

6 July 2006

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

SUCCESSFUL EXERCISE OF 30 JUNE 2006 10 CENT OPTIONS

Atlantic Gold NL (ASX: ATV) is pleased to announce that over 98% of its 23.3 million 30 June 2006 10 cent options have been exercised. Monies in respect of the 424,967 options not exercised amounting to \$42,497 (less fees) will be paid to the Company under its underwriting agreement with Martin Place Securities.

The Company acknowledges and appreciates the support of the option holders.

The funds raised from the exercise of options will be used to complete the permitting and to further the Feasibility Study for the Touquoy Gold Project Nova Scotia Canada and for regional and near-mine exploration.

About Atlantic Gold NL

Atlantic Gold is focused on identifying, developing and 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. Atlantic Gold's skills are derived from 15 years of such work in Western Australia, where the Company's principals, as executives and directors of the highly successful Plutonic Resources Limited, discovered over 11 million ounces 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 500,000 m in exploration and resource development. The Company's principals also 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 of gold per year. Results from the in-progress Feasibility Study confirm that the Touquoy Gold Deposit has a low stripping ratio (3.5:1), excellent ore metallurgy (free milling with ~98% recovery) and favourable ore grindability characteristics which contribute to attractive project economics. The current JORC-compliant resource estimate for Touquoy Gold Project is 11.28 million tonnes @ 1.8 g/t for 653,500 contained ounces of gold of which 522,000 ounces are in Measured and Indicated categories.

The property is located in an old mining area about 110km by sealed road from Halifax, the capital of Nova Scotia. Halifax is a major port and has excellent infrastructure.

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.

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.

Yours sincerely



Wally Bucknell
Executive Director

For more information contact
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