

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Aug 31, 2016) - [Atlantic Gold Corp.](#) (TSX VENTURE:AGB) ("Atlantic" or the "Company") is pleased to provide a construction progress update for its Moose River Consolidated Project ("MRC Project"), one of Canada's few construction stage, permitted, financed, open pit gold projects. A feasibility study released in early July of 2015 demonstrated that the MRC project will produce 87,000 oz. gold / year on average for a minimum of 8.5 years at an all-in sustaining costs of C\$690/oz. with post-tax NPV5 C\$168 million, and IRR 30% (@US\$1,200 Au and \$0.80 CAD/USD) please see news release dated July 2, 2015.

As announced on June 3, 2016, the Company engaged in clearing and mulching activities in April and May 2016 at the MRC Project site in order to facilitate earthmoving activities, to prepare the site for commencement of construction of the Touquoy plant and related infrastructure. This site preparation was completed on schedule.

Touquoy Project Construction Update

A link to construction photos can be viewed by clicking the following link:

<http://www.atlanticgoldcorporation.com/projects/gallery/>

Mine

The majority of the Company's mining fleet has been delivered and includes CAT 775 trucks, dozers, wheel dozers and excavators, all of which are now in operation.

Special groundwater monitoring equipment is in place and allows for the ongoing development of a borrow pit within the planned ultimate open pit. The borrow pit is required for production of run of mine waste rock and crushed rock required for road building and sheeting the plant site. The first blast took place on July 29th and to date approximately 135,000 tonnes of rock has been broken with 35,000 tonnes crushed to provide construction material. Some 6,000 tonnes were used to sheet the plant site. All supervisory staff have been hired in addition to a number of operators sufficient for operating on two 12 hour shifts per day 7 days per week.

Plant

As noted above, plant site preparation including clearing and earthworks was completed using a local contractor. First concrete has been poured for the ball mill and leach tank foundations. Access roads are 85% completed with the exception of road crossings.

Tailings Management Facility

Clearing of the periphery of the Tailings Management Facility has been completed. The excavation of the grouting trenches have been completed with approximately 500m pressure washed and ready for grouting.

The haul road from the pit to the TMF is being constructed using run of mine waste rock from the borrow pit thus making it now possible for Atlantic's haul trucks to transport rock from the borrow pit and clay from the east end of the production pit to the TMF.

Environmental and Permitting

The majority of the plant site drainage system is complete and some 4.5 hectares of stockpiles and slopes have been hydro-seeded. Inspections of sediment and erosion control measures occur weekly by the Manager of Environment and Community Relations, and more frequently by site staff.

Receipt of wetland and watercourse alteration approvals were received from NSE on July 28th. There are three approvals: Watercourse alterations as per March 2016 application, wetland alterations as per March 2016 application and wetland alterations associated with the western diversion road. These approvals include specific conditions which are standard and agreed by the Company, including the adherence to the Wetland Compensation Plan as defined in the July 2015 Feasibility Study.

Social

The Community Liaison Committee (CLC) last met on June 23. An increase in membership to include members from other

communities and First Nations groups was agreed upon. Invitations to apply have been sent out. The Terms of Reference for the CLC is being revised and full review will be completed by the expanded membership at the next CLC meeting scheduled for September 8, 2016.

Engagement of the Mi'kmaq of NS is ongoing via the KMKNO who represents the Assembly of Mi'kmaq Chiefs on Nova Scotia and the two nearest Mi'kmaq communities of Sipekne'katik and Millbrook.

John Thomas, P.Eng., VP Projects to the Company and a Qualified Person as defined by National Instrument 43-101 ("NI 43-101") has reviewed and approved the contents of this news release.

Further updates will be provided in due course.

On behalf of the Board of Directors,

Steven Dean, Chairman and Chief Executive Officer

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 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, 2015 and for the quarter ended June 30, 2016 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.

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