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FOR IMMEDIATE RELEASE

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News Release

Shares issued 45,551,210

VG close - C\$0.285

Volcanic Gold Mines and Radius Gold receive shareholder and Exchange approval of Motagua Norte project option

Vancouver, British Columbia – Volcanic Gold Mines Inc. (TSXV: VG) (“Volcanic”) and Radius Gold Inc. (“Radius”) are pleased to report that the previously announced (see Volcanic news release September 18, 2023) signing of an amended option agreement between the companies which includes the Motagua Norte project in exchange for the Banderas project has been approved by the shareholders of each company and the TSX Venture Exchange. Disinterested shareholder approval was received at the respective annual general meetings of Volcanic and Radius held on December 14, 2023.

The original earn-in requirement for Volcanic to spend US\$7.0 million in exploration of Radius’s Guatemala properties remains unchanged. Under the modified option agreement, Volcanic has an exclusive option to earn a 60% interest in the Holly and Motagua Norte properties by spending US\$7.0 million on exploration of the properties. Expenditures previously made by Volcanic on exploration of the Banderas property are credited towards the option expenditure requirement.

As Volcanic and Radius have a common director and three common officers, Radius is a “non-arm’s length party” to Volcanic within the meaning of TSX Venture Exchange Policy 5.9. The modified option agreement is not, however, a “related party transaction” as defined in Multilateral Instrument 61-101, Protection of Minority Security Holders in Special Transactions (“MI 61-101”) and therefore the requirements of the Exchange’s Policy 5.9 and MI 61-101 do not apply.

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 mineral property interests. 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.sedarplus.ca. 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.