

TORONTO, April 2, 2015 /CNW/ - [Atlanta Gold Inc.](#) (TSXV: ATG; OTCQX: ATLDF) announces that it has reached agreement with Concept Capital Management Ltd. ("CCM"), the holder of the Company's C\$3 million 6% convertible debenture due December 15, 2016, to refinance the debenture. CCM had previously requested that the debenture be redeemed by the Company in accordance with the debenture's early redemption provisions.

Under the terms of the refinancing agreement, principal and accrued interest on the debenture totaling C\$3,250,000 will be satisfied by the issuance to CCM of a new convertible debenture in the principal amount of C\$1,500,000 and the issuance to CCM of the Company's senior secured notes ("Notes") in the principal amount of US\$1,500,000. The new debenture will bear interest of 10% per annum and mature April 1, 2018. The new debenture will be convertible at CCM's option following completion by the Company of a one-for-ten consolidation of its common shares at a conversion price equal to the lesser of C\$0.17, and the 30-trading day average of the closing prices immediately following the commencement of trading of the Company's shares on the TSX Venture Exchange on a consolidated basis, provided that the conversion price will not be less than C\$0.10 per share.

The Notes to be issued to CCM pursuant to the refinancing will have the same terms and conditions as the Company's outstanding US\$4 million principal amount Notes, which were issued in August 2013. The Notes bear interest at 10% per annum and are secured by the limited recourse guarantee of the Company's subsidiary, Atlanta Gold Corporation ("AGC"), and by a first mortgage of AGC's interest in its Atlanta Project. The maturity date of the outstanding Notes will be extended by one year to August 31, 2018 and all of the Notes will be repayable in cash installments at the rate of 25%, 35% and 40% on August 31st of 2016, 2017 and 2018, respectively. CCM will also receive an option exercisable until August 31, 2018 to purchase an aggregate of 1,567.5 troy ounces of gold at US\$1,100 per ounce (being 104.5 troy ounces for each US\$100,000 principal amount Notes), with the option vesting at the rate of 25%, 35% and 40% on August 31, 2016, 2017 and 2018, respectively. The Company's outstanding gold options previously issued with the Notes in August 2013 will be amended to have the same terms and conditions as the gold options being issued to CCM.

A 2% refinancing fee will be paid by the Company in connection with the transactions.

Completion of the refinancing transactions is subject to the approval of the TSX Venture Exchange and the holders of a majority of the outstanding Notes. Completion of the share consolidation will, and the issuance of the new debenture may, be subject to shareholder approval, which will be sought at the Company's annual and special meeting of shareholders expected to be held in June 2015.

The Notes and the new debenture, as well as the common shares issuable on the conversion thereof, will be subject to a four-month statutory hold period.

About the Company

[Atlanta Gold Inc.](#) holds through its 100% owned subsidiary, Atlanta Gold Corporation, leases, options or ownership interests in its Atlanta properties which comprise approximately 2,159 acres (8.74 square kilometres) located 90 air kilometers east of Boise, in Elmore County, Idaho. A long history of mining makes Atlanta very suitable for development of new mining projects. The Company is focused on advancing its core asset, Atlanta, towards mine development and production.

Forward-Looking Information

This news release contains forward-looking information and forward-looking statements (collectively "forward-looking statements") within the meaning of applicable securities laws with respect to the issuance of the Notes and the new debenture, the amendment of the Notes and the gold options and the completion of the common share consolidation. Such are based upon various assumptions and other factors that management believes to be reasonable, including that the Company will receive the requisite approvals of the Exchange, its Noteholders and its shareholders and will enter into definitive documentation and complete the transaction in a timely manner. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results to differ materially from those expressed or implied by the forward-looking statements. Risks and uncertainties that may cause actual results to vary include the receipt of requisite approvals from the Exchange, the Noteholders and shareholders on a timely basis; fluctuations in the gold price and currency exchange rates; changes in general economic conditions and in the financial markets; as well as other risks and uncertainties which are more fully described in the Company's annual and interim management's discussion and analysis and other filings by the Company with the securities regulatory authorities, which are available under the Company's profile at [www.sedar.com](#). Should one or more risks and uncertainties materialize or should any assumptions prove incorrect, then actual results could vary materially from those expressed or implied by the forward-looking statements and accordingly, readers should not place undue reliance on the forward-looking statements. Readers are cautioned that the foregoing lists of risks, uncertainties, assumptions and other factors are not exhaustive. The forward-looking statements contained herein are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements contained herein or in any other documents filed with securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

To receive Company news via email, contact info@atgoldinc.com and mention "Atlanta Gold News" in the subject line.

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