



200 Burrard Street, Suite 650
Vancouver, BC V6C 3L6

Tel: 604.801.5432
Fax: 604.662.8829

TSX-V: VG

April 3, 2024

Volcanic Gold provides further update on drilling at Motagua Norte property, Guatemala

News Release

Shares issued 45,551,210

VG close - C\$0.28

Vancouver, British Columbia – Volcanic Gold Mines Inc. (TSXV-VG) (“Volcanic” or the “Company”) and joint venture partner Radius Gold Inc. are pleased to present a further update on the ongoing drilling campaign at the Motagua Norte Project.

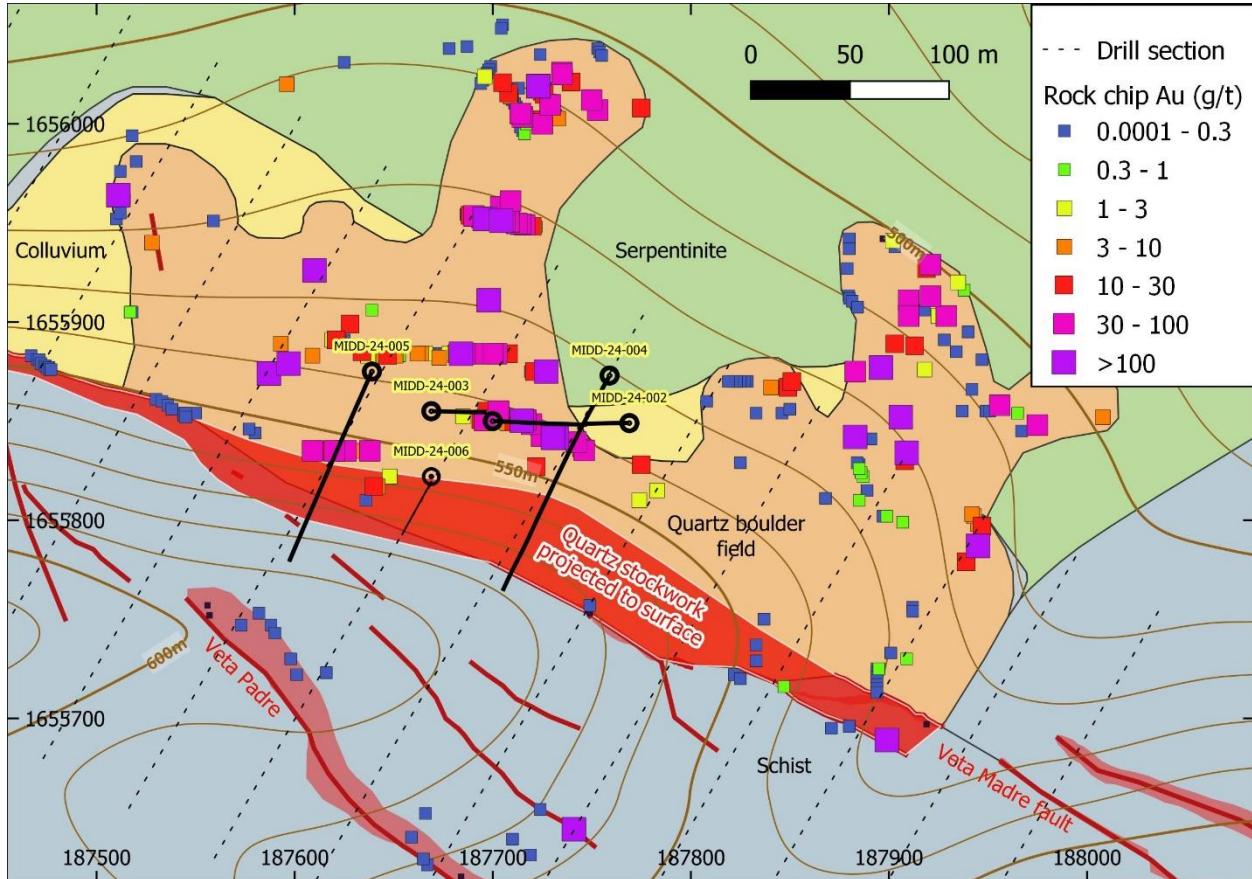
As previously reported, drilling to date has confirmed that the broad area of boulder float with abundant bonanza grade assay results discovered by Company geologists is underlain by a serpentinite package, and that all of the colluvial boulders of quartz and schists bearing the high-grade gold values have likely moved downslope from a major structural corridor that we have named the Veta Madre Fault Zone.

