

25 October 2005

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

Dear Sir,

RAB DRILLING UNDERWAY ON CARIBOU JOINT VENTURE, NOVA SCOTIA

Atlantic Gold (ATV) is pleased to announce that RAB drilling has commenced as planned on the Caribou Joint Venture property to follow up highly anomalous gold geochemical results obtained from the initial reconnaissance RAB drilling completed in September (refer to accompanying location plan). The Caribou Joint Venture property is located 9 km north of the Touquoy Gold Project currently under Feasibility Study by ATV. A total of 29 drill traverses are planned to investigate the 15 km trend of gold-anomalous sediments identified by the reconnaissance drill program as flanking the historic Caribou Mine Property (held by other interests). This program, comprising about 400 drillholes for about 4000 m drilling, is anticipated to provide specific bedrock targets for follow-up diamond drill testing and is expected to be completed by mid-December.

The reconnaissance drill program completed in September identified the Caribou trend of gold-arsenic anomalous rocks over a strike length of 15 km as having geological and geochemical characteristics similar to those peripheral to the Touquoy Gold Deposit. It is an excellent exploration target for ore reserves strategically located near the Touquoy Gold Project.

Geochemical levels encountered by this drilling along the Caribou trend (up to 0.15 ppm gold and 615 ppm arsenic in bedrock, and 0.91 ppm gold in overburden) are commensurate with those immediately along strike from the Touquoy Gold Deposit. Host rocks are folded pyrrhotite-bearing argillites up to several hundred metres thick and these are quite similar to the host rocks of the Touquoy Gold Deposit.

Exploration is being advanced under the Caribou Joint Venture, a 50:50 joint venture between Acadian Gold Corporation (a company listed on the TSX Ventures Exchange) and ATV. ATV is Manager of the Joint Venture.

The Joint Venture property includes historic workings known as the Lake Lode, one of the two principal historic underground mines at Caribou. A quartz stockwork breccia averaging 6 m wide by 35 m high was mined at the Lake Lode Mine for 400 m down-plunge at a recovered grade of 7.2 g/t (Acadian Gold's 2004 Annual Report) prior to its closure in 1909 as a result of a fire in the mill. It was one of the deepest gold mines in Nova Scotia. The mines at Caribou (held in part by other interests) are reported to have produced over 90,000 oz gold between 1869 and 1947. The Joint Venture property also contains several extensive untested soil geochemical anomalies identified by previous explorers in the 1980s.

Yours sincerely,

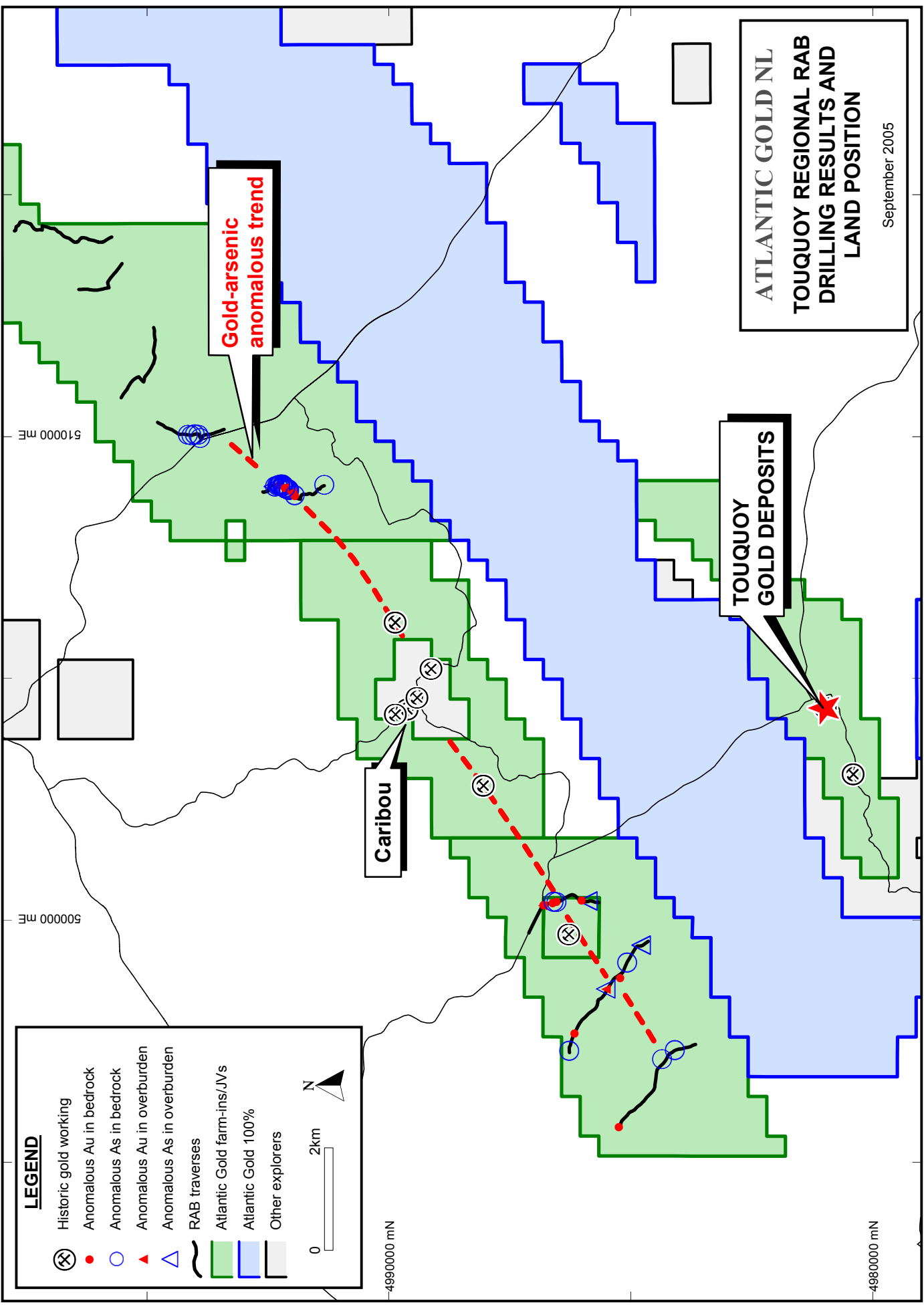


Wally Bucknell
Executive Director

att.

**ATLANTIC GOLD NL
TOUQUOY REGIONAL RAB
DRILLING RESULTS AND
LAND POSITION**

September 2005



LEGEND

- (X) Historic gold working
- Anomalous Au in bedrock
- Anomalous As in bedrock
- ▲ Anomalous Au in overburden
- △ Anomalous As in overburden
- RAB traverses
- Atlantic Gold farm-ins/JVs
- Atlantic Gold 100%
- Other explorers

0 2km

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**Gold-arsenic
anomalous trend**

**TOUQUOY
GOLD DEPOSITS**

Caribou

510000 ME

500000 ME

4990000 mN

4980000 mN