



TSX Venture Exchange: GA

May 27, 2010

GOLCONDA CLOSSES PRIVATE PLACEMENT OF UNITS

CALGARY, ALBERTA — Golconda Resources Ltd. (the “**Corporation**” or “**Golconda**”) is pleased to announce that it has completed the second closing of its non-brokered private placement of units (each, a “**Unit**”). The Corporation issued 4,100,001 Units at a price of \$0.075 per Unit for gross proceeds of \$307,500 in this second 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. The total gross proceeds raised under the private placement is \$582,500, of which \$275,000 was received by Golconda from the first closing of the private placement which closed on April 30, 2010.

Proceeds of the second closing of the private placement will be used to expand the Corporation’s drilling operations, for general corporate purposes and to increase the Corporation’s working capital.

The completion of the private placement is subject to TSX Venture Exchange approval and other regulatory approval. Following the completion of the second closing of the private placement, the Corporation has 101,510,152 Common Shares issued and outstanding.

The Corporation also announces that it will not exercise its option to purchase a 100% interest in certain placer claims located in the Mitchell Creek area of northern British Columbia pursuant to an option agreement with Lyncorp Mining Services Inc.

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.