

TORONTO, Aug. 26 /CNW/ - Atlanta Gold Inc. (TSX V:ATG) announced that it has completed an initial tranche of its previously announced \$5.5 million private placement offering of Units (see news release dated August 18, 2010) for gross proceeds of \$1,450,000. The Company issued 9,062,500 Units at a price of \$0.16 per Unit, with each Unit consisting of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one additional common share at a price of \$0.25 per share for up to 24 months following the closing date. The Company has the right to accelerate the expiry date of the warrants if the closing price of the Company's common shares on the TSX Venture Exchange exceeds \$0.50 for 20 consecutive days on which the Company's shares trade. Net proceeds from the offering will be used for exploration, development and permitting expenditures on the Company's Atlanta gold property located in Idaho, U.S.A. and for working capital purposes.

Insiders of the Company purchased a total of 7,187,500 Units, representing approximately 79.3% of the initial tranche of the offering. The Company anticipates completing the balance of the offering in mid-September.

The Company paid cash finder's fees totaling \$92,800 and issued 580,000 compensation options to registrants in connection with the closing of the initial tranche. Each compensation option entitles the holder to purchase one common share of the Company at a price of \$0.25 per share for one year.

All securities issued pursuant to the closing of the initial tranche will be subject to a four-month statutory hold period, which will expire on December 27, 2010.

### **About the Company**

**Atlanta Gold Inc. (TSXV: ATG)** holds through its 100% owned subsidiary, Atlanta Gold Corporation, leases, options or ownership interests in its Atlanta properties which comprise approximately 2,197 acres located 65 miles 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 and on acquiring, exploring and developing other attractive gold projects.

### **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. All statements, other than statements of historical fact, are forward-looking statements. We use words such as "may", "intend", "will", "should", "anticipate", "plan", "expect", "believe", "estimate" and similar terminology to identify forward-looking statements, including with respect to the interpretation of the results of the Company's 2010 exploration program and its impact on the economics of the Atlanta project. Such are based upon assumptions, estimates, opinions and analysis made by management in light of its experience, current conditions and its expectations of future developments as well as other factors which it believes to be reasonable and relevant. These assumptions include those concerning the accuracy of historical records, the accuracy of the Company's resource estimates and of the geological, metallurgical and price***

***assumptions on which the estimates are based. 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 in the forward-looking statements and accordingly, readers should not place undue reliance on those statements. Risks and uncertainties that may cause actual results to vary include, but are not limited to, the speculative nature of mineral exploration, development and mining (including with respect to size, grade and recoverability of mineral reserves and resources); operational and technical difficulties; risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards; changes in resource prices and fluctuations in currency exchange rates; as well as other risks and uncertainties which are more fully described in the Company's annual and quarterly Management's Discussion and Analysis and in other Company filings with securities and regulatory authorities which are available at [www.sedar.com](http://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 in the forward-looking statements and accordingly, readers should not place undue reliance on those statements.***

***Readers are cautioned that the foregoing lists of risks, uncertainties, assumptions and other factors are not exhaustive. The forward-looking statements contained in this news release 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.***

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