

Golconda Gold Ltd. Releases Financial and Operating Results for 2023

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TORONTO, April 29, 2024 - [Golconda Gold Ltd.](#) ("Golconda Gold" or the "Company") (TSX-V: GG; OTCQB: GGGOF) is pleased to announce the release of its financial results for the year ended December 31, 2023. All amounts are in United States dollars unless otherwise indicated.

A copy of the audited consolidated financial statements for the year ended December 31, 2023 prepared in accordance with International Financial Reporting Standards and the corresponding Management's Discussion and Analysis will be available under the Company's profile on www.sedarplus.ca.

2023 Highlights, explanation and subsequent events

- For the year ended December 31, 2023, the Company:
 - mined 63,386 tonnes of ore, from its Galaxy and Princeton ore bodies, with an average grade of 3.30 grammes per tonne (g/t) compared to 91,744 tonnes at 3.22 g/t in the year ended December 31, 2022;
 - mining operations were impacted due to flooding of the Princeton decline below 17 Level in the early part of 2023. In addition, at both Galaxy and Princeton mining was constrained by low equipment availabilities. In the last quarter of 2023, labour disruptions severely impacted production and all aspects of the operations;
 - preventative maintenance plans have been reviewed and enhanced and the existing mining equipment is in the process of being overhauled, aided with the stream financing received post year-end (see below), which is also being used to purchase new, additional equipment;
 - Galaxy's labour structure was overhauled during the first quarter of 2024, with the mining, processing and maintenance subcontractors labour being transferred to Galaxy's own payroll. This is expected to enable Galaxy to manage its total workforce more effectively and enforce a standardised set of disciplinary procedures⁽¹⁾;
 - produced 5,146 tonnes of concentrate at an average grade of 38.3 g/t containing 6,339 ounces of gold compared to 9,102 tonnes at 34.0 g/t containing 9,961 ounces of gold in the year ended December 31, 2022;
 - the operating plant has an upgraded capacity of 50,000 tonnes per month but has been constrained by mining production;
 - generated revenue of \$9.4 million from the sale of 6,208 contained ounces (4,925 payable ounces) of gold at an operating cash cost of \$1,596 per payable ounce compared to \$13.2 million revenue for the year ended December 31, 2022 at an operating cash cost of \$1,353 per payable ounce⁽²⁾; and
 - subsequent to the year-end completed and fully funded, a gold stream agreement for the sale of future gold production with Empress Royalty Holding Corp. ("Empress") under which Empress provided \$5 million to Galaxy Gold to facilitate an increase in mining volumes to utilise spare capacity in Galaxy's new, larger milling circuit to increase gold production.⁽¹⁾

Golconda Gold CEO, Nick Brodie commented: "We are very excited about unlocking the full potential of Galaxy utilising the recent Empress financing to procure new mining equipment (we have recently taken delivery of a new drill rig and loader, with a new dump truck and various items of ancillary equipment scheduled for delivery by the end of May 2024), refurbish existing equipment and provide working capital to accelerate our underground development to access a second Level at Galaxy⁽³⁾ which we expect to unlock the value in the current 1.0 million oz Measured and Indicated⁽⁴⁾ and 1.4 million oz Inferred Resource⁽⁵⁾ and the installed 50,000 tonnes per month processing plant that only ran at 11% capacity during 2023.

We continue to work on a non-dilutive financing for the restart of Summit, which aims to provide accretive production, including a significant silver component, and geographic diversification allowing us to capitalise on the current strong gold and silver price environment."⁽²⁾⁽³⁾

About Golconda Gold

Golconda Gold is an un-hedged gold producer and explorer with mining operations and exploration tenements in South Africa and New Mexico. Golconda Gold is a public company and its shares are quoted on the TSX Venture Exchange ("TSXV") under the symbol "GG" and the OTCQB under the symbol "GGGOF". Golconda Gold's management team is comprised of senior mining professionals with extensive experience in managing mining and processing operations and large-scale exploration programmes. It is committed to operating at world-class standards, focused on the safety of its employees, respecting the environment, and contributing to the communities in which it operates.

Notes:

(1) This is forward-looking information and is based on a number of assumption. See "Cautionary Notes".

(2) Cash cost is a non-GAAP measure. Refer to "Supplemental Information to the MD&A" for reconciliation to measure reported in the Company's financial statements.

