

29 July 2005

Australian Stock Exchange Limited
Company Announcements Office
10th Floor, 20 Bridge Street
SYDNEY NSW 2000

QUARTERLY REPORT FOR PERIOD ENDING 30 JUNE 2005

HIGHLIGHTS

TOUQUOY GOLD PROJECT – Nova Scotia Canada

- **New gold-mineralised trend emerging:** As a result of the ongoing regional reconnaissance RAB drilling program a belt of gold/arsenic-anomalous argillites (Touquoy host rocks) has been identified over 7 km within ATV's wholly-owned ground to the north of Touquoy. Assays from RAB drill traverses further along the trend are awaited.
- **An additional 3610 claims covering 560 km² have been pegged.** ATV now holds over 1000 km² of highly prospective wholly-owned ground in the Touquoy district.
- **As part of the Touquoy Feasibility Study the first stage of the resource delineation diamond drilling program has been completed with seventy NQ diamond holes for 5477 m having been drilled.** Assays from 26 holes have so far been received and results – up to 49 m @ 2.9 g/t – are well in line with expectations.
- **Data collection for geotechnical, hydrological and comminution testwork have commenced and project permitting activities remain in progress.**

CORPORATE

- **\$3.15 million was raised through share placements and a share purchase plan.**
- **Shareholders approved a change of name to Atlantic Gold NL to better reflect the Company's focus.**

GOLD

TOUQUOY GOLD PROJECT Nova Scotia Canada

(DDV may earn up to 75%)

TOUQUOY GOLD DEPOSIT

The target at Touquoy is a production scenario incorporating an on-site gold treatment plant with a 1.5 million tonne per annum throughput and a 7 year minimum mine life to produce approximately 90,000 ounces gold per year. This target implies a further increase in the existing resource inventory, to which the ongoing drilling and wider exploration is being applied. Due diligence and scoping studies undertaken by ATV confirm that the Touquoy deposit has a low stripping ratio (3.5:1), excellent ore metallurgy (free milling with >95% recovery) and favourable ore grindability characteristics. The property is located in an old gold mining area about 110 km by sealed roads from Halifax, the capital of Nova Scotia.

With the funding now in place, activities leading to completion of a Feasibility Study on the Touquoy Gold Deposit, anticipated by the end of 2005, are being progressed:

Diamond Drilling

Seventy NQ diamond holes (MR-05-060 to MR-05-129) for 5477 m have been drilled as the first major work in advancing the Feasibility Study. This programme represents the first half of a staged resource delineation drilling programme to complete infill of the existing drilling of the Touquoy Deposit on 20m x 25m centres. Assay results from 26 of these holes have now been received and results are well in line with expectations. Best results are given in the table below and hole locations are shown on the accompanying Drillhole Collar Location plan.

HOLE	EASTING	NORTHING	DIP	GRID AZ.	DEPTH	BEST ASSAYS			
						FROM (m)	TO (m)	WIDTH (m)	GRADE (g/t Au)
MR-05-062	21825	10246	-42	180	101.0	77	89	12	1.42
MR-05-064	21825	10203	-40	180	82.3	52	64	12	3.8*
MR-05-065	21825	10203	-60	180	74.5	51	60	9	2.36
MR-05-066	21825	10143	-60	360	50.2	42	49	7	7.0*
MR-05-067	21825	10141	-60	180	49.8	41	43	2	16.1*
MR-05-072	21725	10260	-60	180	140.5	107	112	5	3.1
MR-05-074	21725	10250	-56	180	121.6	64	68.9	4.9	6.3*
						90	109	19	2.7*
MR-05-083	21675	10250	-75	180	161.5	54	62	8	8.0*
						110	159	49	2.9*
MR-05-084	21650	10243	-63	180	150.0	54	62	8	6.9
						105	126	21	3.7
MR-05-085	21650	10243	-75	180	161.4	43	50	7	3.14
						146	148	2	12.1
MR-05-093	21902	10097	-60	360	43.1	2.9	6	3.1	5.4
MR-05-094	21625	10017	-42	360	115.0	105	112	7	2.03
MR-05-098	22025	10020	-60	360	113.1	31	40	9	2.23
MR-05-112	22025	10200	-60	180	49.5	24	32	8	2.09
MR-05-113	22025	10220	-60	180	55.5	15	36	21	3.5
MR-05-126	21750	10260	-60	180	140.0	99	105	6	5.9

*High assays cut to 30 g/t

Individual samples comprise ½ NQ core of nominal 1m length, and all assays are fire assays.

