

Atlantic Gold NL¹: Exploration for Touquoy-style Gold Deposits in Nova Scotia

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Atlantic Gold aims to develop open pit gold deposits in Nova Scotia, the Touquoy Gold Project being the starting point. The extensive goldfields of Nova Scotia have never before been systematically approached in this way. The company's skills are derived from 15 years of such work in Western Australia, where its principals, as executives and directors of the highly successful Plutonic Resources Limited, discovered more than 11 million ounces of gold and operated up to five gold mines. The company principals have considerable previous experience in exploration in Atlantic Canada.

The target at Touquoy is to develop a project with a minimum 1.5 million tonne per annum throughput and a 6 year minimum mine life to produce approximately 90,000 ounces of gold per year. Atlantic Gold holds a 60% interest in the Touquoy Gold Project. It receives 100% of cashflow from Touquoy until all development, pre-production and exploration expenses, charges and fees - capital or otherwise - are recouped, following which it returns 60% share of profits. An additional 15% interest can be acquired in the property outside the general area of the known resource by securing project financing.

In addition to developing the Touquoy Gold Project, Atlantic Gold is undertaking extensive exploration, both regional and near-mine, to build its resource base. The company believes the area is highly prospective for additional Touquoy-style deposits. Atlantic Gold's recent involvement in, and upgrade of, the advanced Cochrane Hill property reflects this strategy, to the extent that the company now has over 1 million ounces of gold resources under its control in the Touquoy district.

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