



ATLANTIC GOLD ANNOUNCES RESULTS FROM ECONOMIC BENEFITS STUDY

February 5, 2015

Vancouver, British Columbia – Atlantic Gold Corporation (TSX-V: AGB, ASX: AGB) ("Atlantic" or the "Company") is pleased to announce the results of an Economic Impact Study (the "Study") conducted in respect of the Company's Moose River Consolidated Gold projects, which include the Touquoy, Cochrane Hill and Beaver Dam deposits in Nova Scotia.

The Company engaged KPMG to produce the Study to be used as the basis for its continuing discussions with the Federal and Provincial governments in respect of the development of the Moose River Consolidated Gold Projects. The Study focuses on job creation, fiscal revenues, and overall economic wealth for the province as well as Canada.

The statistics produced in the Study are based on the two potential open-pit production scenarios reported in the Company's Preliminary Economic Assessment ("PEA") dated October 14, 2014 entitled "NI 43-101 technical Report Preliminary Economic Assessment, Nova Scotia, Canada" over a minimum 8 year mine life:

1. Base Case – assumes initial production from the Company's fully-permitted Touquoy project, and the Beaver Dam project, located approximately 37 km by road from Touquoy
2. Base plus Cochrane Case - includes the addition of gravity and float concentrate production from the Company's Cochrane Hill mine in year 3 of production, processed into doré at the Company's Touquoy facility

Table 1 and Table 2 below provide a summary of the economic impact on the province as well as federally under the Base Case and Base plus Cochrane Case, respectively:

Table 1 – Summary of Economic Impact (direct and indirect) on Canada and Nova Scotia – Base Case

	Economic Benefits to Canada		Economic Benefits to Nova Scotia	
	Construction Phase (Cumulative - 2 years before commencement of production)	Production Phase (Per year)	Construction Phase (Cumulative - 2 years before commencement of production)	Production Phase (Per year)
Value-added ¹ (millions \$)	93.0	26.5	69.3	19.7
Jobs created (person-year equivalent)	1,005	278	781	228

Government revenues² (millions \$)	5.5	8.1	4.1	10.2
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Table 2 – Summary of Economic Impact (direct and indirect) on Canada and Nova Scotia – Base plus Cochrane Case

	Economic Benefits to Canada		Economic Benefits to Nova Scotia	
	Construction Phase (Cumulative - 2 years before commencement of production)	Production Phase (Per year)	Construction Phase (Cumulative - 2 years before commencement of production)	Production Phase (Per year)
Value-added¹ (millions \$)	162.3	43.6	120.1	31.5
Jobs created (person-year equivalent)	1,749	455	1,352	367
Government revenues² (millions \$)	9.7	13.1	7.1	17.0

1 – Value added refers to the economic definition of wealth created by a project (or its impact in terms of Gross domestic production). It is presented on an undiscounted basis but in 2014 constant dollars. Some of the major contributors to the Value added figures include, (a) salaries and benefits paid to employees by either Atlantic or its suppliers; (b) net revenues to individual businesses and c) the return on capital of businesses

2 – Government Revenues in Canada and Nova Scotia comprise corporate taxes (paid by Atlantic only), personal income taxes, provincial mining taxes (Nova Scotia only), as well as taxes on products.

The total impact on the Canadian economy as a whole compared to the province of Nova Scotia are approximately 30% to 35% higher under the Base case scenario, and 30% to 40% higher under the Base plus Cochrane case, as some of Atlantic’s suppliers would likely be based in other Canadian provinces.

Steven Dean, Chairman and CEO added “The results of the Economic Impact Study reinforce management’s view that the planned construction and subsequent operation of Atlantic’s Moose River Consolidated Gold projects will benefit local stakeholders, including, but not limited to the province of Nova Scotia. Furthermore, the Company believes that the reported value added to the provincial and federal economies has potential upside in the event current and future acquisitions and exploration activities uncover additional recourses to add to the already robust economics of the Company’s Touquoy, Beaver Dam and Cochrane Hill Deposits.”

The Company is currently focused on the following:

- Completing its analysis on the recently completed resource definition drilling program at Beaver Dam, which will contribute to a Feasibility Study on the Base Case, the results of which are scheduled to be published in mid-2015;
- Continuing discussions in respect of project financing in parallel with the Feasibility Study.
- Continuing discussions with the First Nations group in Nova Scotia, the Mi'kmaq, in respect of building on the Memorandum of Understanding that was signed in May 2014 working toward the signing of a Mutual Benefits Agreement, which will include provisions for education, training and job creation.

Further updates will be provided in due course.

On behalf of the Board of Directors,

Steven Dean
Chairman and Chief Executive Officer

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Forward-Looking Statements:

This release contains certain “forward looking statements” and certain “forward-looking information” as defined under applicable Canadian and U.S. securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “continue”, “plans” or similar terminology. Forward-looking statements and information are not historical facts, are made as of the date of this press release, and include, but are not limited to, statements regarding discussions of future plans, guidance, projections, objectives, estimates and forecasts and statements as to management's expectations with respect to, among other things, the transactions contemplated in this news release and the timing and receipt of requisite regulatory, court and shareholder approvals in respect thereof. These forward looking statements involve numerous risks and uncertainties and actual results may vary. Important factors that may cause actual results to vary include without limitation, certain transactions, the successful completion of the transaction, the timing and receipt of certain approvals, changes in commodity and power prices, changes in interest and currency exchange rates, risks inherent in exploration results, timing and success, inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources), changes in development or mining plans due to changes in logistical, technical or other factors, unanticipated operational difficulties (including failure of plant, equipment or processes to operate in accordance with specifications, cost escalation, unavailability of materials, equipment and third party contractors, delays in the receipt of government approvals, industrial disturbances or other job action, and unanticipated events related to health, safety and environmental matters), political risk, social unrest, and changes in general economic conditions or conditions in the financial markets. In making the forward-looking statements in this press release, the Company has applied several material assumptions, including without limitation, the assumptions that: (1) the receipt of necessary consents and approvals and satisfaction of all conditions precedent for the closing of the transaction in a timely manner; (2) market fundamentals will result in sustained gold demand and prices; (3) the receipt of any necessary approvals and consents in connection with the development of any properties; (4) the availability of financing on suitable terms for the development, construction and continued operation of any mineral properties; and (5) sustained commodity prices such that any properties put into operation remain economically viable. Information concerning mineral reserve and mineral resource estimates also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. Certain of the risks and assumptions are described in more detail in the Company's audited financial statements and MD&A for the year ended December 31, 2013 and the quarter ended September 30, 2014 on the SEDAR website at www.sedar.com. The actual results or performance by the Company could differ materially from those expressed in, or implied by, any forward-looking statements relating to those matters. Accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what impact they will have on the results of operations or

financial condition of the Company. Except as required by law, we are under no obligation, and expressly disclaim any obligation, to update, alter or otherwise revise any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.