

31 March 2009

Companies Announcements Platform  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

### **Announcement of Renounceable Rights Issue**

Atlantic Gold NL (**Atlantic**) is pleased to announce a renounceable rights issue of fully paid ordinary shares at an issue price of 4 cents per new share (**Rights Issue**) to raise approximately \$3.3 million (before costs and expenses), on the basis of:

- 1 new share for every 3 fully paid ordinary shares held; and
- 1 new share for every 6.7 (approx) partly paid ordinary shares held.

In addition, subscribers for new shares will receive 1 new option (exercisable by 31 January 2011 at 8 cents per option) for every 10 new shares issued to them.

It is expected that a prospectus for the Rights Issue (**Prospectus**) will be lodged with the Australian Securities and Investments Commission (**ASIC**) and ASX Limited (**ASX**) by no later than 1 April 2009.

The Rights Issue will only be open to existing holders of ordinary shares (both partly and fully paid) in Atlantic with registered addresses in Australia or New Zealand. Participation in the Rights Issue will not be extended to Atlantic shareholders with registered addresses outside Australia and New Zealand.

The record date for determining entitlements under the Rights Issue is expected to be on or about Thursday 9 April 2009.

The new shares issued under the Rights Issue will rank equally with existing fully paid ordinary shares in Atlantic. Shares issued on exercise of the options will rank equally with the then issued fully paid ordinary shares in Atlantic.

Holders of options must exercise their options by the Record Date in order to participate in the Rights Issue.

The funds raised pursuant to the Rights Issue (net of costs and expenses) will ensure that Atlantic is well resourced to achieve the next important milestones in readiness for full project financing and development being:

- completion of the final feasibility study and permitting documentation for Touquoy and acquisition of additional associated surface titles;

- further development of Atlantic's equally promising gold project at Cochrane Hill; and
- satisfaction of other general corporate purposes including the repayment of corporate borrowings and undertaking regional exploration initiatives.

Subject to execution of a formal underwriting agreement, the Rights Issue will be fully underwritten by Patersons Securities Limited (**Underwriter**).

It is anticipated that the Prospectus, together with a personalised Entitlement and Acceptance Form, will be sent to all shareholders in Australia and New Zealand on or about 17 April 2009.

**The Prospectus for the Rights Issue will be available on Atlantic's website at [www.atlanticgold.com.au](http://www.atlanticgold.com.au) and ASX's website at [www.asx.com.au](http://www.asx.com.au) following its lodgement with ASIC and ASX.**

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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.



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