



TSX Venture Exchange: GA

December 22, 2011

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GOLCONDA ANNOUNCES SHARES FOR DEBT PRIVATE PLACEMENT

CALGARY, ALBERTA — Golconda (the “**Corporation**” or “**Golconda**”) announces that it intends to settle outstanding indebtedness owed to David E. Mullen, a director of the Corporation, and to a principal shareholder of the Corporation in an aggregate amount of \$1,600,154 through the issuance of a total of 32,003,080 common shares of the Corporation at a deemed price of \$0.05 per share. The securities issued pursuant to the private placement will be subject to a four-month hold period.

The completion of the private placement is subject to TSX Venture Exchange acceptance 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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