ATLANTA GOLD INC.

(a development stage company)

Interim Report - First Quarter

March 31, 2009

The Company's independent auditors have not reviewed these financial statements.

These interim consolidated financial statements should be read in conjunction with the most recent audited annual consolidated financial statements included in the 2008 Annual Report.

ATLANTA GOLD INC.

(a development stage company)

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Consolidated balance sheets

(Canadian dollars) (unaudited)

	As At March 31 2009	As At December 31 2008
	$	$
Assets		
Current assets		
Cash and cash equivalents	468,438	418,097
Receivables	48,155	35,655
Prepaid expenses	68,662	86,971
	585,255	540,723
Mineral properties *(note 4)*	33,615,591	33,244,068
Property, plant and equipment *(note 5)*	572,157	623,466
Total assets	34,773,003	34,408,257
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	301,881	510,704
Future income tax liability	4,438,707	4,373,597
	4,740,588	4,884,301
Shareholders' equity		
Capital stock	75,221,136	74,496,463
Warrants *(note 6(a))*	332,554	219,677
Contributed surplus	5,171,303	4,793,273
	80,724,993	79,509,413
Accumulated deficit	(50,692,578)	(49,985,457)
	30,032,415	29,523,956
Total liabilities and shareholders' equity	34,773,003	34,408,257

Nature of operations and going concern (note 1)

Contingencies and commitments (note 10)

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Consolidated statements of loss, comprehensive loss and deficit

(Canadian dollars) (unaudited)

	Cumulative, since Inception (March 6, 1985) to 31-Mar-09	**Three months ended March 31**	
		2009	**2008**
	$	$	$
Interest and other income	***1,917,935***	1,728	23,502
General and administrative expenses :			
Salaries and management fees	***7,034,929***	105,390	123,078
Stock based compensation *(note 7)*	***1,952,690***	325,213	217,160
Professional fees	***4,619,454***	109,265	105,912
Investor relations	***2,194,527***	53,334	66,723
Travel	***832,688***	4,550	16,051
Interest	***328,790***	-	13,788
Foreign exchange loss (gain)	***146,150***	13,137	6,475
Administrative and office	***4,189,258***	29,073	56,595
Amortization	***162,057***	2,025	1,956
	21,460,543	641,987	607,738
Future income tax expense (recovery)	***1,404,534***	65,110	-
Mineral property costs and impairments	***29,745,436***	1,752	184,639
	52,610,513	708,849	792,377
Loss and comprehensive loss for the period	***50,692,578***	707,121	768,875
Accumulated deficit, beginning of period	-	49,985,457	48,549,961
Accumulated deficit, end of period	***50,692,578***	50,692,578	49,318,836
Weighted average number of consolidated shares outstanding		54,820,376	27,457,996
Loss per share		0.01	0.03

Nature of operations and going concern (note 1)

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Consolidated statements of cash flow

(Canadian dollars) (unaudited)

	Cumulative, since Inception (March 6, 1985) to 31-Mar-09	Three months ended March 31 2009	2008
CASH FLOW FROM (USED FOR):	$	$	$
Operating activities			
(Loss) earnings for the period	(50,692,578)	(707,121)	(768,875)
Add (deduct) items not involving cash:			
Amortization	162,057	2,025	1,956
Mineral property cost written off	29,548,753	-	-
Future income tax expense	1,404,534	65,110	-
Stock-based compensation expense (note 7)	1,952,690	325,213	217,160
Increase in non-cash working capital	185,064	(203,014)	(1,148,112)
	(17,439,480)	(517,787)	(1,697,871)
Financing activities			
Issuance of common shares, net of share issue costs	68,580,481	837,550	4,931,021
Issuance of flow through shares, net of share issue costs	12,853,631	-	-
	81,434,112	837,550	4,931,021
Investing activities			
Fixed asset additions	(1,141,718)	-	-
Mineral property expenditures	(62,384,476)	(269,422)	(580,700)
	(63,526,194)	(269,422)	(580,700)
Increase in cash and cash equivalents	468,438	50,341	2,652,450
Cash and cash equivalents, beginning of period	-	418,097	245,856
Cash and cash equivalents, end of period	***468,438***	***468,438***	***2,898,306***

