

22 September 2008

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

## **ANNOUNCEMENT OF NON-RENOUNCEABLE RIGHTS ISSUE**

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Atlantic Gold NL (**Atlantic**) is pleased to announce a non-renounceable rights issue of fully paid ordinary shares to existing shareholders at a price of 12 cents per share, on the basis of 1 new fully paid ordinary share for every 20 fully paid ordinary shares held (**Rights Issue**). The Rights Issue will be made under a prospectus lodged with the Australian Securities and Investments Commission (**ASIC**) today. The Rights Issue will be open to existing holders of fully paid ordinary shares in Atlantic with registered addresses in Australia or New Zealand only. Participation in the Rights Issue is not being offered to holders of partly paid shares.

### **Rights Issue**

The Rights Issue comprises an offer of fully paid ordinary shares to existing holders of fully paid ordinary shares as at the record date of **1 October 2008**. Under the Rights Issue, Atlantic will issue approximately 10.5 million shares to raise approximately \$1.26 million before expenses, if fully subscribed. The new shares issued will rank equally with existing ordinary shares.

The purpose of the Rights Issue, and the intended use of the funds, is to purchase selected land titles required to further develop the Touquoy Gold Project and assist with short-term working capital requirements, including the costs of the Rights Issue.

All three directors of Atlantic, who in total hold approximately 30 million fully paid ordinary shares (approximately 14% of issued capital), have indicated that they will be taking up their entitlement under the offer. The directors have also indicated that they will not be exercising any of the existing options they hold in Atlantic prior to the Record Date.

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## Timetable

Atlantic expects the Rights Issue to be conducted according to the following timetable:

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<b>Announcement and Lodgement Date:</b> Announcement of the Rights Issue and lodgement of Prospectus with ASIC and ASX Limited ( <b>ASX</b> ).	22 September 2008
<b>Ex Date:</b> The date on which Atlantic Shares commence trading without the entitlement to participate in the Rights Issue.	25 September 2008
<b>Record Date:</b> The date for determining entitlements of Shareholders to participate in the Rights Issue (at 5:00pm Sydney Time).	1 October 2008
<b>Prospectus sent to Shareholders:</b> Anticipated despatch of Prospectus and Entitlement and Acceptance Forms.	3 October 2008
<b>Closing Date:</b> The last day for receipt of Entitlement and Acceptance Forms and payment (at 5:00pm Sydney Time).	20 October 2008
<b>Trading of New Shares:</b> Date on which New Shares will begin trading on ASX on a deferred settlement basis	21 October 2008
<b>Despatch Date:</b> Anticipated entry of New Shares into uncertified accounts	28 October 2008
<b>Normal Trading:</b> Date on which normal trading of New Shares commences	29 October 2008

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Atlantic reserves the right to change this timetable without notice subject to the ASX Listing Rules and the Corporations Act 2001. Any change to this timetable will be announced to ASX. The Prospectus for the Rights Issue lodged today with ASIC and ASX will be available on Atlantic's website at [www.atlanticgold.com.au](http://www.atlanticgold.com.au) and the ASX website at [www.asx.com.au](http://www.asx.com.au).

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## About Atlantic Gold NL

Atlantic Gold aims to develop 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. The Company's skills are derived from 15 years of such work in Western Australia, where its principals, as executives and directors of the highly successful Plutonic Resources Limited, discovered more than 11 million ounces of gold and operated up to five gold mines. The Company principals have considerable previous experience in exploration in Atlantic Canada.

The target at Touquoy is to develop a project with a minimum 1.5 million tonne per annum throughput and a 6 year minimum mine life to produce up to 90,000 ounces gold per year. It receives 100% of cashflow from Touquoy until all development, pre-production and exploration expenses, charges and fees – capital or otherwise – are recouped, following which it returns 60% share of profits. Atlantic Gold holds 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.

In addition to developing the Touquoy Gold Project Atlantic Gold 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's involvement in the advanced Cochrane Hill property reflects this strategy, to the extent that the company now has over 1 million ounces of gold resources under its control in the Touquoy district.

Yours sincerely



**Wally Bucknell**  
**Executive Director**