



TSX Venture Exchange: GA

May 4, 2010

GOLCONDA CLOSES PRIVATE PLACEMENT OF UNITS

CALGARY, ALBERTA — Golconda Resources Ltd. (the “**Corporation**” or “**Golconda**”) is pleased to announce that it has completed the initial closing of a \$750,000 non-brokered private placement of units (each a “**Unit**”). The Corporation issued 3,666,667 Units at a price of \$0.075 per Unit for gross proceeds of \$275,000 in this initial closing. Each Unit issued pursuant to the private placement consists of one common share (“**Common Share**”) and one-half of one common share purchase warrant (“**Warrant**”). Each whole Warrant is exercisable into one Common Share at a price of \$0.15 per Common Share for a period of 24 months. The securities issued pursuant to the private placement are subject to a four-month hold period. A second closing is expected to be completed shortly.

Lyncorp International Ltd. (“**Lyncorp**”), of Calgary, Alberta, a company controlled by David Mullen, a director and control person of Golconda, acquired ownership and control of the 3,666,667 Units issued under the initial closing of the private placement, representing 3.8% of the number of Common Shares outstanding after the completion of this initial closing. Mr. Mullen now owns directly and indirectly 45,156,667 Common Shares, representing approximately 46.4% of the issued and outstanding Common Shares of Golconda. Lyncorp, in addition to other investors, may purchase additional Units under the second closing of the private placement. The Corporation has determined that exemptions are available for the various requirements of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 for the issuance of the Units to insiders of the Corporation.

Proceeds of the initial closing of the private placement will be used for general corporate purposes and to increase the Corporation’s working capital. Following the completion of the initial closing of the private placement, the Corporation has 97,410,151 Common Shares issued and outstanding.

The completion of the private placement is subject to TSX Venture Exchange approval and other regulatory approval.

Golconda is in the business of exploration drilling in western and northern Canada, and mineral property exploration and development in British Columbia and Nevada.

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This news release may contain certain forward-looking information. All statements included herein, other than statements of historical fact, is forward-looking information and such information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in the Corporation's disclosure documents on the SEDAR website at www.sedar.com. The Corporation does not undertake to update any forward-looking information except in accordance with applicable securities laws.