	FY 2023
Operating costs (US\$)	9,016,919
Adjust for:	
Depreciation and depletion	(790,912)
Inventory movement	(115,664)
Total operating cash cost	8,110,343
Royalties	(43,669)
Total operating cash cost excluding royalties	8,066,674
Gold production (contained ozs)	6,339
Gold production (payable ozs)	5,053
Total operating cash cost excluding royalties per payable oz	1,596

(3) The deposits at the Galaxy mine are supported by a technical report entitled "NI 43-101 Technical Report on the Galaxy Gold Mine, South Africa" which was issued on July 3, 2020 (the "Galaxy Technical Report"), with an effective date of June 29, 2020, a copy of which is available under the Company's profile on www.sedarplus.ca. The Galaxy Technical Report was prepared by Minxcon (Pty) Ltd and approved by Mr. Uwe Engelmann, BSc (Zoo. & Bot.), BSc Hons (Geol.) Pr.Sci.Nat., MGSSA, and Mr. Daniel (Daan) van Heerden, B Eng (Min.), MCom (Bus. Admin.), MMC, Pr.Eng., FSAIMM, AMMSA, both "qualified persons" as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), and independent of the Company for the purposes of NI 43-101. The preliminary economic assessment ("PEA") supported by the Galaxy Technical Report is preliminary in nature as the resources included in the PEA are comprised 54% of inferred mineral resources. Inferred mineral resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the PEA will be realized.

(4) As per the NI 43-101 Technical Report on the Galaxy Gold Mine, South Africa (referenced above) the measured resource is 3,208,575 tonnes at 2.97 grams per tonne and the indicated resource is 7,694,349 tonnes at 2.69 grams per tonne.

(5) As per the NI 43-101 Technical Report on the Galaxy Gold Mine, South Africa (referenced above) the inferred resource is 16,734,418 tonnes at 2.62 grams per tonne.

Cautionary Notes

Certain statements contained in this press release constitute "forward-looking statements". All statements other than statements of historical fact contained in this press release, including, without limitation, those regarding the Company's anticipated improvements in workforce management at Galaxy, the Company's plan to accelerate underground development at Galaxy and the anticipated resulting increase in production, the Company's plan to obtain non-dilutive financing for the re-start of operations at Summit, and the Company's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the

Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to: the Company's dependence on two mineral projects; gold price volatility; risks associated with the conduct of the Company's mining activities in South Africa and New Mexico; regulatory, consent or permitting delays; risks relating to the Company's exploration, development and mining activities being situated in South Africa and New Mexico; risks relating to reliance on the Company's management team and outside contractors; risks regarding mineral resources and reserves; the Company's inability to obtain insurance to cover all risks, on a commercially reasonable basis or at all; currency fluctuations; risks regarding the failure to generate sufficient cash flow from operations; risks relating to project financing and equity issuances; risks arising from the Company's fair value estimates with respect to the carrying amount of mineral interests; mining tax regimes; risks arising from holding derivative instruments; the Company's need to replace reserves depleted by production; risks and unknowns inherent in all mining projects, including the inaccuracy of reserves and resources, metallurgical recoveries and capital and operating costs of such projects; contests over title to properties, particularly title to undeveloped properties; laws and regulations governing the environment, health and safety; the ability of the communities in which the Company operates to manage and cope with the implications of COVID-19; the economic and financial implications of COVID-19 to the Company; operating or technical difficulties in connection with mining or development activities; lack of infrastructure; employee relations, labour unrest or unavailability; health risks in Africa; the Company's interactions with surrounding communities and artisanal miners; the Company's ability to successfully integrate acquired assets; risks related to restarting production; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of reserves; development of the Company's exploration properties into commercially viable mines; stock market volatility; conflicts of interest among certain directors and officers; lack of liquidity for shareholders of the Company; risks related to the market perception of junior gold companies; and litigation risk. Management provides forward-looking statements because it believes they provide useful information to investors when considering their investment objectives and cautions investors not to place undue reliance on forward-looking information. Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this press release and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

Information of a technical and scientific nature that forms the basis of the disclosure in the press release has been prepared and approved by Kevin Crossling Pr. Sci. Nat., MAusIMM. and former Business Development Manager for Golconda Gold, and a "qualified person" as defined by NI 43-101. Mr. Crossling has verified the technical and scientific data disclosed herein and has conducted appropriate verification on the underlying data.

Neither the 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.

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