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FOR IMMEDIATE RELEASE

September 1, 2022

Volcanic Gold provides update on activities in Guatemala

News Release

Shares issued 45,551,210

VG close - C\$0.235

W/C +\$6.5 million cash

Vancouver, British Columbia – Volcanic Gold Mines Inc. (TSXV-VG) (“Volcanic” or “the Company”) is pleased to provide an update on the Company’s activities in Guatemala.

“During the summer of 2022, Volcanic delivered our first inferred mineral resource estimate of over 400,000 ounces gold equivalent*,” stated Simon Ridgway, President & CEO of Volcanic Gold Mines Inc. “Reporting the resource estimate for the discovery at the Holly property was important to show the community in Guatemala that we are developing a viable resource that will lead to a positive economic influence on the area and offer well paying, much needed employment for members of the community. We look forward to advancing our projects in Guatemala and being a positive influence toward creating wealth and strong employment opportunities in the coming years,” continued Mr. Ridgway.

Holly Property

The Company filed on SEDAR an NI 43-101 technical report (see news release [July 27, 2022](#)) in support of the previously announced maiden Inferred Mineral Resource Estimate for the Holly property, Guatemala (see news release [June 9, 2022](#)). The Mineral Resource Estimate is effective June 7, 2022 and 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. A maiden Inferred Mineral Resource of 406,316 oz Au Eq* has been estimated for the first target, La Peña vein at Holly. The high grade La Peña vein remains open to expansion along strike and at depth. Several other drill targets remain to be tested at Holly with potential for new discoveries.

Volcanic continues to work closely with the local communities toward employment opportunities and educational outreach. The community’s primary areas of interest are more employment and positive projects. The Company is diligently working with the various community participants and is encouraged by the Community Councils for Urban and Rural Development (COCODE) of Guatemala looking for further discussion. The COCODE is configured as the coordinating entity for participation at the community level and is made up of residents of the corresponding community.

* Gold Equivalent (AuEq) values based on US\$1800 Au and US\$22 Ag, using formula: $gold\ g/t + (silver\ g/t * 0.01222)$

Volcanic is currently advancing various studies and reports for the Holly property including a hydrogeological study, an environmental monitoring report and a mine design and facility report.

The Company intends to resume drilling once Bluestone Resources has been granted a permit to build a mine at Cerra Blanco. Bluestone states that it continues to advance its community engagement and socialization efforts to safeguard social acceptance for the development of Cerro Blanco. The Company is committed to demonstrating responsible mining practices and formalizing social acceptance to continue advancing the Holly property. Maintaining and building social acceptance in support of achieving the environmental permit amendment by year-end remains the main objective of the Company. This permitting would be a significant event for the Holly property.

Motagua Norte Project

At Motagua Norte, the first regional prospecting area discovery resulting from the Company's 2020 agreement with Radius Gold Inc., multi-element rock chip and soil geochemistry have defined a continuous 2-3 kilometre long elevated gold trend. Samples include anomalous gold up to 692 g/t. A substantial amount of surface work is being analyzed and interpreted. As a result of the extremely high gold numbers coming from the surface sampling, the Company's next step after the property concessions are granted will be a trenching campaign in advance of drilling. The Company is currently considering terms for a possible option of the Project from Radius Gold.

The Motagua Norte Project has low population density with the main target areas having large farms with a few private owners. Formal landowner access agreements are in place. Volcanic has prepared and submitted environmental permits and is working with Radius Gold to prioritize the granting of these concessions.

Banderas Property

The Company has advanced its application for an Exploitation License at the Banderas property. This includes preparing a work plan and a Mining Environmental Management plan. The Company continues to work on access agreements with an adjoining community prior to commencing any drilling at Banderas. Consultation work is required with the community to ensure the benefits of the project are spread out and all affected communities in the area consent.

Technical Information

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

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 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 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.