

15 October 2009

Company Announcements Office
ASX Limited
10th Floor, 20 Bridge Street
Sydney NSW 2000

SHARE PLACEMENT AND SHARE PURCHASE PLAN

Atlantic Gold NL (ASX:ATV) is pleased to announce the successful placement by Martin Place Securities Pty Ltd of 25 million new fully paid ordinary shares at an issue price of 6 cents per share, to raise \$1.5 million before expenses.

In parallel with this placement Atlantic Gold will offer all eligible shareholders the opportunity to participate in a Share Purchase Plan (**SPP**) at the same price of 6 cents per share.

The volume-weighted average price of Atlantic Gold's shares traded on the ASX over the last 5 trading days prior to the date of this announcement was 7.0 cents per share.

The SPP will provide each eligible shareholder with the opportunity to subscribe (subject to relevant waivers being obtained from ASX) for up to a maximum of \$15,000 worth of new shares (ranking equally with existing fully paid ordinary shares) without incurring any brokerage or other usual transaction costs.

Participation in the SPP is entirely voluntary.

Funds raised from the placement and SPP will be used to progress Atlantic Gold's advanced gold projects in Nova Scotia, particularly with the purchase of certain surface land titles at the Touquoy Gold Project.

Eligible shareholders will be those Atlantic Gold shareholders with registered addresses in Australia or New Zealand as at 7:00pm Sydney time on 19 October 2009 (**Record Date**). Certain custodians and nominees will be able to participate on behalf of eligible beneficiaries for whom they hold Atlantic Gold shares for at the Record Date. Further details will be set out in the SPP terms and conditions to be sent to all shareholders.

Atlantic Gold reserves the right to scale back applications under the SPP.

The offer and the SPP terms and conditions are expected to be mailed to all eligible shareholders on or about 23 October 2009.

The SPP is scheduled to open on 26 October 2009 and is scheduled to close at 5:00pm (Sydney time) on 17 November 2009.

Atlantic Gold reserves the right to alter these dates at its discretion.

For further information, please contact:

Andrew Pilkington (Chief Financial Officer), or
Julie Fidler (Company Secretary)
(02) 9929 6633

About Atlantic Gold NL

Atlantic Gold is an ASX listed company (Code ATV) which aims to develop open pit gold deposits in Nova Scotia, the Touquoy Gold Project being the starting point, with Cochrane Hill to follow. 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, directors and associates 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.

In addition to developing the Touquoy and Cochrane Hill Gold Projects 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 more recent involvement in the advanced Cochrane Hill property reflects this strategy, to the extent that the company now has over 1.2 million ounces of gold resources under its control in this emerging district.