

12 April 2007

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

Dear Sir,

POSITIVE MINISTERIAL DECISION ON TOUQUOY GOLD PROJECT, NOVA SCOTIA

Atlantic Gold (ATV) is pleased to report that the Minister of the Department of Environment & Labour (NSDEL) has advised that "*the environmental assessment of the proposed Touquoy Gold Project has been completed*". He has "*determined that a review of the information indicates that the adverse effects or significant environmental effects which may be caused by the undertaking are limited and that a focus report is required.*"

The Minister has advised that the report should be very specific and shall not involve any other federal or provincial government departments other than his Protected Areas Branch. He says "*The focus report shall examine potential impacts of the proposed Touquoy Gold Project on the recreational, wilderness, and ecological value of the Scraggy Lake, Fish River, and Moose River system and undeveloped lands lying south-west of the project site.*"

The Minister has "*recommended that DDV Gold Ltd. (ATV) work with Nova Scotia Environment and Labour's Protected Areas Branch and other stakeholders in preparing the focus report.*"

ATV has been advised by its environmental consultants Conestoga-Rovers & Associates that the timeframe leading up to Ministerial decision on the Focus Report could take up to four months. This undertaking will involve agreement with NSDEL on the Terms of Reference for the report, preparation of the Focus Report with NSDEL and Public and NSDEL Review.

ATV views this as a very positive result for the many months of intense and focused study and field work by its staff and consultants and looks forward to completing this Focus Report and finalising the environmental assessment process for the Touquoy Gold Project.

About Atlantic Gold NL

Atlantic Gold is applying its skills in identifying, developing and eventually responsibly mining open pit gold deposits in Nova Scotia, the Touquoy Gold Project being the starting point. The extensive goldfields of Nova Scotia have never before been systematically approached in this way. ATV's skills are derived from 15 years of such work in Western Australia, where the Company principals, as executives and directors of the highly successful Plutonic Resource Limited, discovered over 11moz of gold, operated up to five gold mines (three of which are still in production, and now owned by Canada's Barrick Gold Corporation) and annually drilled up to 500,000m in exploration and resource development. The Company principals have considerable previous experience in exploration in Atlantic Canada.

The target at Touquoy is a production scenario incorporating an on-site gold treatment plant with a minimum 1.5 million tonne per annum throughput and a 7 year minimum mine life to produce approximately 90,000 ounces gold per year. Results from the in-progress Feasibility Study confirm that the Touquoy deposit has a low stripping ratio, excellent ore metallurgy 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. A Feasibility Study is in progress.

In addition to developing the Touquoy Gold Project ATV is undertaking extensive exploration, both regional and near-mine, to build its resource base. The Company believes the area is highly prospective for additional Touquoy style deposits.

Atlantic Gold has earned a 60% interest in the Touquoy Gold Project. An additional 15% interest can be acquired in the property outside the general area of the known resource by securing project financing.

Yours sincerely,



Wally Bucknell
Executive Director

This report was compiled by WR 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.