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Consolidated statements of shareholders' equity

(Canadian dollars) (unaudited)

	Shares issued and subscribed			Contributed		
	Number of shares	Ascribed value	Warrants value	Surplus value	Accumulated deficit	Total
		$	$	$	$	$
Balance, December 31, 2006	14,890,700	63,500,087	103,645	4,138,764	(36,831,649)	30,910,847
Issue additional shares after consolidation	11	-				
Issue shares for cash, at $0.90 per share,				-		
net of share issue costs	3,722,000	3,134,951				3,134,951
Issue shares for accounts payable at $0.39 per share,						
net of share issue costs	153,846	58,500				58,500
Issuance of shares for accounts payable at $0.39715 per						
shares, net of share issue costs	360,000	139,287				139,287
Issue shares for settlement with former officer, at $0.40 per						
share, net of share issue costs	600,000	236,137				236,137
Share issue costs in respect of CEE renounced in prior years	-	(67,933)				(67,933)
Stock-based compensation (note 7)				6,075		6,075
Warrants expiring unexercised			(83,780)	83,780		
Loss and comprehensive loss for the year					(11,718,312)	(11,718,312)
Balance, December 31, 2007	19,726,557	67,001,029	19,865	4,228,619	(48,549,961)	22,699,552
Issue shares for cash at $0.61 per share,						
net of share issue costs (note 6(b))	9,180,062	5,482,893				5,482,893
Issue shares for cash at $0.10 per share,						
net of share issue costs (note 6(b))	16,324,000	1,395,067	219,677			1,614,744
Issue shares for cash at $0.63 per share,						
on exercise of options (note 6(c))	220,000	216,920		(78,320)		138,600
Issue shares for accounts payable at $0.70 per						
shares, net of share issue costs (note 6(b))	310,029	214,354				214,354
Issue shares for accounts payable at $0.71 per						
shares, net of share issue costs (note 6(b))	70,422	45,424				45,424
Issue shares for accounts payable at $0.12 per						
shares, net of share issue costs (note 6(b))	1,000,000	117,814				117,814
Issue shares for property at $0.598 per share,						
net of share issue costs (note 4(d) and 6(b))	41,806	22,962				22,962
Stock-based compensation (note 7)				623,109		623,109
Warrants expiring unexercised			(19,865)	19,865		-
Loss and comprehensive loss for the period					(1,435,496)	(1,435,496)
Balance, December 31, 2008	46,872,876	74,496,463	219,677	4,793,273	(49,985,457)	29,523,956
Issue shares for cash at $0.10 per share,						
net of share issue costs (note 6(b))	8,676,000	724,673	112,877			837,550
Stock-based compensation (note 7)				378,030		378,030
Loss and comprehensive loss for the year					(707,121)	(707,121)
Balance, March 31, 2009	***55,548,876***	***75,221,136***	***332,554***	***5,171,303***	***(50,692,578)***	***30,032,415***

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Notes to the Interim Consolidated Financial Statements

(Canadian dollars) (unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company's primary property is its Atlanta Gold Property ("Atlanta"), located in Idaho, U.S.A. Atlanta is in the development phase currently awaiting the beginning of mine construction. During the development phase, ongoing exploration continues to increase its mineral inventory. The Company also staked the Rocky Bar gold property ("Rocky Bar"), located southwest of Atlanta in Idaho. Rocky Bar is in the exploration stage. The Company's other properties have been written off, including diamond properties located on Baffin Island and in Northern Québec and its Québec gold properties, which are in the exploration phase. No further work is planned in these areas. The Company's Quebec gold properties under option from Breakwater Resources Ltd. have been farmed out to others who are focused on exploration and development in this area. The success of their efforts could potentially yield positive results for the Company through earned working interests and retained royalty interests. To date, the Company has not earned significant revenues and is not considered to be in operation.

The recoverability of exploration and development expenditures is dependent upon the discovery of economically recoverable reserves, the preservation of the Company's interest in the underlying mineral claims, the ability to obtain necessary financing, obtain government approval and attain profitable production, or alternatively, upon the Company's ability to dispose of its interest on an advantageous basis. Changes in future conditions could require material write-downs of the carrying amounts of deferred exploration expenditures.

