



ATLANTIC GOLD

ATLANTIC GOLD COMPLETES A CONSOLIDATED PEA ON NOVA SCOTIA PROPERTIES "BASE" CASE AFTER TAX NPV \$163 million, IRR 33.5%, "BASE PLUS COCHRANE" CASE AFTER TAX NPV \$242 million, IRR 31.5%

September 29, 2014

Vancouver, British Columbia – Atlantic Gold Corporation (TSX-V: AGB, ASX: AGB) ("Atlantic" or the "Company") (formerly Spur Ventures Inc.) is pleased to announce the results of a Preliminary Economic Analysis ("PEA") prepared by Moose Mountain Technical Services Ltd. ("MMTS") under the direction of the Company's senior management in respect of the Company's Nova Scotia projects.

The PEA analyzes two potential open-pit production scenarios over a minimum 8 year mine life:

1. Base Case – assumes initial production from the Company's fully-permitted Touquoy project, and the recently acquired Beaver Dam project, located approximately 37 km by road from Touquoy, for total life of mine production of 702,000 ounces of gold at an average grade of 1.55 g/t
2. Base Plus Cochrane Case - includes the addition of gravity and float concentrate production from the Company's Cochrane Hill mine in year 3 of production, processed into doré at the Company's Touquoy facility for a total life of mine production of 1,129,000 ounces of gold at an average grade of 1.62 g/t

PEA HIGHLIGHTS

Canadian dollars unless otherwise indicated:

Gold price: US \$1,300/oz	Base Case	Base Plus Cochrane Case
Pre-tax NPV (5%)	\$233 million	\$354 million
Post-tax NPV (5%)	\$163 million	\$242 million
Pre-tax IRR	39.6%	38.0%
Post-tax IRR	33.5%	31.5%
Post-tax Payback	1.7 years	3.3 years
Initial capital cost	\$131 million	\$131 million
Capital Cost Cochrane Hill (Yr 2)	N/A	\$108 million
LOM cash operating cost	\$576/oz	\$612/oz
LOM all-in sustaining cost	\$653/oz	\$684/oz
Total LOM Au production	702,000 oz's	1,129,000 oz's
Average annual production	87,700 oz's	141,000 oz's
LOM strip ratio	3.44	4.45
Average grade	1.55 g/t	1.62 g/t

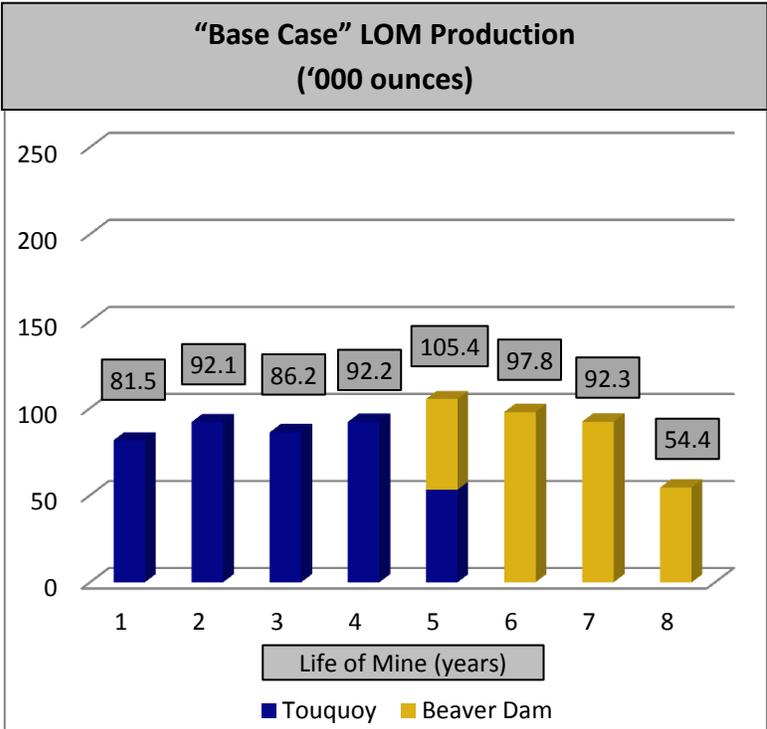
Steven Dean, Chairman noted: "the PEA outlines two strong economic scenarios for potential gold development in the politically secure, mining-friendly jurisdiction of Nova Scotia, Canada. The Base Case provides returns relatively insensitive to gold price, while the Base plus Cochrane Case provides upside leverage to gold price. The Company is well financed, with in excess of \$20 million in the treasury, and management is poised to advance development of the projects in the coming months including permitting and additional in-fill drilling at Beaver Dam and Cochrane Hill, finalization of both a feasibility study and a mutual benefits agreement with the Mi'kmaq community, and securing development financing. The Company's Fifteen Mile Stream deposit located 57 road kilometers east of Touquoy, in addition to its numerous exploration targets, provide significant potential upside to the PEA scenarios presented."

