

Corporate Governance Guidelines

Atlantic Gold's (the Company) Corporate Governance policies have been formulated to ensure that it is a responsible corporate citizen. These Corporate Governance Guidelines outline the Corporate Governance practices that have been adopted by the Board and are in accordance with the ASX Corporate Governance Council Principles and Recommendations, unless stated otherwise. These practices are dealt with under the following headings: Board of Directors and its Committees; risk management; ethical standards; environment; and the role of shareholders.

Board of Directors and its Committees

The Board is responsible to shareholders for the overall corporate governance of the Atlantic Gold Group including its strategic direction, establishing goals for management and monitoring of achievement of these goals.

To assist in the execution of its responsibilities, the Board has established an Audit Committee and a Remuneration Committee. The Board has also established a framework for the management of the Company including a system of internal control, a business risk management process and the establishment of appropriate ethical standards.

The Board has set out what functions are reserved for the Board and its Committees by adopting a Board Charter, Audit Committee Charter, Remuneration Committee Charter and approving a role statement for the Chairman and the chief executive officer.

Composition of the Board

The Board comprises two Non-executive Directors, Ronald Hawkes and Robert Symons, and one Executive Director, Walter Bucknell. The Chairman, Ronald Hawkes, is a Non-executive Director.

Audit Committee

The role of the Audit Committee is to advise on the establishment and maintenance of a framework of internal controls and appropriate ethical standards for the management of the Company. It also gives the Board of Directors additional assurance regarding the quality and reliability of financial information prepared for use by the Board in determining policies or for inclusion in financial reports.

Among its specific responsibilities, the Audit Committee reviews and advises the Board on the nomination and remuneration of external auditors and the annual audit plan. The Audit Committee also reviews the status of the Company's exploration tenements.

The members of the Audit Committee are R H N Symons (Chairman) and R J Hawkes.

A formal Audit Committee Charter has been adopted.

However, the role of the Audit Committee is generally performed by the Board, which is considered appropriate for a company, and a Board of Directors, of this size.

Remuneration Committee

The role of the Remuneration Committee is to review and make recommendations to the Board on remuneration packages and policies applicable to the senior executives. The Remuneration Committee is able to obtain independent advice, at the Company's expense, as to the appropriateness of remuneration packages.

The members of the Remuneration Committee are R H N Symons (Chairman), R J Hawkes and W R Bucknell.

A formal Remuneration Committee Charter has been adopted.

However, the role of the Remuneration Committee is generally performed by the Board, which is considered appropriate for a company, and a Board of Directors, of this size.

Risk management

The Board acknowledges that it is responsible for the overall risk management, but recognises that no cost effective internal control system will preclude all errors and irregularities. To assist in discharging this responsibility the Board has instigated an internal control framework including:

1. monthly reporting of income and expenses which is reviewed by the Board;
2. establishment of Delegations of Authority;
3. the Company reports to shareholders quarterly;
4. establishment of a Continuous Disclosure Policy to ensure that price sensitive information is reported to the Australian Securities Exchange (ASX) in accordance with continuous disclosure requirements; and
5. completion of a risk management assessment and annual review.

A Risk Management Policy has been adopted.

Ethical standards

All directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

The Board has adopted a Code of Conduct which includes commitments by the Company, Directors, executives and employees to abide by the law and the Company's policies and to respect the rights of all stakeholders.

The Company has implemented a Policy for dealing in securities by directors, officers and employees which prohibits Directors, executives and relevant staff and contractors from dealing in Atlantic Gold securities during prohibited periods and while in the possession of inside information. Trading in the Company's securities at other times requires prior clearance in accordance with the Dealing in Securities Policy.

Diversity

The Board has adopted a Diversity Policy outlining the Company's commitment to a fair and equitable workplace, free from discrimination related to age, gender, ethnic, cultural or other personal factors, in which the exchange of ideas, experiences and perspectives benefits all employees and the communities in which we operate.

Environment

Atlantic Gold aims to ensure that the highest standard of environmental care is achieved. The Board ensures that the Company's environmental objectives are adhered to and that Atlantic Gold is aware of and in compliance with all relevant environmental legislation.

The role of shareholders

The Board of Directors aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs. To assist in meeting this obligation Atlantic Gold has implemented a Continuous Disclosure policy. Information is communicated to shareholders as follows:

1. The annual report is distributed to all shareholders (unless a shareholder has specifically requested not to receive the document). The Board ensures that the annual report includes relevant information about the operations of the Company during the year, changes in the state of affairs of the Company and details of future developments, in addition to other disclosures required by the *Corporations Act 2001*.

2. The half yearly report contains summarised financial information and a review of the operations of the Company during the period. The report is prepared in accordance with the requirements of Australian Equivalents to International Financial Reporting Standards and the *Corporations Act 2001*. The report is sent to any shareholder upon request.
3. Proposed major changes in the Company which may impact on share ownership rights are submitted to a vote of shareholders.

The Board encourages full participation of shareholders at the Annual General Meeting to ensure a high level of accountability and identification with Atlantic Gold's strategy and goals. Important issues are presented to shareholders as single resolutions.

In addition, the Company's auditor attends the Annual General Meeting in accordance with section 250RA of the Corporations Act 2001 and is available to answer shareholder questions in relation to the audit of the Company's financial statements.

The shareholders are responsible for voting on the appointment of directors.

The Company maintains a website www.atlanticgold.com.au which provides up to date information in relation to the Company's activities, information on its projects, history of the Company and copies of announcements and reports released to the ASX.

Corporate Governance documentation

Corporate Governance Guidelines	21 Mar 2012
Corporate Governance Statement	21 Mar 2012
Board Charter	21 Mar 2012
Chairman Role Statement	03 Dec 2009
Chief Executive Officer Role Statement	21 Mar 2012
Delegations of Authority	05 Jan 2010
Code of Conduct	22 Mar 2010
Dealing in Securities Policy	06 Dec 2010
Diversity Policy	21 Mar 2012
Audit Committee Charter	22 Mar 2010
Continuous Disclosure Policy	22 Mar 2010
Communications Strategy	22 Mar 2010
Risk Management Policy	22 Mar 2010
Remuneration Committee Charter	21 Mar 2012