



NEX: GA.H

April 1, 2016

GOLCONDA RESOURCES LTD. STRATEGIC ALTERNATIVES PROCESS

CALGARY, ALBERTA — Golconda Resources Ltd. (the “**Corporation**” or “**Golconda**”) announces that its Board of Directors (the “**Board**”) has determined, after extensive and careful consideration of potential strategic alternatives, that it is in the best interests of the Corporation and its shareholders to dissolve the Corporation (the “**Dissolution**”). The Corporation does not currently have any ongoing business operations and currently anticipates that it will have no assets to liquidate or cash to distribute to its shareholders in connection with the Dissolution. Notwithstanding the foregoing, until such time as shareholder approval for the Dissolution is received, the Corporation will continue to evaluate other opportunities that have the potential of providing a return to its shareholders.

Shareholder Approval

The Board has called a special meeting of shareholders to be held at 9:00 a.m. (Calgary time) on Friday, April 29, 2016 (the “**Meeting**”) in Calgary, Alberta, at which time the shareholders will vote to approve by special resolution the voluntary Dissolution of the Corporation in accordance with the *Business Corporations Act* (Alberta). The shareholder approval to the Dissolution will be sought and must be approved by a special resolution of at least 66²/₃% of the votes cast by shareholders present in person or by proxy at the Meeting.

Notwithstanding the receipt of shareholder approval of the Dissolution, the Board will retain the discretion not to proceed if it determines that the Dissolution is no longer in the best interests of the Corporation and its shareholders. For example, if, prior to its Dissolution the Corporation receives an offer for a transaction that will, in the view of the Board, provide value to the shareholders, taking into account all factors that could affect valuation, including timing and certainty of payment or closing, proposed terms and other factors, the Dissolution could be abandoned in favour of such a transaction.

It is expected that the proxy materials, comprised of the notice of meeting, management information circular (the “**Circular**”) and instrument of proxy, describing the proposed Dissolution of the Corporation will be mailed out on or about April 8, 2016 to those shareholders who hold the Corporation’s common shares as of April 4, 2016. Shareholders of the Corporation are encouraged to read the Circular as it will contain important information about the Dissolution process. A copy of the Circular will be available at www.sedar.com after the proxy materials are mailed to the shareholders in accordance with applicable laws.

Reasons for the Dissolution

In reaching its decision that the Dissolution is in the best interests of the Corporation and its shareholders, the Board considered a number of factors. These factors included the Corporation’s lack of business and revenues, difficult economic conditions, the costs of both maintaining a listing on the NEX

board of the TSX Venture Exchange (the “NEX”) and complying with the requisite continuous disclosure obligations under applicable securities law, the inability of the Corporation to raise funds through the issuance of equity on acceptable terms and the Corporation’s high going concern risk.

Based on this information, the Board’s business judgment of the risks associated with continuing the Corporation and the remote possibility of the Corporation acquiring additional financing on acceptable terms, if at all, or identifying a buyer or strategic transaction the Board has concluded that Dissolving the Corporation is in the best interests of the Corporation and its shareholders.

Dissolution Process

Upon receipt of required shareholder approvals and any required regulatory approvals, the Corporation will be dissolved in accordance with the *Business Corporations Act* (Alberta). The Board has approved the settlement of the Corporation’s outstanding debts such that as of the date of the Dissolution, there will be no outstanding assets or cash remaining for distribution to the Corporation’s shareholders.

In connection with the Dissolution, clearance certificates must be obtained from the Canada Revenue Agency (“CRA”). As this process generally takes some time, the Corporation intends to submit its request for such approval to the CRA in advance of the Meeting.

Further details regarding the timing of and process of the Dissolution are included in the proxy materials.

NEX Listing and Reporting Issuer Status

The common shares of the Corporation are currently listed on the NEX and the Corporation is a reporting issuer in the provinces of Alberta and British Columbia. If the requisite shareholder approval is received, the Corporation will take the appropriate steps to voluntarily delist from the NEX and following the Dissolution will submit the certificate of dissolution to the Alberta Securities Commission and British Columbia Securities Commission causing it to cease to be a reporting issuer.

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Forward Looking Statements

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “may”, “will”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify forward-looking information or statements. All statements included herein, other than statements of historical fact, constitute forward-looking information and such information involves various risks and uncertainties. Specifically, and without limitation, this press release contains forward-looking statements and information relating to the preparation and mailing of the Circular and associated proxy materials, the approval of matters to be presented to shareholders at the Meeting and the Dissolution.

In respect of the forward-looking statements and information set out in this press release, the Corporation has provided such in reliance on certain assumptions that they believe are reasonable at this time, including: the inability of the Corporation to raise funds through the issuance of equity on acceptable terms, the Corporation’s high going concern risk and the remote possibility of the Corporation identifying a buyer or strategic transaction. Accordingly, readers should not place undue

reliance on the forward-looking statements and information contained in this press release. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include risks and uncertainties inherent in the nature of the Dissolution, receipt of all required regulatory and shareholder approvals, changes in tax laws, the possible delay in the timing of the Dissolution and unknown liabilities which may be asserted in connection with the Dissolution. The Corporation does not undertake to update any forward-looking information except in accordance with applicable securities laws.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.