Overview of Production Scenarios

For both the Base Case and Base Plus Cochrane Case, the Touquoy open pit planning is based on only Measured and Indicated Resources, while the Beaver Dam and Cochrane Hill open pit mine planning incorporates Measured, Indicated and Inferred Resources.

Base Case

The Base Case scenario focuses on initial development and production at the fully-permitted Touquoy project followed by production from Beaver Dam in year 5. The table below sets out gold production from the respective deposits over the life of mine:



LoM Production	702,000 oz's
Average head grade	1.55 g/t
Average strip ratio	3.44

The PEA is based on the deposits being developed as conventional surface open pit mining operations with drill/blast/load/haul activities utilizing a leased production fleet operated and maintained by Company employees. Initial production commences at Touquoy where the relatively low strip ratio and the short haul to the external waste dumps mean the production fleet is not large and mining costs are minimized.

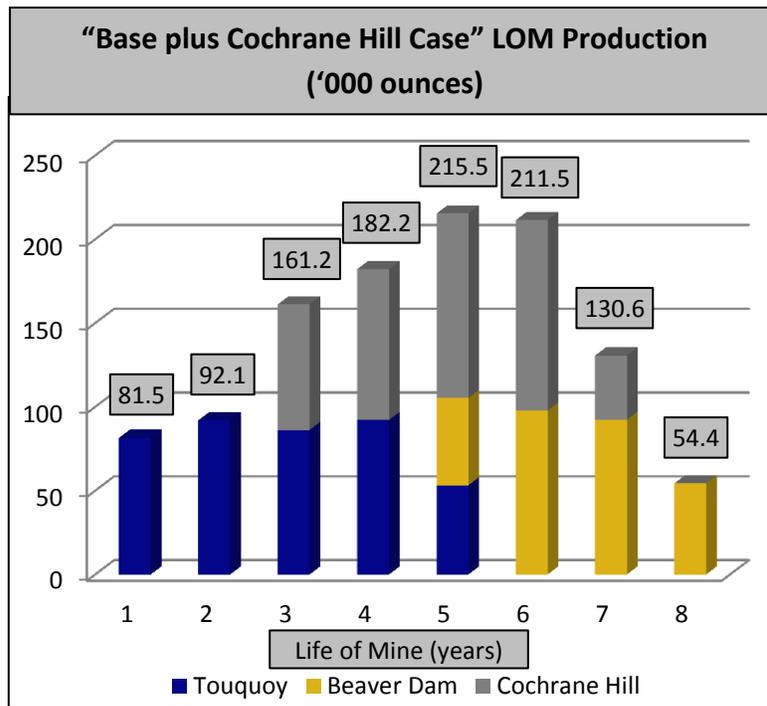
In year 5, production will move to the Beaver Dam pit located approximately 37 kilometers by road from Touquoy. After a short transition period, all of the mill feed to Touquoy will be supplied from the Beaver Dam deposit.

Beaver Dam, as a satellite operation, will have limited infrastructure to supply basic office facilities and equipment maintenance requirements. The mining fleet at Touquoy will be transitioned to Beaver Dam and expanded due to the higher material movement at Beaver Dam. Material will be crushed at a location about 7 kilometers from the Beaver Dam pit near Highway 224 and then loaded onto highway trucks which will transport it along a combination of private logging roads, public roads and a 5.4 kilometer section of Highway 224. Beaver Dam waste rock will be placed as close to the pit as practical to minimize waste haulage costs and, other than primary crushing, there will be no treatment of material at the site and therefore no plant or tailings management facility is required there.

