

# ATLANTA GOLD INC.

(an exploration stage company)

## INTERIM CONSOLIDATED BALANCE SHEETS

(unaudited)

	March 31 2011 \$	December 31 2010 \$	January 1 2010 \$
<i>(in U.S. dollars)</i>			
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	1,759,475	2,779,772	1,406,916
Marketable securities	32,789	28,644	25,251
Recoverable taxes	136,377	102,937	38,624
Prepaid expenses	84,220	105,670	82,260
	<u>2,012,861</u>	<u>3,017,023</u>	<u>1,553,051</u>
Exploration and evaluation asset <i>(note 6)</i>	35,534,561	34,904,169	30,208,915
Property, plant and equipment <i>(note 5)</i>	<u>1,298,790</u>	<u>1,347,374</u>	<u>490,688</u>
	<b><u>38,846,212</u></b>	<b><u>39,268,566</u></b>	<b><u>32,252,654</u></b>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable and accrued liabilities	312,376	354,839	153,341
Non-current liabilities			
Deferred income taxes	<u>1,981,294</u>	<u>1,981,294</u>	<u>1,456,503</u>
	<u>2,293,670</u>	<u>2,336,133</u>	<u>1,609,844</u>
<b>EQUITY</b>			
Capital stock	85,015,716	85,015,716	79,303,843
Warrants <i>(note 7(b))</i>	2,438,193	2,651,674	539,658
Contributed surplus <i>(note 7(c))</i>	6,253,477	6,001,498	5,384,410
Accumulated deficit	<u>(57,154,844)</u>	<u>(56,736,455)</u>	<u>(54,585,101)</u>
	<u>36,552,542</u>	<u>36,932,433</u>	<u>30,642,810</u>
	<b><u>38,846,212</u></b>	<b><u>39,268,566</u></b>	<b><u>32,252,654</u></b>

*Nature of operations and going concern (note 1)*

*Subsequent Events and Contingency (note 9)*

*The accompanying notes are an integral part of these interim consolidated financial statements*

# ATLANTA GOLD INC.

(an exploration stage company)

## INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

For the three months ended March 31, 2011 and 2010

(unaudited)

(in U.S. dollars)	For the three months ended	
	March 31 2011 \$	March 31 2010 \$
<b>General and administrative expenses</b>		
Salaries and management fees (note 8)	119,349	59,218
Stock-based compensation (note 7(c))	27,383	66,524
Professional fees	109,147	89,586
Investor relations	124,521	47,182
Travel	14,005	4,211
Loss from foreign currency transactions	-	14,669
Administrative and office	24,566	24,191
Amortization	-	2,025
	<u>418,971</u>	<u>307,606</u>
<b>Exploration and evaluation expense</b>	<u>4,692</u>	<u>3,288</u>
	423,663	310,894
<b>Finance items</b>		
Interest and other income	(1,129)	(4,504)
Unrealized (gain) loss on marketable securities securities	(4,145)	3,392
<b>Net loss and comprehensive loss for the three months</b>	<u><b>418,389</b></u>	<u><b>309,782</b></u>
Weighted average number of consolidated shares outstanding	144,858,934	94,206,507
<b>Net loss per share - basic and diluted</b>	0.00	0.00

Nature of operations and going concern (note 1)

The accompanying notes are an integral part of these interim consolidated financial statements

# ATLANTA GOLD INC.

(an exploration stage company)

## INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW

For the three months ended March 31, 2011 and 2010

(unaudited)

(in U.S. dollars)	For the three months ended	
	March 31 2011	March 31 2010
	\$	\$
<b>Cash Flow provided by (used in)</b>		
<b>Operating activities</b>		
Net loss and comprehensive loss for the three months	(418,389)	(309,782)
Add (deduct) items not involving cash:		
Amortization	-	2,025
Stock-based compensation expense	27,383	66,524
Unrealized gain on fair value marketable securities	(4,145)	3,392
Net change in non-cash working capital	(58,598)	58,519
<b>Net cash from (used in) operating activities</b>	<b>(453,749)</b>	<b>(179,322)</b>
<b>Financing activities</b>		
Issuance of common shares:		
<i>net of issue cost</i>	-	(19,662)
<b>Net cash from (used in) financing activities</b>	<b>-</b>	<b>(19,662)</b>
<b>Investing activities</b>		
Exploration and evaluation asset	(511,296)	(394,795)
Property, plant and equipment	(55,252)	(14,940)
<b>Net cash from (used in) investing activities</b>	<b>(566,548)</b>	<b>(409,735)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(1,020,297)</b>	<b>(608,719)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>2,779,772</b>	<b>1,406,976</b>
<b>Cash and cash equivalents, end of period</b>	<b>1,759,475</b>	<b>798,257</b>
<i>Net change in non-cash working capital items</i>		
<i>Marketable securities</i>	(4,145)	3,393
<i>Receivables</i>	(33,440)	(2,609)
<i>Prepaid expenses</i>	21,450	11,250
<i>Accounts payable and accrued liabilities</i>	(42,463)	46,485
	<u>(58,598)</u>	<u>58,519</u>
<i>Significant non-cash financing and investing activities</i>		
<i>Shares issued</i>	-	750,538
<i>Income taxes paid</i>	-	-
<i>Total interest paid</i>	-	-

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## INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three months ended March 31, 2011 and 2010

(unaudited)

	Share Capital		Warrants (note 7(b))	Contributed Surplus (note 7(c))	Accumulated Deficit	Total
	Number of Shares	Share Capital (note 7)				
		\$	\$	\$	\$	\$
<i>(in U.S. dollars)</i>						
<b>Balance - January 1, 2010</b>	90,048,874	79,303,843	539,658	5,384,410	(54,585,101)	30,642,810
Issue of shares for Newmont assets:						
- at \$0.17 per common share,						
net of share issue costs	4,535,600	980,338				980,338
Stock-based compensation (note 7(c))				69,996		69,996
Warrants expiring unexercised (note x)						-
Unrealized gain (loss) on available-for-sale marketable securities						-
Net loss and comprehensive loss for the three months					(309,782)	(309,782)
<b>Balance - March 31, 2010</b>	<b>94,584,474</b>	<b>80,284,181</b>	<b>539,658</b>	<b>5,454,406</b>	<b>(54,894,883)</b>	<b>31,383,362</b>
<b>Balance - December 31, 2010</b>	<b>144,858,934</b>	<b>85,015,716</b>	<b>2,651,674</b>	<b>6,001,498</b>	<b>(56,736,455)</b>	<b>36,932,433</b>
Issue of shares for cash,						
net of share issue costs (note 7)						
Stock-based compensation (note 7(c))				38,498		38,498
Warrants expiring unexercised (note 7(b))			(213,481)	213,481		-
Unrealized gain (loss) on available-for-sale marketable securities						-
Net loss and comprehensive loss for the three months					(418,389)	(418,389)
<b>Balance - March 31, 2011</b>	<b>144,858,934</b>	<b>85,015,716</b>	<b>2,438,193</b>	<b>6,253,477</b>	<b>(57,154,844)</b>	<b>36,552,542</b>

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