As at March 31, 2009, the Company has an excess of current assets over current liabilities of $283,374 and has recorded a first quarter loss of $707,121. Management continues to explore financing alternatives to raise capital. It is not possible to determine with any certainty, the success or adequacy of these initiatives.

The financial statements of the Company have been prepared on the basis that the Company will continue as a going concern, which presumes that it will be able to realize its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim consolidated financial statements have been prepared by Company's management in accordance with Canadian generally accepted accounting principles ("GAAP"). The consolidated financial statements do not include all the information and disclosure required by Canadian GAAP for annual financial statements. In the opinion of management, all adjustments considered necessary for fair and consistent presentation of these interim financial statements have been included. The accounting policies and their methods of application are consistent with those used in the December 31, 2008 consolidated financial statements, except as disclosed herein. For further information, see the Company's consolidated financial statements and the accompanying notes included in the 2008 Annual Report. Results for the quarter ended March 31, 2009 are not necessarily an indication of the results that may be expected for the full fiscal year ended December 31, 2009.

a) In March 2009, the CICA issued an EIC Abstract on Impairment Testing of Mineral Exploration Properties, EIC-174. This Abstract discusses the analysis recommended to be performed to determine if there has been an impairment of mineral exploration properties. The Company considered the recommendations discussed in this Abstract effective for fiscal periods beginning January 1, 2009 when testing for impairment of mineral properties in the period and no impairment adjustments were required.

3. CAPITAL MANAGEMENT

The Company's objective when managing capital is to maintain the confidence of shareholders and investors in the implementation of its business plans by: (i) maintaining sufficient levels of liquidity to fund and support its exploration and development stage properties and other corporate activities, and (ii) maintaining a strong balance sheet, to ensure ready access to debt and equity markets, to facilitate the development of major projects. Management monitors its financial position on an ongoing basis.

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4. MINERAL PROPERTIES

(Canadian dollars) (unaudited)

	Cumulative, since Inception (March 6, 1985) to 31-Mar-09	As At March 31 2009	As At December 31 2008
	$	$	$
Atlanta Gold Property (note 4(a))			
Balance, beginning of period	-	33,100,045	29,386,255
Drilling, analysis, investigations and design	27,081,547	269,422	3,379,513
Project administration and general	3,705,468	102,101	214,277
Property acquisition and holding costs	3,398,067	-	120,000
Costs recovered during the year	(713,514)	-	-
Total expenditures during the period	33,471,568	371,523	3,713,790
Balance, end of period	33,471,568	33,471,568	33,100,045
Rocky Bar Gold Property			
Balance, beginning of period	-	144,023	-
Drilling, assays and related field work	26,143	-	26,143
Project administration and general	117,880	-	117,880
Total expenditures during the period	144,023	-	144,023
Balance, end of period	144,023	144,023	144,023
Brodeur Diamond Property (note 4(b))			
Balance, beginning of period	-	-	-
Drilling, assays and related field work	10,910,156	-	-
Project administration and general	448,338	-	-
Property acquisition and holding costs	1,183,200	-	-
Property costs written off	(12,541,694)	-	-
Total expenditures during the period	-	-	-
Balance, end of period	-	-	-
Abitibi Gold Property (note 4(c))			
Balance, beginning of period	-	-	-
Drilling, assays and related field work	2,015,637	-	-
Project administration and general	26,506	-	-
Property acquisition and holding costs	75,000	-	-
Costs recovered during the year	(671,765)	-	-
Property costs written off	(1,445,378)	-	-
Total expenditures during the period	-	-	-
Balance, end of period	-	-	-
	33,615,591	33,615,591	33,244,068

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a) *Atlanta Gold Property ("Atlanta")*

The Company holds a 100% interest in patented mining lands and unpatented mining claims , and is expected to pay the following in 2009:

i) Pursuant to an agreement with Monarch Greenback, LLC (“Monarch”), the Company deferred acquiring Monarch’s surface and mineral rights for $2,7875,000 until April 30, 2011, by paying Monarch a one time annual payment of US$50,000 and twenty-four monthly payments of US$20,000, effective May 1, 2009.

