



ATLANTIC GOLD

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ATLANTIC GOLD CORPORATION COMPLETES INITIAL CLOSING OF BROKERED PRIVATE PLACEMENT

All figures presented in Canadian Dollars, unless specified otherwise

(Vancouver, BC, October 5, 2017) – Atlantic Gold Corporation (TSX-V:AGB) ("**Atlantic**" or the "**Company**") is pleased to announce that it has completed the initial closing of its bought deal private placement (the "**Brokered Offering**") for gross proceeds of \$16,000,465 through the issuance of 9,460,500 common shares of the Company ("**Common Shares**"). The Brokered Offering was co-led by Canaccord Genuity Corp., BMO Capital Markets and Raymond James Ltd. on behalf of a syndicate of underwriters that included Beacon Securities Limited, GMP Securities L.P., Haywood Securities Inc., National Bank Financial Inc. and PI Financial Corp. (collectively, the "**Underwriters**").

The initial closing of the Brokered Offering comprised a brokered private placement of 2,777,000 Common Shares that qualify as "flow-through shares" (within the meaning of subsection 66(15) of the Income Tax Act (Canada) (the "**ITA**")) ("**FT Shares**") at a price of \$1.80 per FT Share for gross proceeds of \$4,998,600 (the "**Tranche One Offering**"), a brokered private placement of 3,825,500 Common Shares that qualify as "flow-through shares" (within the meaning of subsection 66(15) of the ITA) and are sold on a charitable flow-through basis ("**Charitable FT Shares**") at a price of \$1.83 per Charitable FT Share for gross proceeds of \$7,000,665 (the "**Tranche Two Offering**") and a brokered private placement of 2,858,000 Common Shares at a price of \$1.40 per Common Share for gross proceeds of \$4,001,200 (the "**Tranche Three Offering**").

The final closing of the Brokered Offering comprising an additional brokered private placement of 835,000 FT Shares at a price of \$1.80 per FT Share for estimated gross proceeds of \$1,503,000 is expected to close on or about October 24, 2017.

The proceeds from the Tranche Three Offering will be used to fund engineering, feasibility and environmental permitting work for the Company's Phase 2 expansion study, which will include the Company's Cochrane Hill and Fifteen Mile Stream deposits, transaction fees associated with the Brokered Offering, as well as for general working capital purposes. The gross proceeds of the sale of the Tranche One Offering and Tranche Two Offering will be used to fund "Canadian exploration expenses" (within the meaning of the ITA) on or prior to December 31, 2018 for renunciation to subscribers of FT Shares and Charitable FT Shares effective December 31, 2017.

In consideration for the services of the Underwriters under the Brokered Offering, the Underwriters received a cash commission equal to 6% of the proceeds raised under the Brokered Offering.

The securities issued by the Company in connection with the Brokered Offering are subject to a 4-month "hold period" as prescribed by the TSX Venture Exchange and applicable securities laws.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

Atlantic Gold Corporation (www.atlanticgoldcorporation.com)

On behalf of the Board of Directors

Steven Dean
Chairman and Chief Executive Officer

For further information about Atlantic, please contact:

Chris Batalha (CFO and Corporate Secretary)
+1 604 689-5564

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 Gold Corporation

Atlantic Gold Corporation is Canada's next open pit gold mine slated for first production in October 2017. Phase one life of mine will produce 87,000 oz. gold / year over a minimum 8.5 year mine life at All-in Sustaining Costs of C\$690/oz. Additional satellite deposits containing 850,000 oz's measured & indicated within pit shells and 309,000 oz's inferred are currently under feasibility study and have potential to add significantly to life of mine production.

Cautionary Note Regarding Forward-Looking Information

This news 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", "potential" or similar terminology. Forward-looking statements and information are not historical facts, are made as of the date of this news release, and include, but are not limited to, statements regarding the Brokered Offering, the proceeds and use of proceeds from the Brokered Offering, the closing of the final tranche of the Brokered Offering, first production and life of mine production, timing for production, All-in Sustaining Costs, feasibility and other studies, statements related to proposed exploration and development programs, grade and tonnage of material and

resource estimates, 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 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, risks related to the Brokered Offering, risks related to the ability of the Company to settle documentation and close the final tranche of the Brokered Offering, risks related to the Company's ability to use the proceeds of the Brokered Offering as anticipated, 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 news 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; (4) sustained commodity prices such that any properties put into operation remain economically viable; and (5) that the Company will be able to close the final tranche of the Brokered Offering on the terms set out in this news release. 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, 2016 and for the quarter ended June 30, 2017 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.