

18 September 2009

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

Dear Sir,

REVISED RESOURCE ESTIMATE FOR COCHRANE HILL GOLD PROJECT, NOVA SCOTIA

The Mineral Resource estimate for the Cochrane Hill Gold Project has now been revised by resource estimate specialists Hellman & Schofield to incorporate results from the 39 diamond holes (3,102 m) having now been drilled into the resource by Atlantic Gold, the last sixteen of which were completed in May 2009 (please refer to accompanying regional, property and drill hole location plans). The resource inventory is as follows (refer to appended notes for estimate details):

COCHRANE HILL GOLD DEPOSIT

	TONNES (millions)	GRADE (g/t Au)	CONTAINED OUNCES
Indicated Resource	4.46	1.76	251,000
Inferred Resource	5.65	1.64	298,000
TOTAL	10.11	1.69	549,000

The resource estimate dataset is supplemented by a further 79 holes (11,098 m) drilled during the 1970s and 1980s by previous explorers and includes results of infill sampling undertaken by Atlantic Gold on core from these holes recovered from storage (as previously reported to ASX on 14 September 2007, 24 October 2007 and 21 November 2007).

This resource estimate is comparable in tonnes and grade to that undertaken by Hellman & Schofield (reported to ASX on 4 June 2008) in the absence of any drilling by Atlantic Gold, but with an increased proportion of Indicated Resources. The new drilling provides a greater degree of confidence in the reliability of the historic drilling data used in the resource estimate which, although conforming to industry standards at that time, lacked the routine quality control procedures that are now considered requisite procedures in the definition of Indicated and Measured Resources.

It is estimated that a further 5000 m of drilling is required to completely upgrade the presently outlined resource to Measured and Indicated Resource status, provide sufficiently representative core for completion of comprehensive metallurgical testwork, and establish a basis for Ore Reserve definition.

The mineralised zone plunges gently to the west and it remains open down-plunge in this direction (please refer to accompanying vertical longitudinal section).

The gold mineralisation is developed within a 10 m to 30 m-wide zone of sulphidic and quartz-veined thin-bedded sediments which dip 70° north and trends almost east-west over a length of about 650 m. Coarse (visible) gold is common and the gold is expected to be free-milling on indications from historic testwork and similarities to other gold deposits in this district.

The total Mineral Resources controlled by Atlantic Gold in Nova Scotia are now well in excess of one million ounces:

	TONNES (millions)	GRADE (g/t Au)	CONTAINED OUNCES
TOUQUOY			
Measured Resources	2.8	1.5	130,000
Indicated Resources	7.3	1.5	350,000
Inferred Resources	1.6	1.5	77,000
Total Touquoy	11.7	1.5	557,000
TOUQUOY WEST			
Indicated Resources	0.9	1.9	54,000
Inferred Resources	0.6	2.2	45,000
Total Touquoy West	1.5	2.0	99,000
Total Touquoy Project	13.2	1.5	656,000
COCHRANE HILL			
Indicated Resources	4.5	1.8	251,000
Inferred Resources	5.6	1.6	298,000
Total Cochrane Hill	10.1	1.7	549,000
TOTAL NOVA SCOTIA	23.3	1.6	1,205,000

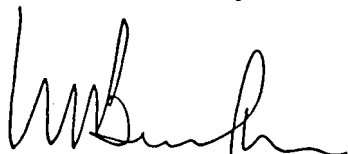
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About Atlantic Gold NL

Atlantic Gold is an ASX listed company (Code ATV) which aims to develop open pit gold deposits in Nova Scotia, the Touquoy and Cochrane Hill Gold Projects 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 Moz of gold and operated up to five gold mines, three of which are still in production, and now owned by Canada's Barrick Gold Corporation. The Company principals have considerable previous experience in exploration in Atlantic Canada.

Yours sincerely,



Wally Bucknell
Executive Director

Attribution: The geological information in this report relating to Mineral Resources has been compiled by W R Bucknell who is a director of Atlantic Gold, a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person in respect of the 2004 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). The resource estimates for Cochrane Hill and Touquoy described in this report were completed by Mr Neil Schofield, an employee of Hellman and Schofield Pty Ltd. Mr Schofield is a Member of the AusIMM and qualifies as a Competent Person in respect of the 2004 JORC Code by virtue of having sufficient experience which is relevant to the Cochrane Hill and Touquoy style of mineralisation and deposit type. Mr Schofield has consented to the inclusion of this information in the form and context in which it appears in this report. H&S takes responsibility for the resource estimation and classification and Atlantic Gold is responsible for the drilling and geological data being complete, accurate and representative.