Metallurgical testing indicates that Beaver Dam resources will have treatment characteristics similar to the Touquoy deposit and will therefore be processed in the same manner as the Touquoy material. Tailings generated from the Beaver Dam resource will not be placed in the tailings management facility that was used for Touquoy, but instead will be deposited in the mined-out Touquoy open pit. A total of approximately 6.1 million tonnes of processed material will be placed in the Touquoy pit, much less than the approximately 30 million tonnes of waste and resource that will have been removed from the pit by the time Beaver Dam is in production. After all mining is complete the pit will continue to fill with water and the tailings will be settled well below the expected final maximum water surface level. Permanently sealing tailings below water is globally considered a preferred method for long term tailings disposal.

Base Plus Cochrane Case

The Base Plus Cochrane Case adds production from the Cochrane Hill deposit commencing in year 3 of the total project life. The table below sets out Au production ounces from the respective deposits over the life of mine:



LoM Production	1,129,00 oz's
Average head grade	1.62 g/t
Average strip ratio	4.45

In the Base Plus Cochrane Case, a separate mine designed to supply gravity and float concentrate to the Touquoy facility commencing in year 3 of the Base Case will be constructed at Cochrane Hill.

Unlike Beaver Dam, Cochrane Hill would be a largely independent and self contained operation with its own production fleet and processing facility. The open pit and waste rock storage facilities would be developed at Cochrane Hill, with a concentrating facility on site as well as associated tailings dam and other mine site infrastructure.

The processing facility at Cochrane Hill would produce a gravity concentrate and a float concentrate which represents approximately 6 percent of the total resource production of approximately 2 million tonnes per year. This concentrate, totaling approximately 120,000 tonnes per year, would be trucked to Touquoy for treatment as described below. The concentration circuit at Cochrane Hill will be relatively benign as there will be no cyanide use on site which should simplify the permitting process.

Processing and Metallurgy

The processing of the Touquoy resources has been extensively tested and the flow sheet to be constructed has been defined. The plant will have a capacity of 2 million tonnes per year with an expected gold recovery of 94%.

The flow sheet is conventional and consists of three stage crushing, ball milling to a grind of 80% passing 150 microns, with cyclones being used to close the grinding circuit. A centrifugal concentrator will be used to treat a portion of the cyclone underflow to recover coarse gold, with gold being recovered from the gravity concentrate by intensive cyanidation. The cyclone overflow will be screened to remove organic particles and then leached in a CIL circuit with a two stage pre-leach. Loaded carbon will be treated in a pressure Zadra circuit with the electrowinning sludge smelted to doré. The tailings from leaching will be treated for cyanide destruction using sulfur dioxide / air with a copper catalyst. Detailed capital cost and design estimates were prepared by Ausenco as part of a feasibility study commissioned by Atlantic Gold NL for the treatment plan and infrastructure and these have been updated and used for capital cost estimation. The Ausenco studies were last updated in early 2014 to an accuracy level of plus or minus 15 percent. This allowance was maintained on all items even if new quotes were obtained for certain high cost equipment.

When resources from the Touquoy pit have been exhausted, material from the Beaver Dam pit will be crushed and transported to the Touquoy plant. The metallurgical characteristics are very similar to the material from the Touquoy pit and no modifications of the plant will be necessary. The Beaver Dam resources are slightly harder than resources from the Touquoy pit and the ball mill in the Touquoy plant will be sized to allow both mill feed streams to be treated at 2 million tonnes per year. A similar recovery of 94% is expected.

Resources from the Cochrane Hill deposit have been tested and have been shown to respond very well to gravity and flotation upgrading. In addition, the gold in the concentrates gives excellent recoveries by cyanide leaching. The plant has a proposed capacity of 2 million tonnes per year and the crushing, grinding and gravity concentration units will be essentially the same as Touquoy. Flotation in a conventional rougher, scavenger, cleaner circuit will produce a gold concentrate with a mass of approximately 6% of the plant feed and this, together with the gravity concentrate will be filtered and shipped by road to the Touquoy plant. The gravity concentrate will be treated in the intensive cyanidation circuit and the flotation concentrate will be treated in the CIL circuit. Both leach circuits will be built with sufficient capacity to take concentrates from Cochrane Hill and the carbon treatment circuit will also be built with sufficient capacity to recover all of the gold that is leached. The overall recovery from Cochrane Hill ore is expected to be 91%.

Geology

There are a large number of historic underground mines in Nova Scotia with individually modest production which have historically produced 1.2 million ounces of gold on a combined basis. Mining operations have historically focused on quartz-vein hosted gold deposits typically associated with the limbs and hinges of anticlines often referred to as “Meguma Style” gold mineralization. In recent years the existence of disseminated gold mineralization and the potential to develop large tonnage open pit resources has been recognized.

