Atlantic Gold Corp. Announces Completion of Strategic Investment in Velocity Minerals Ltd.

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VANCOUVER, March 14, 2019 - Atlantic Gold Corp. (TSX-V: AGB) ("Atlantic" or the "Company") is pleased to announce that the Company, through a wholly owned subsidiary, has completed its $9,000,000 strategic investment in Velocity Minerals Ltd. (TSX-V: VLC) ("Velocity") by way of a non-brokered private placement (the "Financing") pursuant to an agreement between Atlantic, Atlantic's subsidiary and Velocity, as originally announced on January 17, 2019.

Pursuant to the Financing, Atlantic subscribed for i) 18,600,000 units of Velocity (the "Units") issued at a price of $0.21 per Unit, for $3,906,000 and ii) $5,094,000 principal amount of secured convertible debentures of Velocity (the "Convertible Debentures"), for total consideration of $9,000,000.

Each Unit consists of one common share in the capital of Velocity ("Common Share") and one half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant is exercisable for an additional Common Share until three years from the date of issuance at an exercise price of $0.25 per Common Share. The Convertible Debentures will earn interest at a rate of 8.5% per annum over a 60-month term (the "Term"), payable semi-annually in cash or Common Shares at the discretion of Velocity. The principal amount of the Convertible Debentures will be convertible to Common Shares during the Term at the election of Atlantic at a conversion price of $0.25. The Convertible Debentures will be secured with a first ranking charge at any time by way of a general security agreement and guarantee from the material subsidiary of Velocity.

Early Warning Disclosure

Prior to the closing of the Financing, Atlantic did not own or have control or direction over any securities of Velocity. Following the closing of the Financing, Atlantic beneficially owns and has control and direction over an aggregate of 18,600,000 Common Shares, representing approximately 19.8% of the issued and outstanding Common Shares of Velocity. Assuming conversion of both the Convertible Debentures and the exercise of the Warrants, Atlantic would own and have control and direction over 48,276,000 Common Shares, representing 39.1% of the issued and outstanding Common Shares of Velocity on a partially diluted basis.

Atlantic completed the Financing for investment purposes. Atlantic will review its holdings in Velocity on a continuing basis and may from time to time and at any time, in its sole discretion, acquire or cause to be acquired additional equity or debt securities or other instruments of Velocity, or dispose or cause to be disposed such equity or debt securities or instruments, through open market transactions, private placements by Velocity and other privately negotiated transactions, or otherwise, in each case in accordance with Atlantic's obligations to Velocity pursuant to the Investment Agreement and with applicable securities laws.

Atlantic has the right to designate one individual to be nominated and, if elected, to serve as a director of Velocity provided Atlantic holds at least 15% of the issued and outstanding Common Shares, with the number of nominees increasing to two directors if Atlantic holds 30% or more of the issued and outstanding Common Shares. If the size of the board of directors of Velocity is increased or decreased from the current four directors, Atlantic's nomination rights will be adjusted in accordance with the provisions of the Investment Agreement.

To obtain a copy of the early warning report filed under applicable Canadian securities laws in connection with the subscription for Units and Convertible Debentures above, please see Velocity's profile on the SEDAR website www.sedar.com.

On behalf of the Board of Directors,

Steven Dea
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.

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 is focused on growing gold production in Nova Scotia beginning with its MRC phase one open-pit gold mine which declared commercial production in March 2018, and its phase two Life of Mine Expansion at industry lowest decile cash and all-in-sustaining-costs (as stated in the Company's news releases dated January 16, 2019 and January 29, 2018).

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 the Financing, including Atlantic's future shareholdings in Velocity and its investment decisions; 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 approvals in respect thereof. Forward looking information, including future oriented financial information (such as guidance) provides investors an improved ability to evaluate the underlying performance of the Company. 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, 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, 2018 on the Company's SEDAR profile 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.

Canadian dollars unless otherwise noted

SOURCE Atlantic Gold Corp.

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