

3 February 2008

Company Announcements Office
Australian Securities Exchange
10th Floor
20 Bridge Street
Sydney NSW 2000

MINISTER APPROVES TOUQUOY GOLD PROJECT, NOVA SCOTIA

Atlantic Gold is pleased to announce that its wholly-owned subsidiary DDV Gold Limited has received environmental approval for its Touquoy Gold Project in Nova Scotia Canada.

The decision was handed down on Friday 1 February in Halifax by the Minister of Environment. In particular the Minister states that:

The project has been considered with respect to potential adverse effects and environmental effects, including effects on socio-economic conditions. I am satisfied following a review of the information provided by DDV Gold Limited, and through the government and public consultation as part of the environmental assessment, that any adverse effects or significant environmental effects of the undertaking can be adequately mitigated through compliance with the attached terms and conditions.

The conditions for approval are as expected, strict and comprehensive but consistent with development of a mine. They require the Company to fulfil its commitments made in the Environmental Assessment Registration and Focus Report documents with regard to environmental protection and relate specifically to:

- surface and ground water quality
- air quality and noise management
- protection and compensation for disturbance of terrestrial and aquatic habitat
- operations and reclamation
- hazardous materials management
- community liaison.

Environmental approval establishes that the project represents a net benefit to the province. As foreshadowed the Company must now obtain permits to construct and operate the project, in particular Industrial Approval and a Mining Lease, and this is expected to take at least a further six months.

Atlantic Gold believes that the conditions of the environmental approval received are both appropriate and achievable and set a standard for commercial development that will promote an environmentally sustainable and socially responsible operation. The Company looks forward to working with all stakeholders to bring the project into production to realise these goals.

The Company wishes to acknowledge the dedication of its staff, the assistance of its consultants and the overall support of the community in achieving this milestone on the path to establishing a modern gold mining industry in Nova Scotia.

Full details of the Minister's decision can be found at the website www.gov.ns.ca/enla/ea/MooseRiver.asp.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Wally Bucknell".

Wally Bucknell
Executive Director