To date two drill holes cutting across the broad Veta Madre Fault Zone have been completed. Both holes have cut wide zones of quartz veining and quartz stockwork at the fault contact between serpentinite in the hanging wall to the north, and schistose rock in the footwall to the south. The wide stockwork zones with associated intense silica-sericite alteration of the host rock appear to be best developed in the footwall schist, although stockwork veining has been recognized on both sides of the vein.

Hole MIDD-24-004 targeted the Veta Madre above the central part of the colluvial field, drilling through 98 m of serpentinite before reaching the fault zone at a depth of approximately 120 m below surface. The hole remained in veining and stockwork schists for 63 m before entering unaltered schistose rocks at 161 m. The hole was drilled at an inclination of -45 degrees; true width of the mineralized zone is yet to be confirmed as the dip of the fault, while thought to be steep, is as yet unknown.

Hole MIDD-24-005 was drilled 100 m along strike to the west of MIDD-24-004, collared closer to the fault zone so that it intersected the fault at a slightly shallower depth of approximately 80 m

below surface. This hole passed through 73 m of serpentinite before entering the targeted structure. A wide zone, some 39 m of altered rock with strong stockwork quartz veining, was intersected before passing into unaltered schistose rock at 112 m drill depth. This hole was also drilled at an inclination of -45 degrees, and again, true width of the zone is at present unknown.



Map showing the extent of the colluvial fan of bonanza-grade gold mineralized quartz boulders at the foot of a broken section of the Veta Madre Fault Zone. Drill pads (black circles) indicate location and trace of holes MIDD-004 and MIDD-005 which targeted the Veta Madre fault.

Half-core samples from both drill holes have been sent for analysis at ALS Laboratory, Vancouver and assay results are expected in early May. The present plan is to test the Veta Madre Fault Zone with a panel of holes, cutting the structure on 50 m horizontal and vertical grid spacing to a depth of up to 200 m below surface. Drilling will initially concentrate on a 250 m strike length immediately uphill of the thickest and most extensive concentration of gold-bearing colluvium. Drilling through the boulder colluvium is technically challenging. Two attempts to drill into the structure at a shallower depth to test the weathered zone have been abandoned due to the rods getting stuck in the thicker colluvium pile adjacent to the fault zone (drillholes MIDD-006 and MIDD-007). In order to avoid these problems, the remainder of this drilling program will be restricted to fresh rock well below the colluvium, targeting mineralization 50 m or more below surface.

Simon Ridgway, Volcanic Gold Mines President and CEO, commented:

“The drilling of the Veta Madre at the Motagua Norte project has intersected a broad zone of quartz veins, vein breccia and micro stockwork in two drill holes, located 100 m apart. Two other holes were lost by setting up too close to the fault zone, intersecting thick piles of colluvium before entering the stockwork veining. Future holes will be set up further back from the fault zone. Above the Veta Madre fault zone, veining carrying visible gold had been mapped in the Schistose bedrock between the Veta Madre and a second large structure, named Veta Padre. These gold-bearing veins appear to dip to the south so drill holes orientated south to north are planned later in the program to test this area.

Drilling has now re-commenced following the break for Semana Santa. A good working relationship has been developed with the local communities. Meetings are held on a regular basis updating the leaders of the communities on the Company’s plans and we are assisting where possible with community projects.”

About the Motagua Norte project

The Motagua Norte project is a gold system hosted by schists of the Motagua suture zone, an east-west striking belt of metamorphic rocks that outcrops at the line of collision between the North American and Caribbean tectonic plates.

Volcanic Gold Mines has an option agreement with Radius Gold Inc. to earn a 60% interest in the Cirilo I exploration licence and other licences under applications and negotiation within the Motagua Norte project, as well as the Holly Project where the J/V has established a high-grade epithermal gold resource 60km north of the Cerro Blanco Gold Deposit. (See news release Sept. 18, 2023).

Technical Information

Luc English PhD, who is a Chartered Geologist and Fellow of the Geological Society of London, is the Company’s Qualified Person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects. Dr English 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 its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) 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; whether the Company's plan for its property interests in Guatemala will 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.