

1 April 2009

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

**RENOUNCEABLE RIGHTS ISSUE  
ADVICE TO SHAREHOLDERS AND OPTIONHOLDERS**

---

On 31 March 2009, Atlantic Gold NL announced a renounceable rights issue. A prospectus for the Rights Issue has been lodged with the Australian Securities and Investments Commission and ASX Limited today.

The Rights Issue will 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.

Attached are copies of letters forwarded today as follows:

- 1) Letter to shareholders with a summary and timetable of the Rights Issue and information for both eligible and ineligible shareholders; and
- 2) Letter to option holders with a summary and timetable of the Rights Issue and in particular the date by which their options must be exercised in order to participate in the Rights Issue.

Yours sincerely



**Julie Fidler**  
Company Secretary

1 April 2009

«REG\_ADDRESS\_LINE\_1»  
«REG\_ADDRESS\_LINE\_2»  
«REG\_ADDRESS\_LINE\_3»  
«REG\_ADDRESS\_LINE\_4»  
«REG\_ADDRESS\_LINE\_5»

Dear Atlantic shareholder,

On 31 March 2009, Atlantic Gold NL (**Atlantic**) announced a renounceable rights issue of fully paid ordinary shares at an issue price of 4 cents per new share (**Rights Issue**), 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.

The Rights Issue is made under a prospectus dated 1 April 2009 (**Prospectus**) and lodged with the Australian Securities and Investments Commission (**ASIC**) and ASX Limited (**ASX**) on that date. 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 (**Ineligible Overseas Shareholders**).

## Rights Issue

The Rights Issue comprises an offer of fully paid ordinary shares to existing holders of ordinary shares as at the record date of 5:00 pm (Sydney time) on 9 April 2009 (**Record Date**). That offer will be made in the Prospectus. Under the Rights Issue, 1 new share will be offered for every 3 fully paid ordinary shares and 6.7 (approximately) partly paid ordinary shares held by an Atlantic shareholder at the Record Date. 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. No additional amount is payable by subscribers for the issue of those options. If you are an Ineligible Overseas Shareholder, an offer under the Rights Issue will not be made to you.

On completion of the Rights Issue, Atlantic will issue approximately 82.9 million new ordinary shares and 23.3 million options to raise approximately **\$3.3** million before costs and expenses. That number of options includes 15 million options to be issued to the Underwriter referred to below.

The Rights Issue is renounceable. This means that you will have the opportunity to sell your entitlements under the Rights Issue on ASX, or transfer your entitlement to another person.

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 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.

The Rights Issue is fully underwritten by Patersons Securities Limited (**Underwriter**).

### **Prospectus**

Atlantic shareholders with a registered address in Australia or New Zealand will be forwarded a copy of the Prospectus. If you wish to acquire securities under the Rights Issue you will need to complete the entitlement and acceptance form which will accompany the Prospectus. You should consider the Prospectus in deciding whether to acquire securities under the Rights Issue.

You will also be entitled to apply for new shares which are not taken up under the Rights Issue in addition to your entitlement (**Additional New Shares**). There will be a space in the entitlement and acceptance form which will accompany the Prospectus for you to apply for any Additional New Shares. Any Additional New Shares will be placed at the discretion of the directors in consultation with the Underwriter and in accordance with the provisions of the underwriting agreement. A shareholder is not guaranteed to receive any Additional New Shares.

### **Ineligible Overseas Shareholders**

The Rights Issue is not extended to Ineligible Overseas Shareholders (i.e. Atlantic shareholders with registered addresses outside Australia and New Zealand). If you are an Ineligible Overseas Shareholder, an offer under the Rights Issue will not be made to you. However, Atlantic has appointed the Underwriter to arrange for the sale of entitlements under the Rights Issue that would have been given to Ineligible Overseas Shareholders had the Rights Issue been extended to them. The Underwriter will arrange for the sale of the entitlements under the Rights Issue of those Ineligible Overseas Shareholders and, if sold, send the net proceeds of the sale to them.

Atlantic will pay the Underwriter a corporate advisory fee of \$60,000 and underwriting fees equal to 5% of the amount underwritten of approximately \$3.3 million. In addition, Atlantic will issue 15 million options to the Underwriter or its nominees on the same terms as the options referred to above. Any GST is additional.

### Effect on capital of Atlantic

The following table shows the effect that the Rights Issue will have on the capital of Atlantic:

	Number of Shares	Number of Options
<b>Total on issue at date of Prospectus, including partly paid shares</b>	265,477,727	36,171,890
<b>New securities issued pursuant to the Rights Issue including to Underwriter</b>	82,940,080	23,294,008
<b>Total</b>	<b>348,417,807</b>	<b>59,465,898</b>

Note: the figures in this table are subject to the individual rounding of entitlements under the Rights Issue, and the exercise of options prior to the Record Date. Under the terms of the placement made by Atlantic on 3 March 2009, an additional 1.7 million fully paid ordinary shares and 850,000 options will be issued to placees on 3 June 2009 for no additional consideration. Subject to the terms of his engagement, a consultant to Atlantic is entitled to be issued 400,000 options at 15 cents per option exercisable by 14 October 2012.