Remaining assay results will be incoming until around the end of August. The results to date confirm our expectations about the good continuity of the major mineralised zones. The nature and scope of the next stage of drilling to complete the resource delineation will be dependent on review of all assay data from this program.

As previously reported the resource estimate for the Touquoy Deposit presently stands at 6.91 million tonnes @ 2.1 g/t for 472,000 ounces gold, of which 4.44 million tonnes @ 2.1 g/t for 300,000 ounces are classified as Indicated Resources and 2.47 million tonnes @ 2.2 g/t for 172,000 ounces are classified as Inferred Resources. These estimates are based on results from 187 previous drillholes.

Other testwork

Concurrent with the resource delineation drilling, geotechnical and hydrological data has been collected under the guidance of specialist consultants.

(i) Grindability testwork

With input from specialist consultant, Orway Mineral Consultants (WA) Pty Ltd, four shallow large diameter (PQ) diamond holes were drilled to retrieve sufficient material representing the main ore types (argillite, argillite variants

and greywacke) for comminution testwork for mill design. Testwork will be completed at Australian and Canadian laboratories over the coming months.

(ii) Geotechnical testwork

Detailed and specific geotechnical investigations were undertaken on eleven of the resource delineation drillholes under the guidance of Perth-based consultant, Peter O'Bryan and Associates, to refine parameters of pit design. Review of results is in progress.

(iii) Hydrological testwork

Airlift tests were undertaken on eight widely spaced resource delineation drillholes as a preliminary assessment of groundwater flows and distribution. No major groundwater was encountered. Detailed pump testing on selected holes will now be undertaken to enable pit dewatering design and assess potential impact on surface water flow characteristics.

(iv) Metallurgical testwork

Upon receipt of all pending assay results representative assemblages of the main ore types will be sampled for final comprehensive metallurgical testwork.

Permitting

The permitting process continues to advance with ongoing routine collection of seasonal baseline environmental data particularly relating to surface water chemistry and drainage flow characteristics at the project site. Archaeological screening and a final fauna and flora survey have been undertaken. No issues of concern have arisen. The baseline environmental monitoring program will be completed in September with results to be incorporated into the requisite Environment Registration Document.

Concurrent with these investigations, activities relating to community and government departmental liaison, and land acquisition remain ongoing.

Diamond Ventures is earning a 60% interest in the Touquoy Gold Project by spending C\$2.2 million by 31 December 2005. An additional 15% interest can be acquired in the property outside the general area of the known resource by securing project financing.

REGIONAL EXPLORATION

RAB DRILLING

A regional reconnaissance RAB drilling programme seeking Touquoy-style open-pittable ore on ATV's 100% owned property in the Touquoy district commenced in mid May and is presently in progress. At this time 550 holes for 5300m along 20 traverses have been drilled on targets selected on the basis of a combination of favourable soil and till geochemistry, geology, aeromagnetism and along-strike relationships to known gold occurrences/workings. The program is guided by results of baseline orientation data previously collected around the Touquoy deposit. These first-pass traverses are spaced at roughly 3 km intervals along logging roads with holes sited approximately 80 m apart. Holes are planned to penetrate the overburden and retrieve a small bedrock sample. Samples are assayed for gold and arsenic, together with a multi-element scan.

Assay results received to date particularly highlight the Caribou belt just north of Touquoy (refer to accompanying Regional RAB Drilling Results plan) as a zone of interest. Anomalous gold and arsenic (to 35 ppb Au and 920 ppm As), at geochemical levels commensurate with those along strike from the Touquoy deposit, are evident in bedrock and overburden over a strike length of about 7 km within the ATV tenements with further assays northeast of the Caribou workings awaited. Infill follow-up will be undertaken as pending assays are received.