At Touquoy, drilling around old workings identified relatively wide intersections of disseminated gold mineralization with no visible quartz veining. Disseminated gold mineralization has been identified at a number of locations, spatially associated with anticlinal fold hinges with mineralization in association with argillites or mixed greywacke-argillite units. These include, Touquoy, Beaver Dam, Fifteen Mile Stream and Lower Seal Harbour but disseminated gold has also been recognized in grewacke host rocks within the Goldenville Formation and several other sites.

Touquoy, Beaver Dam and Fifteen Mine Stream are all part of a regional anticline system characterized by thick intervals of argillite that are considered vital for the bulk minable character of these deposits giving importance to the belt hosting these deposits.

At Cochrane Hill the highest gold grades are generally associated with bedding-parallel tabular quartz veins but the host rock material between quartz veins also carries significant gold grades. It is the quartz vein hosted gold mineralization augmented by disseminated style mineralization that forms the basis of the geological model associated with Cochrane Hill.

Historic exploration in Nova Scotia was focused on quartz-vein hosted material and material without visible quartz veining was often not sampled or assayed. There remains significant potential for future exploration, focusing on disseminated style deposits, to identify additional targets amenable to open pit mining.

PEA Results

The table below lists the key PEA economic metrics for both cases. The economics take into account the fact that the Company's effective ownership in Touquoy is 63.5%, and that the Company will recover all operational, overhead, financing and sunk costs prior to any distributions to its privately-owned partner in Touquoy. As of June 30, 2014 the total estimated costs to be recovered under the agreement are \$17 million.

The Company holds 100% of both Beaver Dam and Cochrane Hill.

The PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the conclusions in the PEA will be realized or that any of the resources will ever be upgraded to reserves. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.

Gold price: US \$1,300/oz	Base Case	Base Plus Cochrane Case
Pre-tax NPV (5%)	\$233 million	\$354 million
Post-tax NPV (5%)	\$163 million	\$242 million
Pre-tax IRR	39.6%	38.0%
Post-tax IRR	33.5%	31.5%
Post-tax Payback	1.7 years	3.3 years

The economics have been calculated based on a gold price of US \$1,300/oz. The Company has estimated its capital and operating costs, which are detailed below, in Canadian dollars. A sensitivity table for each case, based on various gold prices is set out below:

Base Case Sensitivities

	US \$1,100	US \$1,200	US \$1,300	US \$1,400	US \$1,500
Pre-tax NPV (5%)	\$140 m	\$189 m	\$233 m	\$276 m	\$320 m
Post-tax NPV (5%)	\$98 m	\$132 m	\$163 m	\$193 m	\$223 m
Pre-tax IRR	28.3%	34.7%	39.6%	44.1%	48.4%
Post-tax IRR	24.0%	29.4%	33.5%	37.4%	41.0%
Post-tax Payback	2.1 years	1.8 years	1.7 years	1.5 years	1.4 years

Base Plus Cochrane Case Sensitivities

	US \$1,100	US \$1,200	US \$1,300	US \$1,400	US \$1,500
Pre-tax NPV (5%)	\$171 m	\$263 m	\$354 m	\$445 m	\$536 m
Post-tax NPV (5%)	\$60 m	\$151 m	\$242 m	\$333 m	\$425 m
Pre-tax IRR	22.9%	30.8%	38.0%	44.6%	50.8%
Post-tax IRR	12.8%	22.9%	31.5%	39.1%	46.0%
Post-tax Payback	4.3 years	3.8 years	3.3 years	3.0 years	2.7 years

The PEA takes into account a 1% royalty payable to the Nova Scotia government (no other mining taxes apply), in addition to the following NSR's:

- 1% relating to production from Touquoy and Cochrane Hill, post exercise of buyback options
- 0.6% relating to production from Beaver Dam

Capital Costs

The tables below set out initial capital costs by scenario:

