



ATLANTIC GOLD

ATLANTIC GOLD CORPORATION ANNOUNCES 2018 PRODUCTION GUIDANCE FOR THE MOOSE RIVER CONSOLIDATED GOLD MINE NOVA SCOTIA, CANADA

**Expected to produce between 82,000 – 90,000 ounces of gold at All-In-Sustaining-Costs
between CAD\$675 - \$735 / oz. (US\$540-588/oz.*)**

January 19, 2018

Vancouver, British Columbia – Atlantic Gold Corporation (TSX-V: AGB) ("Atlantic" or the "Company") is pleased to announce 2018 production guidance for the Moose River Consolidated (MRC) gold mine, Nova Scotia, Canada. Following the successful ramp up for the company's initial Phase 1 of operations, Atlantic Gold's outlook for 2018 includes:

- Production between 82,000-90,000 ounces of gold.
- Cash Costs between CAD\$500-\$560/oz. (US\$400-448/oz.*)
- All-In-Sustaining-Costs (AISC) between \$CAD675/oz. - \$735/oz. (US\$540-588/oz.*)

The Company is guiding towards CAD\$5-6 million in growth capital expenditures in 2018.

The month of December 2017 was the first month of continuous reserve grade mill feed after processing low to medium grade material in October and November during plant ramp-up. Despite power outages over the Holiday period due to winter storms production was 7,021 ounces of gold for the month of December.

Further updates will be provided in due course.

*assumes an exchange rate of CAD\$0.80

Non-IFRS performance measures

This news release refers to total cash costs and AISC, which are non-IFRS performance measures. The company believes that these measures, in addition to conventional measures prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the company. The non-IFRS measures are intended to provide additional

information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures do not have any standardized meaning prescribed under IFRS and therefore may not be comparable with other issuers.

Reconciliation of these figures will be included in the Company's 2018 financial statements and management discussion and analysis.

Total cash costs

Atlantic will report total cash costs on a sales basis. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, such as sales, certain investors use this information to evaluate the Company's performance and ability to generate operating earnings and cash flow from its mining operations. Management also uses this metric as an important tool to monitor operating cost performance.

Cash costs include production costs such as mining, processing, refining and site administration divided by gold ounces sold to arrive at total cash costs per gold ounce sold. Costs are exclusive of depreciation. Costs include royalty payments and production taxes, community and permitting costs. Other companies may calculate this measure differently.

All-in sustaining costs

The company calculates all-in sustaining costs as the sum of total cash costs (as described above), corporate general and administrative expense (net of stock-based compensation), reclamation cost accretion and amortization and sustaining capital, all divided by the gold ounces sold to arrive at a per ounce figure.

Other companies may calculate this measure differently as a result of differences in underlying principles and policies applied. Differences may also arise due to a different definition of sustaining versus growth capital.

On behalf of the Board of Directors,

Steven Dean
Chairman and Chief Executive Officer

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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 owns Canada's newest open pit gold mine Moose River Consolidated in Nova Scotia with first gold pour and initial production announced October 2017. Phase 1 Life of Mine production guidance for 2018 is between 82,000-90,000 oz. gold at All-In-Sustaining-Costs (AISC) between \$CAD675/oz.-\$735/oz. (US\$540-588/oz.) as stated in the Company's news release (January 19, 2018). Additional satellite deposits containing 850,000 oz's measured & indicated within pit shells and 309,000 oz's inferred as referenced in a NI 43-101 Technical Report with an effective date of July 20, 2017, form the basis of a Phase 2 expansion currently under study and has potential to add significantly to Life of Mine production. 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 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, 2016 and for the quarter ended September 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.