A secondary area of interest is evident southeast of Touquoy where numerous gold anomalies, up to 4.4 ppm, have been encountered. All these anomalies are in transported overburden however and follow-up of this area is not an immediate priority.

Ground acquisition

With development of the RAB rig as an effective means of exploring this district for Touquoy-style open-pittable reserves and encouragement received from results to date, a further major ground acquisition was made with 3,610 additional claims pegged to the west of Touquoy over areas of attractive aeromagnetic and geochemical indications. These additional claims cover 560 km² with the total 100% owned ground now in excess of 1000 km².

OTHER PROJECTS

No fieldwork was undertaken during the quarter on the Kookynie (WA), Beaconsfield (Tas) or Mt Drysdale (NSW) gold projects, or on the Ellendale Joint Venture (WA) diamond project. Plaintiff proceedings brought by a third party against the Ellendale project tenement were dropped.

CORPORATE

FUND RAISING

During the quarter the Company completed its fund raising. A total of \$3.15 million has now been raised through share placements and a share purchase plan. The Company appreciates the continued support of shareholders.

CHANGE OF COMPANY NAME

Shareholders approved a change of name to Atlantic Gold NL (ASX code ATV) to better reflect the company's focus on exploration for gold and in particular the Touquoy Gold Project in Nova Scotia Canada.

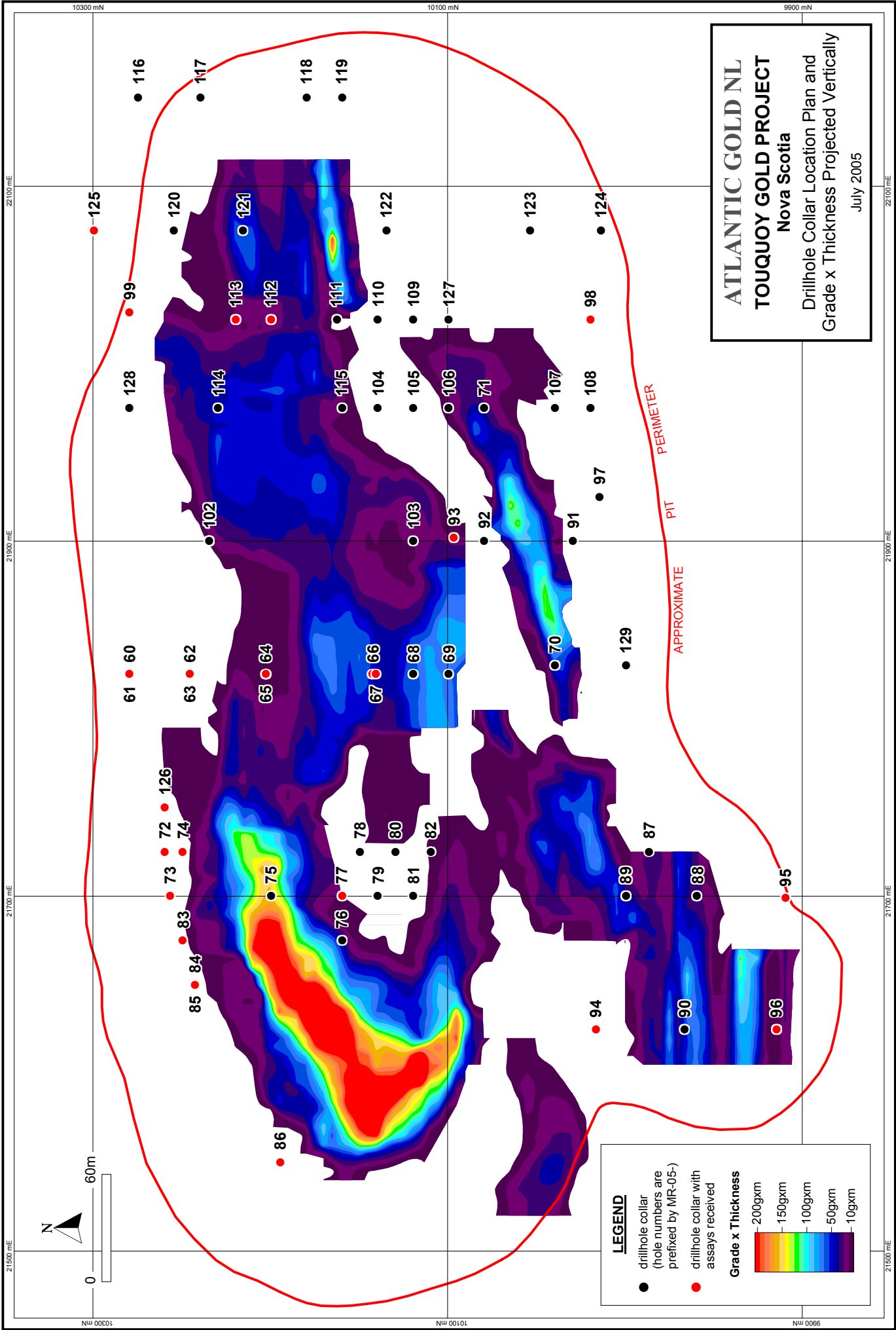
This report was compiled by W R Bucknell who is a Corporate Member of the Australasian Institute of Mining and Metallurgy.