Capital Cost Schedule - Base Case												
Description	Year										Total	
	-2	-1	1	2	3	4	5	6	7	8		
Touquoy												
Mine Development	\$ -	\$ 11,426	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,426
Processing	29,497	29,997	1,016	1,016	1,090	1,016	1,016	1,016	1,016	1,016	508	67,188
Site Infrastructure	7,272	10,372	300	300	300	300	300	300	300	300	300	20,045
Tailings Dam	-	7,540	-	3,740	3,740	-	-	-	-	-	-	15,020
Indirect Costs*	14,300	5,636	4,105	(10,192)	208	208	208	208	208	208	1,708	16,597
Contingency**	5,515	8,900	-	-	-	-	-	-	-	-	-	14,416
Total - Touquoy	56,585	73,871	5,421	(5,136)	5,338	1,524	1,524	1,524	1,524	1,524	2,516	144,691
Beaver Dam												
Mine Development	-	-	-	-	-	5,000	-	-	-	-	-	5,000
Site Infrastructure	-	-	-	-	-	6,635	100	100	100	100	100	7,035
Indirect Costs	-	-	-	-	-	400	120	120	120	120	1,620	2,380
Contingency**	-	-	-	-	-	2,909	-	-	-	-	-	2,909
Total - Beaver Dam	-	-	-	-	-	14,944	220	220	220	220	1,720	17,324
Total Capex - Base Case	\$ 56,585	\$ 73,871	\$ 5,421	\$ (5,136)	\$ 5,338	\$ 16,468	\$ 1,744	\$ 1,744	\$ 1,744	\$ 1,744	\$ 4,236	\$ 162,015
Cumulative Capex	56,585	130,456	135,877	130,741	136,079	152,547	154,291	156,035	157,779	162,015		

Capital Cost Schedule - Base Plus Cochrane Case												
Description	Year										Total	
	-2	-1	1	2	3	4	5	6	7	8		
Capital Costs - Base Case (as above)	\$ 56,585	\$ 73,871	\$ 5,421	\$ (5,136)	\$ 5,338	\$ 16,468	\$ 1,744	\$ 1,744	\$ 1,744	\$ 1,744	\$ 4,236	\$ 162,015
Cochrane Hill												
Mine Development	-	-	-	9,912	-	-	-	-	-	-	-	9,912
Processing	-	-	26,757	26,757	1,016	1,016	1,016	1,016	508	-	-	58,085
Site Infrastructure	-	-	8,669	8,669	300	300	300	300	300	-	-	18,837
Tailings Dam	-	-	-	3,890	-	5,376	-	-	-	-	-	9,266
Indirect Costs*	-	-	960	7,460	160	160	160	160	1,260	-	-	10,320
Contingency**	-	-	6,377	8,861	-	-	-	-	-	-	-	15,238
Total - Cochrane Hill	-	-	42,762	65,548	1,476	6,852	1,476	1,476	2,068	-	-	121,658
Total Capex - Base Plus Cochrane Case	\$ 56,585	\$ 73,871	\$ 48,183	\$ 60,412	\$ 6,814	\$ 23,320	\$ 3,220	\$ 3,220	\$ 3,812	\$ 4,236	\$ 283,673	
Cumulative Capex	56,585	130,456	178,639	239,051	245,865	269,185	272,405	275,625	279,437	283,673		

*Assumes return of the Touquoy reclamation bond in year 2, following which the Company establishes a surety policy which is included as an indirect cost for the remaining life of mine.

**Contingencies are applied against direct capital costs

Operating Costs

A summary of operating costs by scenario is set out in the table below:

Description	Base Case	Base Plus Cochrane Case
Mining Cost/ oz.	\$286	\$340
Processing Cost/ oz.	\$254	\$240
Site G&A/ oz.	\$36	\$32
Total Cash Operating Costs/ oz.	\$576	\$612
Total All-In Sustaining Cost/oz	\$653	\$684

Environmental and Permitting

As noted above, the Touquoy project has all major environmental permits including Environmental Assessment Approval and Industrial Approval in place with a Mineral Lease granted.

The Company has engaged Conestoga Rovers and Associates to advance the Beaver Dam and Cochrane Hill projects through the required permitting process. The first stage of environmental review work has already commenced and the Company is targeting having all required permits, including the Industrial Approvals for Beaver Dam in place by the end of 2015, and Cochrane Hill in mid-2016. The environmental approval process in respect of Beaver Dam is expected to be less onerous than traditional projects given the project's limited infrastructure and lack of processing and tailings requirements.

Stakeholder Engagement

In May 2014, the Company, through its wholly owned subsidiary DDV Gold Ltd. ("DDV"), agreed a Memorandum of Understanding ("MOU") with the Assembly of Nova Scotia Mi'kmaq Chiefs which establishes the mutual recognition and respect of each party's perspective in relation to the development of the Touquoy project and DDV's other potential resource developments elsewhere within Nova Scotia.