Background Notes

1. Notes on Cochrane Hill Resource Estimate

- Estimation technique: Multiple Indicator Kriging with block variance adjustment applied. Data flagged to mineralised wireframe. Ore selectivity is assumed to be 4 metres (north) by 8 metres (east) by 2.5 metres (elevation) via an open pit mining scenario.
- Lower cut-off grade 0.5 g/t
- All Atlantic Gold holes are NQ diameter with half sawn core sampled at 1m intervals and fire assayed following total sample pulverisation.
- Atlantic Gold's quality control procedures include routing submission of drill core blanks and accredited standards, together with selected submission of blank standards immediately following samples containing visible gold.
- Bulk density: 2.76 g/cm³ (67 mineralised samples).
- Resource estimate based on 6,665 sample assays from 39 holes (3,102 m) drilled by Atlantic Gold and 79 holes (11,098 m) drilled in the 1970s and 1980s. Samples from historic holes fire assayed, with screened fire assay on samples bearing visible gold. Results for the 56 underground drillholes (table below) are considered unreliable and have not been used. Seventeen historic surface holes are located beyond the resource limits.

- Lower cut-off grade: 0.5 g/t.
- All samples (six) over 100 g/t cut to 100 g/t.
- Hole spacing: Averages 20 m x 20 m in the central portion of the deposit to a depth of 100 m from surface. Outside this area the drilling sections average 30 metre centres and holes on section are irregularly spaced.
- History: Gold first discovered in 1868. Two shafts sunk to maximum depth of 70 m with first production recorded in 1877. By 1929 1354 ounces gold recovered from 12,327 tons. No production documented after 1929.
- Details of previous diamond drilling campaigns:

COMPANY	YEAR	LOCATION	NO. OF HOLES	METRES	CORE SIZE/SAMPLE
Massval Mines	1974	Surface	44	4,840	A,BQ/split
Northumberland	1981	Surface	21	3,932	A,BQ/split
Scominex	1984-87	Surface	31	5,107	NQ/sawn
Scominex	1984-87	Underground*	28	830	NQ/sawn
Novagold	1988	Underground*	28	2,044	NQ/sawn
			152	16,753	

* Assays from underground drilling have not been used in present resource estimate.

- Bulk sampling: Approximately 14,900 tonnes from 25,000 tonnes development material excavated from surface and underground during 1982-88 were treated by various means:

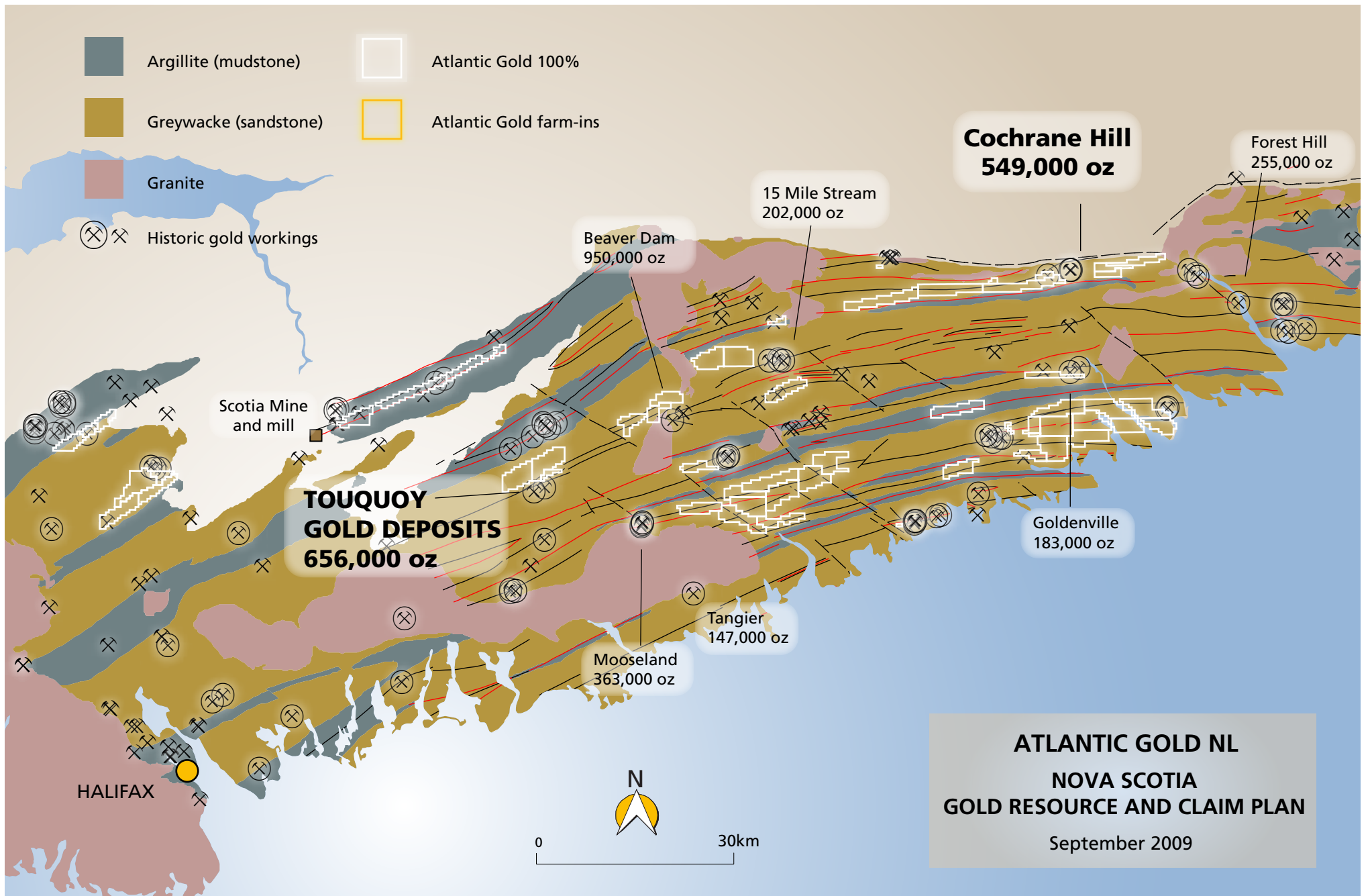
COMPANY	YEAR	SAMPLE TYPE	TONNAGE	TREATED	GRADE (g/t)
Northumberland	1982-83	Pit	13,500	13,041	1.6
Scominex	1987	Underground	4,443	2.8	1.9
Novagold	1988	Underground	7,400	1860	2.1

