



ATLANTIC GOLD

ATLANTIC GOLD EXECUTES COMMITMENT LETTER FOR A \$150 MILLION REVOLVING CREDIT FACILITY TO REFINANCE PROJECT LOAN FACILITY, ADDS ADDITIONAL LONG TERM FINANCING CAPACITY

July 03, 2018

Canadian dollars unless otherwise noted

Vancouver, British Columbia – Atlantic Gold Corporation (TSX-V: AGB) ("Atlantic" or the "Company") is pleased to announce the execution of a credit approved commitment letter for a fully underwritten CAD \$150,000,000 senior secured revolving credit facility (the "**Revolving Credit Facility**" or "**RCF**") with National Bank of Canada ("**NB**"). The Credit Facility will be used for, but not limited to repayment of the Borrower's existing project loan facility ("**PLF**") and provides additional financing capacity for development and growth opportunities.

The balance of the existing PLF of approximately CAD\$110 million will be repaid by partial drawdown of the new RCF. Total cash balances at June 30th are approximately CAD\$33 million, which together with the undrawn RCF provides for a strong balance sheet and working capital position for the next few years.

The Credit Facility will have a 3 year term from the Closing date with a customary annual extension mechanism and has no mandatory amortisation typical of a revolving facility. The interest rate charged will vary depending on the type of borrowing and the Company's total leverage ratio at the appropriate time, however interest costs are expected to be lower than the PLF. The Company will maintain its gold forward sales contracts with NB and its syndicate of lenders.

The completion of the Revolving Credit Facility will be subject to completion of project finance documentation and typical conditions precedent for a financing of this nature. Closing is scheduled to occur before the end of July 2018.

Steven Dean, Chairman and CEO of Atlantic Gold commented: *“Having achieved a successful ramp up and transition to commercial production at MRC, it is now time for the Company to restructure its bank debt to more of a corporate facility to allow greater flexibility with respect to cash balances, operating expenditures as well as potential future payment of dividends and other corporate initiatives appropriate for a growth focused junior gold producer. The Company is projected to generate substantial cash balances over the coming years and the terms of the new facility will eliminate the lock up of restricted proceeds accounts and debt service accounts and will provide greater flexibility and capital efficiency of bank debt amortisation.”*

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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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

About Atlantic:

Atlantic is a well-financed, growth-oriented gold development group with a long term strategy to build a mid-tier gold production company focused on manageable, executable projects in mining-friendly jurisdictions.

Atlantic is focused on growing gold production in Nova Scotia beginning with its MRC phase one open pit gold mine which declared commercial production in March 2018, and its phase two Life of Mine Expansion which will ramp up gold production to + 200,000 ounces per year at industry lowest quartile cash and all-in-sustaining-costs (as stated in the Company’s news releases dated January 19, 2018 and January 29, 2018).

Atlantic is committed to the highest standards of environmental and social responsibility and continually invests in people and technology to manage risks, maximize outcomes and returns to all stakeholders.

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 activities contemplated in this news release and the timing and receipt of requisite regulatory, and shareholder approvals in respect thereof. Forward looking information, including future oriented financial information (such as guidance) provide investors an improved ability to evaluate the underlying performance of the Company. Forward-looking statements in this news release include, without limitation, statements related to proposed exploration and development programs, grade and tonnage of material and resource estimates. 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, the timing and receipt of certain approvals, changes in commodity and power prices, changes in interest and currency exchange rates, risks inherent in exploration estimates and 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) market fundamentals will result in sustained gold demand and prices; (2) the receipt of any necessary approvals and consents in connection with the development of any properties; (3) the availability of financing on suitable terms for the development, construction and continued operation of any mineral properties; and (4) 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, 2017 and for the quarter ended

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March 31, 2018 on the Company's SEDAR profile 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, the Company is 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.