



ATLANTIC GOLD PROVIDES UPDATE WITH RECLAMATION SECURITY AND COMMENCEMENT OF EARTHWORKS

All figures presented in Canadian Dollars, unless specified otherwise

June 3, 2016

Vancouver, British Columbia – Atlantic Gold Corporation (**TSX-V: AGB**) ("**Atlantic**" or the "**Company**") is pleased to announce that pursuant to the approved schedule of phased reclamation security (the "**Security**") in the amount of \$10.4 million for its Touquoy Gold Mine ("**Touquoy**"), as approved by the Nova Scotia Department of Natural Resources ("**NSDNR**") and Nova Scotia Environment ("**NSE**") (together, the "**Province**"), the Company has posted its initial reclamation bond for \$3.43 million with the Province.

Touquoy is the first deposit to be mined in the Company's Moose River Consolidated Project ("**MRC Project**").

The Company also announces that it has bound coverage in respect of environmental impairment liability insurance ("**EIL Policy**") at Touquoy. The Security is a requirement under the Company's Mineral Lease (2011), while the Security and EIL Policy are both required under the Company's Industrial Approval dated March 24, 2014 (the "**IA**").

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.

Concurrent with the finalization of the Security and EIL Policy, the Company engaged in clearing and mulching activities in April and May 2016 at Touquoy in order to facilitate earthmoving activities, which commenced June 1, 2016. This earthmoving is required to prepare the site for commencement of construction of the Touquoy plant and related infrastructure.

Steven Dean, Chairman and CEO commented, "*Atlantic is pleased to have agreed the first instalment of reclamation security with the Province. Atlantic looks forward to completing bulk earthmoving activities in the coming weeks as a preparatory step to the start of physical construction of the Touquoy plant*".

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 EIL Policy and the Security.

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, 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.