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TSX Venture Exchange: GA

May 14, 2013

GOLCONDA ANNOUNCES ASSET SALE AND PRODUCTION UPDATE

CALGARY, ALBERTA — Golconda Resources Ltd. (the “**Corporation**” or “**Golconda**”) is pleased to announce that its wholly-owned subsidiary, Lyncorp Drilling Services Inc. (“**Lyncorp Drilling**”) has entered into an Asset Purchase Agreement with Lyncorp International Ltd. (“**Lyncorp International**”) (the “**Transaction**”) pursuant to which Lyncorp Drilling agreed to sell four hard-rock drilling rigs and related inventory and equipment (the “**Assets**”) to Lyncorp International in consideration of Lyncorp International reducing the amount owed to it by Lyncorp Drilling by \$750,000. The total indebtedness of Lyncorp Drilling to Lyncorp International as at December 31, 2012 and prior to giving effect to the Transaction is \$3,192,773.

The sale of these assets is in-line with the Corporation’s strategic move into the oil and gas exploration and production business.

Lyncorp International is controlled by David Mullen, a director of the Corporation. Together, David Mullen and Lyncorp International hold approximately 48.5% of the outstanding common shares of the Corporation.

The Corporation has determined that the exemptions from the various requirements of the TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 are available for the sale of the Assets to Lyncorp International (Minority Approval - Fair Market Value Not More Than 25% of Market Capitalization).

The closing of the Transaction is subject to final approval from the TSX Venture Exchange.

Golconda’s first vertical well, drilled on Cold Lake First Nation land with its joint venture partners, Tri-Rez E-bay Energy Ltd., and a Calgary-based private oil and gas company, has been equipped for production and testing and clean-up has been ongoing for the past month. Golconda expects to announce further results in the coming weeks.

For more information please contact:

David Orr
(403) 539-4440
dorr@golconda.ca

www.golcondaresources.com

Reader Advisory

Forward-Looking Statements. Certain statements contained in this press release may constitute forward-looking statements. These statements relate to future events or the Golconda's future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Golconda believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this press release should not be unduly relied upon by investors. These statements speak only as of the date of this press release and are expressly qualified, in their entirety, by this cautionary statement. In particular, this press release contains forward-looking statements, pertaining to Golconda being in a position to announce further results in the coming weeks.

There can be no assurance that forward-looking information will prove to be accurate, as results and future events could differ materially from those expected or estimated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Except as required by law, the Corporation undertakes no obligation to publicly update or revise any forward-looking statements.

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.