This report and accompanying plans will be posted on the Company's website, www.atlanticgold.com.au following its release to the Australian Stock Exchange.

Yours faithfully



W R Bucknell
Director



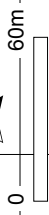
ATLANTIC GOLD NL
TOUQUOY GOLD PROJECT
 Nova Scotia
 Drillhole Collar Location Plan and
 Grade x Thickness Projected Vertically
 July 2005

LEGEND

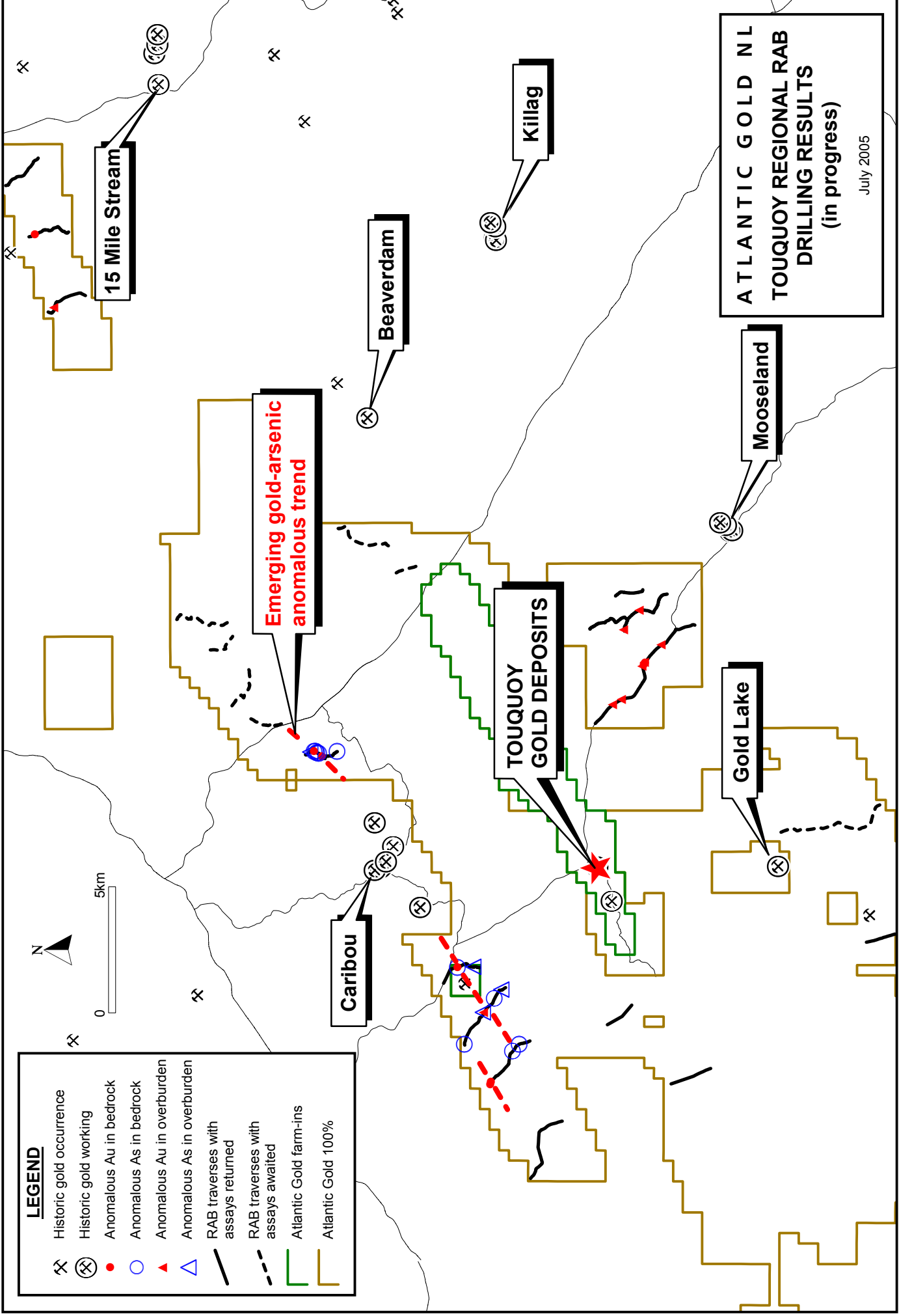
- drillhole collar (hole numbers are prefixed by MR-05-)
- drillhole collar with assays received