ii) Annual payment of $10,000 due in May 2009 to a lessor as an annual advance royalty payment in respect of some of the patented lands;

iii) Approximately $67,000 due in August 2009 to the Idaho Bureau of Land Management for annual maintenance fees on the unpatented mining claims; and

iv) Payments totalling $45,000 due in the fourth quarter of 2009 to four lessors as annual advance royalty payments in respect of some of the patented lands plus accrued interest of 5% per year on $64,500. The final payment of $29,500 will be paid in December 2010.

b) *Brodeur Diamond Property ("Brodeur")*

In December 2008, the Company terminated the Helix Agreement, ending the Company’s rights in respect of the surviving claims under the Helix Agreement. The Company continues to hold several mineral claims on Brodeur.

c) *Abitibi Gold Property ("Abitibi")*

In September 2008, Breakwater Resources Inc. ("Breakwater"), the Company and Niogold Mining Corp. ("Niogold") entered into an agreement extending the exercise period of the option to September 1, 2009. Under the terms of this agreement, Niogold paid $25,000 to Breakwater and agreed to incur up to $1.2 million in expenditures on the Malartic claims by September 1, 2009 to exercise the option, and the Company issued 41,806 common shares to Breakwater in October 2008. Upon Niogold incurring the expenditures, the Company will earn a 60% interest on the portion of the property comprised of the Normar and Mouskor claims.

5. PROPERTY, PLANT AND EQUIPMENT

	March 31, 2009			December 31, 2008		
	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
	$	$	$	$	$	$
Office furniture and equipment	155,401	150,495	4,906	155,401	148,470	6,931
Vehicles and field equipment	980,453	413,202	567,251	980,453	363,918	616,535
	1,135,854	563,697	572,157	1,135,854	512,388	623,466

6. CAPITAL STOCK, WARRANTS, AND CONTRIBUTED SURPLUS

a) Authorized share capital, warrants and stock options

As at March 31, 2009, the Company had 55,548,876 common shares outstanding, stock options to purchase 4,116,668 additional common shares at exercise prices ranging from $0.32 to $4.28 and warrants to purchase 12,500,000 additional common shares at an exercise price per share of $0.25. Stock options expire between November 2009 and February 2014. Warrants expire between December 2010 and February 2011, but can expire earlier at the Company's election, if the Company's share price exceeds $0.50 for 20 consecutive trading days or more.

Details of the stock options, and share purchase warrants issued, exercised, forfeited and expired since December 31, 2006 are as follows:

	Share purchase warrants			*Stock options*	
	No. of shares	*Weighted average price $*	*Fair market value of warrants $*	*No. of shares*	*Weighted average price $*
Balance, December 31, 2006	393,525	0.20	103,645	363,333	4.05
Securities issued	-	-	-	10,000	0.90
Securities cancelled	-	-	-	(120,000)	3.62
Securities expired	(329,080)	0.24	(83,780)	(46,667)	9.16

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Balance, December 31, 2007	64,445	3.45	19,865	206,667	2.90
Securities issued	8,162,000	0.25	219,677	2,100,000	0.63
Securities cancelled	-	-	-	(36,666)	2.35
Securities exercised	-	-	-	(220,000)	0.63
Securities expired	(64,445)	3.45	(19,865)	(33,333)	6.00
Balance, December 31, 2008	8,162,000	0.25	219,677	2,016,668	0.74
Securities issued	4,338,000	0.25	112,877	2,350,000	0.32
Securities cancelled	-	-	-	(250,000)	0.63
Balance, March 31, 2009	12,500,000	0.25	332,554	4,116,668	0.51

6. CAPITAL STOCK, WARRANTS, AND CONTRIBUTED SURPLUS (continued)

a) Authorized share capital, warrants and stock options (continued)

The weighted-average remaining contractual life of all stock options outstanding is 53 months as follows:

