



## ATLANTIC GOLD

### ATLANTIC GOLD PROVIDES UPDATE WITH PHASED RECLAMATION SECURITY ARRANGEMENTS FOR THE MRC PROJECT

*All figures presented in Canadian Dollars, unless specified otherwise*

**March 30, 2016**

**Vancouver, British Columbia** – Atlantic Gold Corporation (TSX-V: AGB) ("Atlantic" or the "Company") is pleased to announce that the Nova Scotia Department of Natural Resources ("NSDNR") and Nova Scotia Environment ("NSE") (together, the "Province") have accepted the Company's proposal to provide a phased reclamation security (the "Security") in the amount of \$10.4 million for its Touquoy Gold Mine ("Touquoy"), the flagship deposit for its Moose River Consolidated Project ("MRC Project") in Nova Scotia.

The Security is a requirement under both the Company's Mineral Lease (2011) and the Company's Industrial Approval dated March 24, 2014 (the "IA").

The Security represents the total cost to reclaim the Touquoy site as determined by the Province. A phased approach to providing the Security was agreed in order to allow the Company to provide satisfactory financial security on a progressive basis commensurate with the area disturbed by the activity on the site at any given time. This approach will ensure that adequate Security is in place before each phase of disturbance, construction and operation and will be commensurate with the level of reclamation liability associated with Touquoy at any point during the project.

The table below outlines the various milestone payments and dates in respect of posting of financial security for reclamation:

Milestone	Description	Estimated Date	Financial Security Required
	Amount currently posted with the NSDNR	N/A	\$0.17 million
<b>1</b>	Commencement of Construction	Q2/3 2016	\$3.43 million
<b>2</b>	Commencement of Ore Processing	Fall 2017	\$2.10 million
<b>3</b>	1 year anniversary of the start of Ore Processing	Fall 2018	\$2.60 million
<b>4</b>	2 year anniversary of the start of Ore Processing	Fall 2019	\$2.10 million
	<b>Total Financial Security - due December 31, 2019</b>		<b>\$10.4 million</b>

To ensure that the actual and planned areas of disturbance matches this agreed phased approach, the Company has committed to providing survey drawings of actual and planned disturbed areas to NSE and NSDNR on an annual basis. Therefore, the actual amount of incremental increase in the Security will be adjusted in accordance with the variance between actual and planned disturbances.

The Company has executed an indemnity agreement with a reputable surety company (the "Surety") specializing in contract and commercial surety bonds, including underwriting surface mining reclamation to financially sound companies with adequate reserves. The Surety has completed its underwriting process and has committed to providing a surety bond in the Company's name, to the Province, 80% of which will be collateralized by way of cash or letter of credit provided by the Company, for a negotiated premium. Acceptance of the surety bond is subject to final Approval from the Province, although it has provided conditional approval of the form of bond and related documentation.

Steven Dean, Chairman and CEO commented, *"Atlantic is pleased to have reached an agreement with the Province for phased bonding which upholds both the financial security requirements of the Province in respect of reclamation planning, and the Company's commitment to being a responsible corporate citizen by maintaining adequate reclamation security in place at all times during the construction, development and operational phases of the Company's mining projects."*

*This arrangement is an important further step positioning the Company towards a decision to commence construction".*

Further updates will be provided in due course.

On behalf of the Board of Directors,

Steven Dean  
Chairman and Chief Executive Officer

For further information about Atlantic, please contact:

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Advisors to the Surety Bond

Aon Risk Solutions, acting as insurance broker for the Company, was the responsible broker for negotiating the terms of the surety bond.

*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](http://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.*