Grade x Thickness

200gxm
150gxm
100gxm
50gxm
10gxm



Map coordinates: 10300 mN, 10100 mN, 9900 mN; 21500 mE, 21700 mE, 21900 mE, 22100 mE.



ATLANTIC GOLD NL
 TOUQUOY REGIONAL RAB
 DRILLING RESULTS
 (in progress)
 July 2005

Emerging gold-arsenic
 anomalous trend

TOUQUOY
 GOLD DEPOSITS

15 Mile Stream

Beaverdam

Killag

Mooseland

Gold Lake

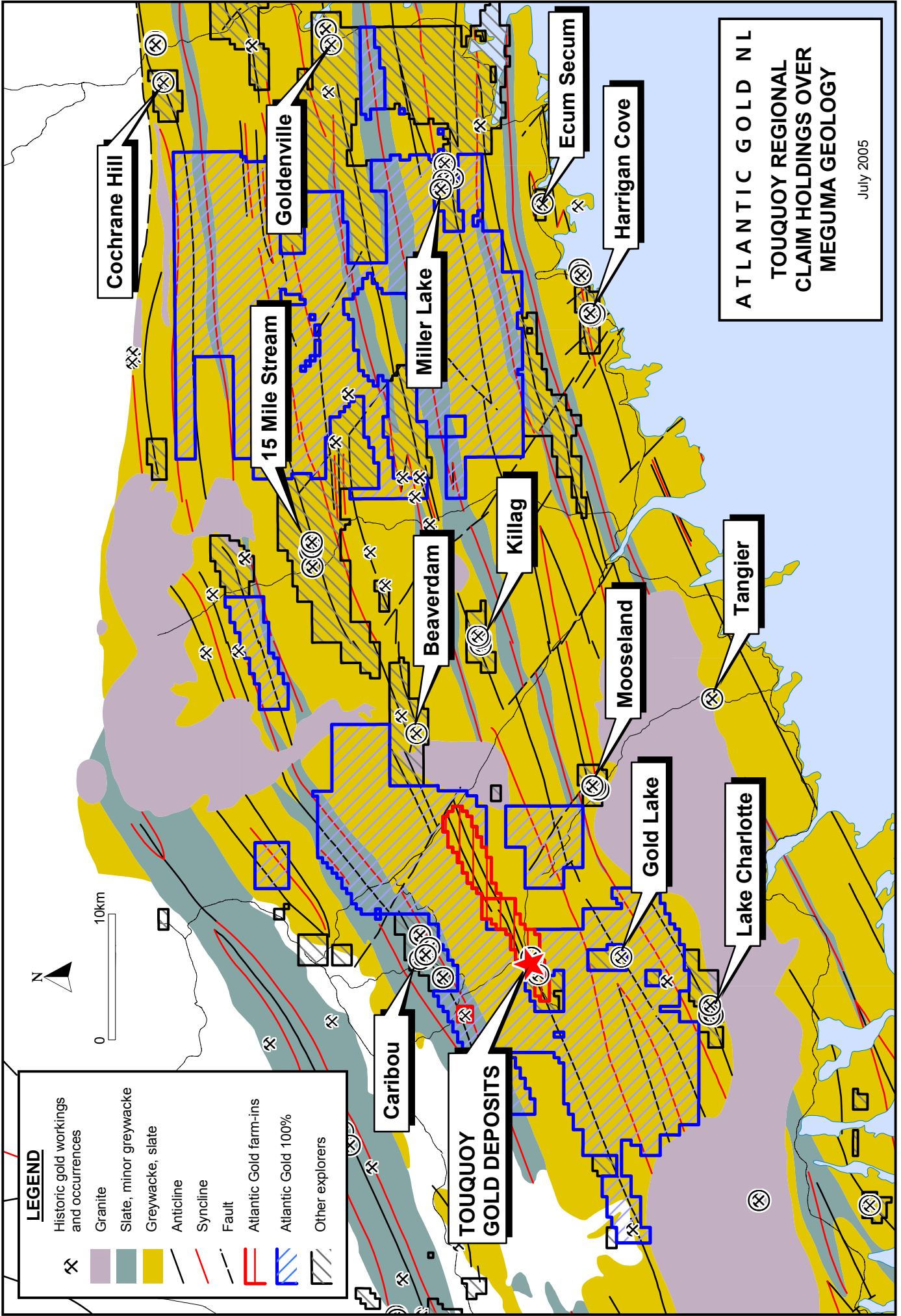
Caribou

LEGEND

- Historic gold occurrence
- Historic gold working
- Anomalous Au in bedrock
- Anomalous As in bedrock
- Anomalous Au in overburden
- Anomalous As in overburden
- RAB traverses with assays returned
- RAB traverses with assays awaited
- Atlantic Gold farm-ins
- Atlantic Gold 100%

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

ATLANTIC GOLD NL

ABN

82 062 091 909

Quarter ended ("current quarter")

30 June 2005

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation	(847)	(1,030)
(b) development		
(c) production		
(d) administration	(143)	(232)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	22	26
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(968)	(1,236)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects		
(b)equity investments		
(c) other fixed assets	(41)	(68)
1.9 Proceeds from sale of: (a)prospects		
(b)equity investments		
(c)other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other – Security deposits	20	20
Net investing cash flows	(21)	(48)
1.13 Total operating and investing cash flows (carried forward)	(989)	(1,284)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(989)	(1,284)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,868	3,152
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other	(33)	(75)
