contained metal and tonnes figures in totals may differ due to rounding.
6. A technical report regarding the mineral resource estimation for the project will be filed by Volcanic on SEDAR within 45 days.

The Mineral Resource Estimate is underpinned by data from 21 diamond drillholes totalling 3707m of drilling. Drill spacing ranges between 20 and 100m. All sample data was composited to a 2D dataset (linear grade and true thickness values) prior to analysis and estimation. The sample database and the topographic survey were reviewed and validated by Bruce Smith, Ludving Monroy and Shawn Rastad prior to being supplied to John Arthur, an independent UK based Resource Consultant. Such review and validation help to support the reliability of the estimate. Geological domain modelling was completed by Bruce Smith and Dr John Arthur. Mineral Resource domain modelling, grade interpolation, Mineral Resource classification and reporting of the Mineral Resource statement, was performed by Dr John Arthur. Dr Arthur, Mr Smith, Mr Monroy and Mr Rastad are “qualified persons” within the meaning of National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”). Block modelling was carried out using cell dimensions of 32mE by 32mN by 8 mRL and was coded to reflect the surface topography and mineralised zones. Density values were globally assigned into two zones, an upper zone between 50 to 100m from surface had an average density of 2.33t/m³ and below this an average density of 2.52t/m³ was applied. The Mineral Resource Estimate has been classified based on data density, data quality, confidence in the geological interpretation and confidence in the robustness of the grade interpolation.

The effective date of the Mineral Resource Estimate is June 7, 2022 and a Technical Report on the Holly property will be filed on the Company’s website and SEDAR within 45 days of this news release.

Volcanic Founder, Director and CEO, Simon Ridgway, commented:

“The maiden Mineral Resource Estimate at the La Peña vein on the Holly property is an excellent start. I always believed from the exceptionally high grades found in outcrop at this property when Radius first made the discovery that it could host a significant gold deposit. With just thirty holes completed on the property since Volcanic signed the option deal with Radius, we have demonstrated that potential. The high grades, continuity and orientation indicate the deposit is appropriate for underground mining, and with the possibility of two mills operating within trucking distance of the deposit in the near future, the economic benefit for the communities in the area would be transformative.

Although it is at an early phase of exploration, we felt it important to show all stakeholders the value in the ground and what it can mean to the local communities. Their understanding, support and participation in advancing this project for the benefit of their communities and the shareholders is very important to Volcanic.”

Radius Director, CEO and project QP, Bruce Smith, commented:

"The high grade of the initial resource estimate and size with just a small number of drill holes demonstrates the potential of the La Peña vein system to grow quickly. This initial mineral resource estimate advanced our understanding of the project geology and we look forward to expanding La Peña at depth and along strike. Further, at Holly project there remain multiple targets for drill testing and resource expansion, in particular the Alpha vein system and the intersection of Alpha and La Peña systems at depth. The data collected to date will guide the exploration strategy as well as the design for underground development at Holly."

Agenda in Guatemala

The Company will follow this resource calculation with the preparation of a preliminary economic analysis aimed to show that the high-grade La Peña vein deposit could be mined from underground, causing minimal surface disruption. It is anticipated that trucking of high-grade ore to a nearby mill could minimize on-site processing and other associated costs and impacts. The Company's strategy is to calculate an approximate value of the deposit and potential income and be able to offer concrete benefits and much needed long term employment opportunities to the local communities. The Company expects the Holly project can grow significantly through exploration, but at this time it is important to clearly define the opportunity and potential value of the project to all stakeholders.

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 28 years of mineral exploration experience and has prepared and approved the technical information contained in this news release.

Quality Assurance and Quality Control

Volcanic 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 were initially processed at a Volcanic Gold preparation facility. The half core samples underwent primary crushing and split to produce a 250g sample under the supervision of a company geologist and qualified person. The split sample was then air shipped to certified ALS laboratories in Vancouver for further preparation and assay. All samples are fire assayed for Au and are analyzed for Ag and multi-elements using method code ICP following a four-acid digestion. Overlimits are analyzed 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. In accordance with the Option terms, Volcanic spent an initial US\$1M on exploration within the 12 months of receiving the required drill permits, which expenditures included 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.

PDAC

Volcanic will be attending the Prospectors and Developers Association of Canada conference (PDAC) from June 13 through 15 in Toronto, Ontario.

Senior management will be available at the booth for any questions. If you would like to arrange one-on-one meetings with Volcanic Gold's President and CEO, Simon Ridgway, please email your request to info@volcanicgold.com

For more information and/or to register for the convention, please visit: <https://www.pdac.ca/convention>.

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 further exploration work and the preparation of a preliminary economic analysis for its property interests 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, the uncertainties inherent in the mineral resource estimates; whether the Company's planned exploration work and preparation of a preliminary economic analysis 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, including the preparation of a preliminary economic analysis, 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.