

25 October 2010

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

Dear Sir,

PRIVATE PLACEMENT AT 6 CENTS PER SHARE TO RAISE \$2.4 MILLION

Atlantic Gold NL (ASX: ATV) is pleased to announce that it has entered into a placement agreement for the issue of 40 million ordinary shares to a private company, AU Mining Limited, at 6 cents per share to raise \$2.4 million. This equates to approximately 8.92% of the issued capital of the Company. Completion of the placement is expected to occur during this week.

Atlantic Gold welcomes AU Mining Limited as a substantial shareholder in the company and looks forward to a rewarding association with AU Mining and its other shareholders in progressing its gold exploration and development activities in Nova Scotia.

Yours sincerely,



Wally Bucknell
Executive Director