### Timetable

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

<b>Lodgement Date</b> – The date the Prospectus was lodged with ASX and ASIC	1 April 2009
<b>Ex Date</b> – The date on which Atlantic shares commence trading ASX without the entitlement to participate in the Rights Issue.	3 April 2009
<b>Rights trading commences</b> – The date from which Atlantic shareholders may sell their entitlements under the Rights Issue on ASX.	3 April 2009
<b>Record Date</b> – The date for determining entitlements of Atlantic shareholders to participate in the Rights Issue (at 5:00 pm Sydney Time).	9 April 2009
<b>Prospectus sent to Shareholders</b> – Anticipated despatch of Prospectus and entitlement and acceptance forms to Atlantic shareholders.	17 April 2009
<b>Rights trading ends</b> – The last day Atlantic shareholders may sell their entitlements under the Rights Issue on ASX.	24 April 2009
<b>Trading of New Shares and Options</b> – Date on which new shares and options will commence trading on ASX on a deferred settlement basis	27 April 2009
<b>Closing Date</b> – The last day for receipt of entitlement and acceptance forms and payment (at 5:00 pm Sydney Time).	1 May 2009
<b>Despatch Date</b> – Anticipated entry of new shares and options into uncertificated holding accounts.	11 May 2009
<b>Normal Trading Date</b> – Trading of new shares and options commences.	12 May 2009

Atlantic reserves the right to change this timetable without notice subject to the ASX Listing Rules and the *Corporations Act 2001* and, if necessary, the approval of the Underwriter. Changes to this timetable will be announced to ASX.

The Prospectus for the Rights Issue has been lodged with ASIC and ASX and is available on Atlantic's website at [www.atlanticgold.com.au](http://www.atlanticgold.com.au) and ASX website at [www.asx.com.au](http://www.asx.com.au).

Yours faithfully,



**Wally Bucknell**  
Executive Director

1 April 2009

Dear Atlantic optionholder,

On 31 March 2009, Atlantic Gold NL (**Atlantic**) announced a renounceable rights issue of fully paid ordinary shares at an issue price of 4 cents per new share (**Rights Issue**), 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. No additional amount is payable by subscribers for the issue of those options.

Offers under the Rights Issue will be made to those holders of both fully and partly paid ordinary shares 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 Rights Issue is fully underwritten by Patersons Securities Limited (**Underwriter**).

The record date for determining entitlements to the Rights Issue is 5:00 pm (Sydney time) on 9 April 2009 (**Record Date**). If you are entitled to exercise any of your options under the terms of their issue and wish to participate in the Rights Issue, you must first exercise your options by the Record Date. Failure to do so will mean you will not be eligible to participate in the Rights Issue.

If you are in any doubt as to how to deal with your options, you should consult your stockbroker, solicitor, accountant or other financial adviser.

For your information, a copy of the prospectus for the Rights Issue (**Prospectus**) can be viewed at Atlantic's website [www.atlanticgold.com.au](http://www.atlanticgold.com.au) or ASX website at [www.asx.com.au](http://www.asx.com.au).

Offers under the Rights Issue will be made in the Prospectus. Atlantic shareholders with a registered address in Australia or New Zealand will be forwarded a copy of the Prospectus. An Atlantic shareholder should consider the Prospectus in deciding whether to acquire securities under the Rights Issue. Atlantic shareholders wishing to acquire securities under the Rights Issue will need to complete the entitlement and acceptance form that will accompany the Prospectus. That form and the application moneys must be received by Atlantic by no later than the closing date for the Rights Issue referred to below.

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

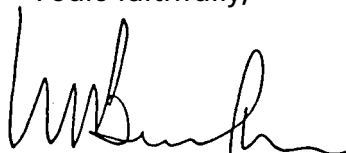
<b>Lodgement Date</b> – The date the Prospectus is lodged with ASX and ASIC	1 April 2009
<b>Ex Date</b> – The date on which Atlantic shares commence trading ASX without the entitlement to participate in the Rights Issue.	3 April 2009
<b>Rights trading commences</b> – The date from which Atlantic shareholders may sell their entitlements under the Rights Issue on ASX.	3 April 2009
<b>Record Date</b> – The date for determining entitlements of Atlantic shareholders to participate in the Rights Issue (at 5:00 pm Sydney Time). Atlantic optionholders who wish to participate in the Rights Issue must exercise their options by this time.	9 April 2009
<b>Prospectus sent to Shareholders</b> – Anticipated despatch of Prospectus and entitlement and acceptance forms to Atlantic shareholders.	17 April 2009
<b>Rights trading ends</b> – The last day Atlantic shareholders may sell their entitlements under the Rights Issue on ASX.	24 April 2009
<b>Trading of New Shares and Options</b> – Date on which new shares and options will commence trading on ASX on a deferred settlement basis	27 April 2009
<b>Closing Date</b> – The last day for receipt of entitlement and acceptance forms and application moneys (at 5:00 pm Sydney Time).	1 May 2009
<b>Despatch Date</b> – Anticipated entry of new shares and options into uncertificated holding accounts.	11 May 2009
<b>Normal Trading Date</b> – Trading of new shares and options commences.	12 May 2009

Atlantic reserves the right to change this timetable without notice subject to the ASX Listing Rules and the Corporations Act 2001 and, if necessary, the approval of the Underwriter. Changes to this timetable will be announced to ASX.

If you have any queries, you may contact Julie Fidler either by telephone on 02 9929 6633, email to [juliefidler@atlanticgold.com.au](mailto:juliefidler@atlanticgold.com.au) or mail at the following address:

Atlantic Gold NL  
Suite 701  
220 Pacific Highway  
Crows Nest NSW 2065

Yours faithfully,



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