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Volcanic Gold prepares to restart exploration at Holly Property and surrounding regional prospects

Vancouver, British Columbia – Volcanic Gold Mines Inc. (TSXV: VG) (“Volcanic” or “the Company”) is pleased to announce the resumption of exploration activities on the Holly Property and nearby regional targets in Central America. This follows two positive developments, the acquisition of Bluestone Resources by Aura Minerals and the El Salvadorian President, Nayib Armando Bukele Ortiz, proposing to revoke that country’s ban on mining.

Aura Minerals Inc. (TSX:ORA) plans to acquire Bluestone Resources in a US\$74.3 million deal (see Bluestone Resources announcements on October 28 and November 5, 2024). Aura described Bluestone’s Cerro Blanco gold project as a “world-class deposit” that it hopes to make a flagship asset in the next few years. Cerro Blanco is a near-surface, high-grade deposit with a measured and indicated resource of 3.1 million ounces at 1.5 grams per tonne gold (see Technical Report & Feasibility Study of the Cerro Blanco Gold Project at <https://bluestoneresources.ca/cerro-blanco-project/cerro-overview>).

Volcanic Gold owns 60% of the Holly Project, located 38 km north of the Cerro Blanco deposit, where the Company defined a high-grade epithermal gold-silver inferred mineral resource estimate of 1.32 million tonnes at 9.6 g/t AuEq¹ for 410,000 oz gold equivalent. The resource was established on the La Peña vein that is open on strike to the south and at depth and is just one of many epithermal veins on the Holly property. Highlight drilling intercepts are shown in the table below.

Hole ID	Interval (m)	Gold (g/t Au)	Silver (g/t Ag)
HDD-21-027	4.57	54.24	3925
HDD-21-019	6.52	11.72	340

Exploration work at Holly was put on hold following an aggressive demonstration at the property that saw a small opposition group set fire to the drill rig. The Company has worked tirelessly over the last two years with the local people promoting the benefits resource development can bring.

The recent announcement by neighbouring El Salvador’s President, Nayib Armando Bukele Ortiz, who is well respected in the border areas of Guatemala, emphasizes using El Salvador’s mineral wealth to support economic growth. The President stated in a speech that the country is losing out on the value of their unmined gold deposits. “If we make responsible use of our natural resources, we can change the economy of El Salvador overnight,” he wrote on social media. This has resonated with the mayors and population of the towns around Holly who have contacted the Company expressing full support for the advancement of the Holly project.

Volcanic's geological team is currently evaluating the best approach to restarting exploration at the Holly property and other targets in the region using the extensive proprietary database the Gold Group has established over the past twenty years exploring in Central America.

Simon Ridgway, President and CEO of Volcanic Gold Mines, commented: *"We have been patient and now feel the time is right to re-establish our presence in the region and help create the economic benefits that result from the evolving economic policies."*

(1) News Release, Volcanic Gold Mines Inc. Volcanic files NI 43-101 technical report for Initial Resource Estimate at Holly Project, Guatemala, July 27, 2022.

Corporate Update

The Company also announces the resignations of two of its directors, Charles Straw and Michael Povey, who will be focusing on other business activities. Their valuable contributions to the Volcanic Board over the past several years are very much appreciated and we wish them all the best in their future endeavours.

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.

The Holly project mineral resource of 1.3 Mt at 6.5 g/t for 270,000 oz contained gold and 11 Moz at 260 g/t contained silver, which equates to 9.6 g/t at 410,000 oz gold equivalent with an effective date 7 June 2022.

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\$1800 and Ag\$22 using formula $(Au \text{ g/t} + (Ag \text{ g/t} * 0.01222))$.
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.

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

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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.