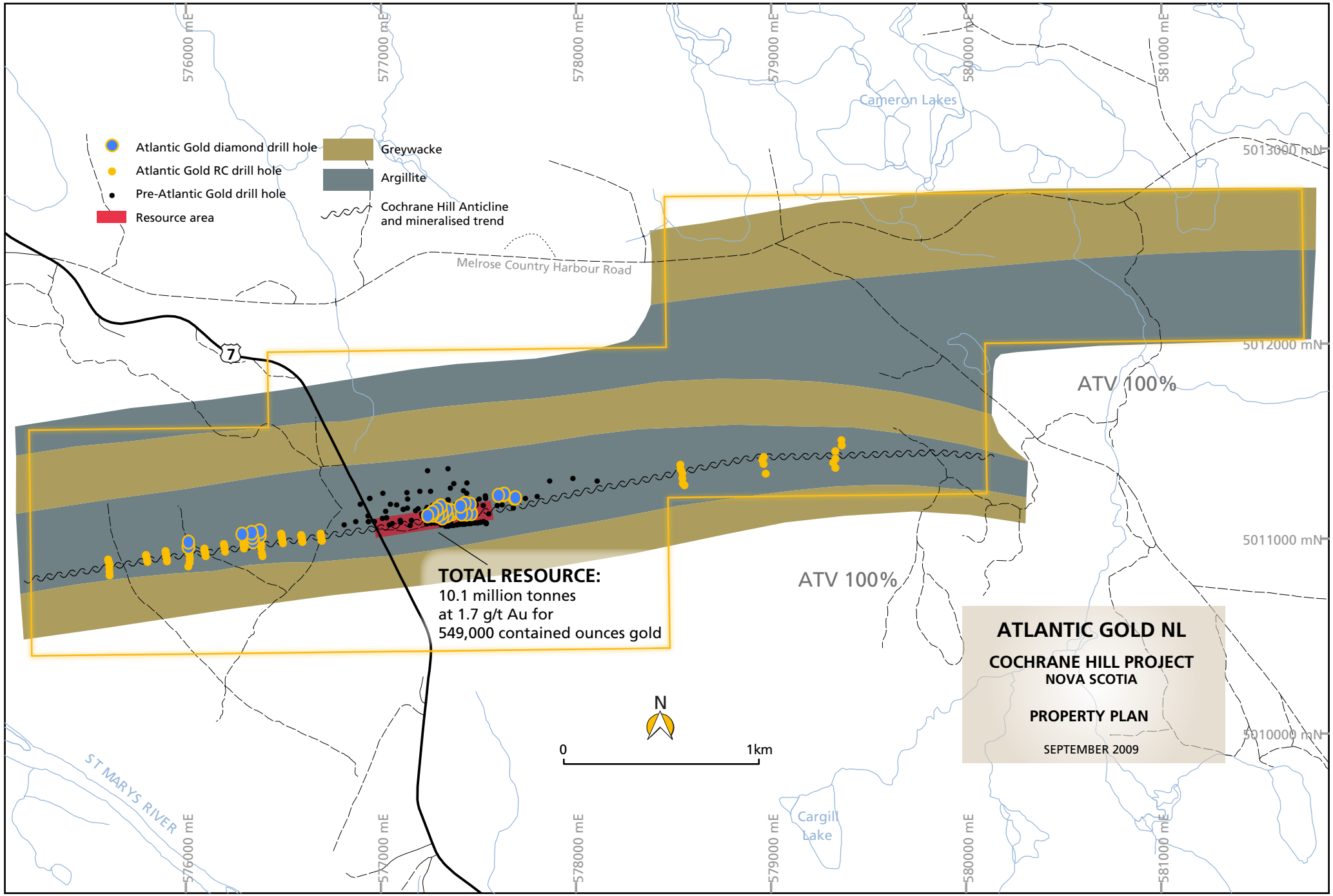
Details as to grade control methodology, metallurgical recovery and sample representivity applying at the time are not clear and resultant grades are therefore considered unreliable. These, and the historic tonnage mined (approx 32,000 tonnes in total), have not been deducted from the resource estimate.

2. Property Ownership

Cochrane Hill is subject of an option agreement with TSX-listed Scorpio Mining Corporation (SMC). Under the terms of the agreement with SMC, once Atlantic Gold (through its wholly-owned Canadian subsidiary) has completed expenditure of C\$4.75 million on exploration and development (C\$3.5 million now remaining) within 4 years, extendable for a further 2 years (by cash payment of C\$50,000 for each year), and has made aggregate cash payments of C\$100,000 to SMC (\$70,000 now remaining), then at SMC's election Atlantic Gold will have earned either a 60% Joint Venture interest (with SMC retaining a 40% Joint Venture interest) or 100% interest subject to a 20% free carried interest retained by SMC. Atlantic Gold may withdraw at any time. The property is subject to an underlying 3% production royalty in favour of a third party, of which two-thirds can be purchased for C\$1.5 million. The financial considerations above are net of royalty.

Atlantic Gold holds a 60% interest the Touquoy Gold Project. Atlantic Gold as operator sole funds to production and receives 100% of cashflow until all outlay plus interest is recouped. Thereafter Atlantic Gold receives 60% of profits. A third party holds 3% royalty of which two-thirds can be purchased for \$2.5 million. The financial considerations above are net of royalty.





- Atlantic Gold diamond drill hole
- Atlantic Gold RC drill hole
- Pre-Atlantic Gold drill hole
- Resource area
- Greywacke
- Argillite
- Cochrane Hill Anticline and mineralised trend

TOTAL RESOURCE:
 10.1 million tonnes
 at 1.7 g/t Au for
 549,000 contained ounces gold

ATLANTIC GOLD NL
COCHRANE HILL PROJECT
NOVA SCOTIA
PROPERTY PLAN
 SEPTEMBER 2009



