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NEWS RELEASE

Volcanic provides update regarding its Guinean operating subsidiary, Guiord SA

February 5, 2018 – Vancouver, British Columbia – Volcanic Gold Mines Inc. (“Volcanic”) (TSXV: VG) announces that due to intransigence on the part of the Administrateur Général of its Guinean operating subsidiary, Guiord SA (“Guiord”), Volcanic is not presently able to gain access to its Mandiana project in Guinea and has therefore postponed drilling activities at the project. The work program, originally to commence during the month of January, was to include drilling of a linear zone of artisanal workings 6.3km in length and up to 550m in width at Tadibakourou, at which coarse gold has been recovered from numerous shallow pits and shafts, as reported on July 26, 2017.

Local regulations require that the Administrateur Général of Guiord (“Administrateur”) take certain routine administrative actions in order for the intended site activities to occur. While the necessary arrangements are straightforward and rapid to implement, the execution thereof has been stalled by the Administrateur in an apparent attempt to force upon Volcanic a non-arm’s length service contract totally unacceptable to the Company.

Volcanic is taking decisive steps to resolve this matter, including a corporate restructuring of Guiord which will permit Volcanic’s management to directly conduct the activities of Guiord and commence the planned drilling program on the Mandiana project.

Volcanic holds an indirect 75% interest in the issued capital of Guiord, a company incorporated under the laws of the Republic of Guinea. The remaining 25% of Guiord’s issued capital is indirectly held by SOGUIPAMI, the *Société Guinéenne du Patrimoine Minier*, a state entity formed for the promotion of the mining and exploration interests in Guinea. Volcanic hereby takes the opportunity to recognize the positive support of SOGUIPAMI, and the Government and People of Guinea in the conduct of its business.

About Volcanic

Volcanic brings together a deeply experienced and successful mining, exploration and capital markets team focused on building multi-million ounce gold resources in the underexplored West African country of Guinea, and its neighbouring countries. Through the strategic acquisition of mineral properties with demonstrated potential for hosting gold resources, and by undertaking effective exploration and drill programs, Volcanic looks to become a leading junior gold resource company.

For further information, contact Jeremy Crozier, at 604-801-5432, or visit our website at www.volgold.com.

Volcanic Gold Mines Inc.

Jeremy Crozier, 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 proposed restructuring of Guiord and resumption of exploration activities at the Mandiana Project. 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 will restructure Guiord and resume exploration activities at the Mandiana Project as planned; 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 will restructure Guiord and resume exploration activities at the Mandiana Project as planned; 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.