Expiry date	*No. of shares*	*Exercise price $*
November 24, 2009	13,334	4.28
February 11, 2010	20,000	3.30
June 30, 2010	6,667	2.70
February 13, 2011	13,334	2.85
June 28, 2011	10,000	1.80
September 28, 2011	50,000	1.65
November 6, 2011	13,333	1.50
December 11, 2011	10,000	1.35
February 28, 2013	1,630,000	0.63
February 11, 2014	2,350,000	0.32
	4,116,668	

b) Capital stock offering

In January 2009 and February 2009, the Company issued 8,676,000 common share units by private placement at $0.10 per share for gross proceeds of $867,600. Each unit comprised of one common share and one-half share purchase warrant ("Warrant") exercisable at $0.25 per share for a period up to 24 months. Share issue costs in respect of thi offering was $30,050, and included a cash finder's fees of $7,000. The fair value of the Warrants of $112,877 was calculated based on the Black Scholes option pricing model.

7. STOCK BASED COMPENSATION

The Company issues stock options to employees, officers, directors and consultants to the Company. In February 2008, the Company granted options to purchase 2,050,000 shares at $0.63 per share exercisable until February 28, 2013, including 250,000 stock options which were cancelled in January 2009, resulting in a total fair market value of $654,800, as follows: a) 500,000 options granted to directors; b) 40% of the remaining 1,550,000 options vested at the date of grant; and c) 30% vest one year from date of grant; and 30% vests two years from the date of grant. During the first three months of 2009, $22,361 was expensed and $7,009 was capitalized.

In September 2008, the Company granted 50,000 options to a new employee exercisable at $0.67 per share until September 2013 and vesting until September 2010 on the same basis as those options granted in February 2008. The fair market value of these options granted is $17,800.

In February 2009, the Company granted options to purchase 2,350,000 shares at $0.32 per share exercisable until February 11, 2014, including 575,000 options granted to employees in Atlanta, resulting in a total fair market value of $541,800 for the stock options granted. 600,000 options granted to directors and 40% of the other 1,750,000 options vested at the date of grant; 30% vest one year from date of grant; and 30% vests two years from date of grant. During the first three months of 2009, $302,852 was expensed and $45,808 was capitalized.

The remaining fair market value will be recorded as stock-based compensation as follows:

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In 2009, $259,440 will be expensed and $48,761 will be capitalized for the remainder of year; and
In 2010, $57,114 will be expensed and $7,411 will be capitalized during the year.

The fair value of all stock options granted since 2004 has been estimated at the date of grant using the Black-Scholes option pricing model. The current year's valuation was calculated with the following assumptions: weighted-average risk free interest rate of 1.21%, expected volatility of the market price of the Company's common stock of 95%; and weighted average expected life of the options of 5 years.

8. SEGMENTED INFORMATION

The Company operates in two geographical segments: Canada and United States.

The comparative interest and other income and loss incurred for the three months ended March 31, 2009 and 2008, and the assets identifiable to those segments as at the most recent annual fiscal year ended are as follows:

	Canada	**USA**	**Total**
	$	$	$
Three months ended March 31, 2009			
Interest and other income	1,728	-	1,728
Stock-based compensation	325,213	52,817	378,030
Loss and comprehensive loss for the period	707,121	-	707,121
Identifiable assets	528,471	34,244,532	34,773,003
Balance, December 31, 2008			
Identifiable assets	500,352	33,907,905	34,408,257
Three months ended March 31, 2008			
Interest and other income	23,502	-	23,502
Stock-based compensation	217,160	74,760	291,920
Loss and comprehensive loss for the period	767,780	1,095	768,875
Identifiable assets	3,747,144	30,307,141	34,054,285

9. RELATED PARTY TRANSACTIONS

During the first quarter of 2009, the Company paid $31,600 (2008 - $92,500) in respect of management fees to an officer of the Company.

10. CONTINGENCIES AND COMMITMENTS

The Company has operating lease commitments in respect of its office equipment until May 2013 approximately as follows:

2009	$	3,000
2010	$	4,000
2011	$	4,000
2012	$	4,000
2013	$	1,000

11. COMPARATIVE FIGURES

Certain comparative figures may have been reclassified to conform with the presentation adopted in the current period.