In particular the MOU contemplates the negotiation and conclusion of a Mutual Benefits Agreement between the parties to engage further and specifically in terms of employment, training, provision of services and other opportunities and undertakings to the benefit of both parties. The Company intends to advance discussions on a Mutual Benefits Agreement with the Mi'kmaq community in the coming months.

Next Steps

The two PEA development scenarios both exhibit positive project economics and a complete report in respect of the PEA will be filed on SEDAR, the ASX and the Company's website within 45 days of this news release.

Over the coming months, the Company will be focused on:

- Resource definition drilling at Beaver Dam and Cochrane Hill;
- Preparation of a feasibility study, targeted for completion in Q2 2015;
- Environmental Impact Assessment and permitting for Beaver Dam and Cochrane Hill;
- Securing Project Financing;
- Agreement on a Mutual Benefits Agreement with the Nova Scotia Mi'kmaq community.

Resource Estimates

The table below is a summary of the combined Mineral Resources at Touquoy, Beaver Dam and Cochrane Hill as outlined in the PEA.

Classification	Mt	Grade (g/t Au)	Au oz's (000)	Mt	Grade (g/t Au)	Au oz's (000)
	Base Case at 0.5 g/t cut-off			Base Plus Cochrane Case at 0.5 g/t cut-off		
Measured Resources	5.66	1.51	274	5.66	1.51	274
Indicated Resources	10.28	1.49	492	14.74	1.57	744
M+I Resources	15.94	1.49	766	20.40	1.55	1,019
Inferred Resources	4.20	1.46	198	9.85	1.56	496

The table above contains the combined Mineral Resources for Touquoy, Beaver Dam and Cochrane Hill as of August 1, 2014 reported at a 0.5 g/t cut-off. These are current resource estimates that comply with the current Canadian Institute of Mining, Metallurgy and Petroleum Resources (CIM) Definition Standards on Mineral Resources and Mineral Reserves as required by NI 43-101 - Standards of Disclosure for Mineral Projects. A Qualified Person has done sufficient work to classify these resources estimates to current mineral resources prepared in accordance with NI 43-101.

The basis of the estimation of the Mineral Resources include the following;

- 1. The drill hole sampling has provided a reasonably representative set of samples of the gold mineralization in each case.*
- 2. Multiple indicator kriging (MIK) is an appropriate method for estimating the mineral resources in these deposits.*
- 3. There are no known legal, political, environmental or other risks that could materially affect the potential development of the Touquoy, Beaver Dam, or Cochrane Hill mineral resources .*

The independent qualified persons responsible for preparing the Preliminary Economic Assessment are; Neil Schofield MS – Applied Earth Sciences, MAusIMM, MAIG, and Marc Schulte, P.Eng. of MMTS, and John Thomas, P.Eng. of JAT Metconsult Ltd., all of whom act as independent consultants to the Company, are Qualified Persons as defined by National Instrument 43-101 ("NI 43-101") and have reviewed and approved the contents of this news release.

The Mineral Resources for Beaver Dam, which are included in the table above, have been reduced by approximately 30,000 ounces since they were disclosed in the Company's press release dated September 2, 2014. The impact of the adjustment has resulted in non material reductions in both grade and tonnage resulting in a decrease in Measured and Indicated Resources at Beaver Dam of approximately 4% and a reduction in Inferred Resources of

approximately 13% compared to the September 2, 2014 release. The change was a result of a re-interpretation of the contact between glacial till and the underlying bedrock material. The Company does not consider these reductions to be material to Beaver Dam nor material when aggregated with the resources of Touquoy in the Base Case and with Touquoy and Cochrane Hill in the Base Plus Cochrane case. The majority of the reduction is in Inferred Resources.

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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 transactions contemplated in this news release and the timing and receipt of requisite regulatory, court and shareholder 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, certain transactions, the successful completion of the transaction, the timing and receipt of certain approvals, changes in commodity and power prices, changes in interest and currency exchange rates, risks inherent in exploration 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) the receipt of necessary consents and approvals and satisfaction of all conditions precedent for the closing of the transaction in a timely manner; (2) market fundamentals will result in sustained gold demand and prices; (3) the receipt of any necessary approvals and consents in connection with the development of any properties; (4) the availability of financing on suitable terms for the development, construction and continued operation of any mineral properties; and (5) 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, 2013 and the quarter ended June 30, 2014 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.