



ATLANTIC GOLD

ATLANTIC GOLD SECURES \$115 MILLION PROJECT DEBT FINANCING FOR THE DEVELOPMENT OF THE MRC PROJECT

All figures presented in Canadian Dollars, unless specified otherwise

February 22, 2016

Vancouver, British Columbia – Atlantic Gold Corporation (**TSX-V: AGB**) ("**Atlantic**" or the "**Company**") is pleased to announce that following a competitive selection process, it has received and executed a credit approved commitment letter for a \$115 million Project Loan Facility ("**PLF**") to be arranged and fully underwritten by Macquarie Bank Limited ("**Macquarie Bank**") and Caterpillar Financial Services Corporation ("**Cat Financial**"), to fund the majority of the construction costs of the Company's Moose River Consolidated Project ("**MRC Project**") in Nova Scotia.

Macquarie Bank and Cat Financial are recognized global leaders in the provision of mining project finance. Macquarie Bank is part of Macquarie Group, a global financial services provider with offices in 28 countries and expertise covering banking, financial, advisory, investment and funds management services. As the captive finance company for Caterpillar, Cat Financial has provided financial service excellence and helped Cat® equipment customers make progress possible for more than 30 years. With a global presence in every mining market, Cat Financial focuses on customized financial solutions built to fit customers' unique needs in the ever-changing mining industry.

The PLF carries an interest rate of the Canadian Dealer Offered Rate, or CDOR, plus a margin 5% (pre-Project Completion), reducing to 4.5% post-Completion, and is repayable in quarterly installments over three years commencing late 2017. In order to mitigate gold price risk and as a condition of the PLF, Atlantic will enter into margin free gold forward sales contracts of 215,000 ounces, representing approximately 30% of total recovered life of mine gold production of the MRC Project at an agreed minimum Canadian dollar forward price of \$1,500. A defined amount of hedging is expected to be put in place in advance of the signing of a definitive Credit Agreement pending certain conditions being met, in order to fix the sale of gold at a favorable Canadian Dollar gold price.

The provision of the PLF will be subject to completion of due diligence, project finance documentation and typical conditions precedent for a financing of this nature.

Steven Dean, Chairman and CEO commented, "*Atlantic is pleased to have reached agreement with a world class group of lenders such as Macquarie Bank and Cat Financial for a project loan facility, adding to the list of completed milestones for the development of the MRC Project.*"

Atlantic continues to take full advantage of the low cost of structured debt capital versus equity capital at this time of the industry cycle, balanced by a structured risk management approach to the development of our low cost MRC project.

This announcement also represents a major catalyst in providing substantial economic development for the Province of Nova Scotia. The PLF should provide a significant level of comfort to Nova Scotians in ensuring the construction of the first open pit gold mine in Nova Scotia, creating an estimated 781 jobs (person-year equivalent) during the construction phase and 228 jobs (person-year equivalent) during operations for the Province.

The Company is looking forward to the finalization of a definitive credit agreement, in parallel with the execution of an EPC Contract with Ausenco, to crystallize the most significant pieces required to break ground on construction over the coming months”.

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.

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 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, 2014 and the quarter ended September 30, 2015 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.