	Net financing cash flows	1,835	3,077
	Net increase (decrease) in cash held	846	1,793
1.20	Cash at beginning of quarter/year to date	1,425	478
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,271	2,271

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	50
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Directors fees	22
Salaries	28

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	400
Total	500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows:

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,352	1,326
5.2 Deposits at call	919	99
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	2,271	1,425

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			
6.2 Interests in mining tenements acquired or increased	69 Exploration Licences (3610 claims) in the Moose River area acquired 1 June 2005	100% owned by DDV Gold Limited (Canada)	0%	100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

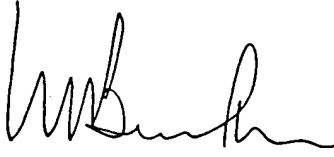
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities Fully paid DDV Partly paid 5c DDVCB	137,991,279 30,296,342	137,991,279 30,296,342		
7.4 Changes during quarter (a) Increases through issues – Fully paid DDV (b) Decreases through returns of capital, buy-backs	20,753,749	20,753,749		
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i> – DDVOA – DDVAI	23,615,931 2,200,000	23,615,931	<i>Exercise price</i> \$0.10 \$0.20	<i>Expiry date</i> 30.06.06 31.12.08
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 29 July 2005
(Director/Company secretary)

Print name: Walter R Bucknell

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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