

**Toronto, Ontario – Atlanta Gold Inc. (TSX V: ATG) OTCQX:ATLDF** (the “**Company**”) announces that the Idaho Conservation League (“**ICL**”) and the Northwest Environmental Defense Center (“**NEDC**”) have filed a complaint in the United States District Court for the State of Idaho against the Company’s wholly-owned subsidiary, Atlanta Gold Corporation (“**AGC**”) alleging violations of the United States Federal Water Pollution Control Act (“**Clean Water Act**”) and seeking declaratory and injunctive relief as well as civil penalties. AGC believes that it has complete defences to the allegations made by ICL and NEDC and will vigorously defend itself against their claims.

The complaint alleges that AGC is in violation of the effluent limits contained in its National Pollutant Discharge Elimination System permit (“**NPDES permit**”) with respect to waters discharged into Montezuma Creek from property owned by the Bureau of Land Management and administered by the United States Forest Service (“**USFS**”), from the historic 900 adit portal located at the Atlanta Mine, near Atlanta, Idaho.

ICL previously sued AGC in 2005, alleging that AGC was discharging water into Montezuma Creek without a NPDES permit. Without admitting any liability, AGC and ICL entered into a Consent Decree, wherein AGC agreed to apply for a NPDES permit and to construct a pilot water treatment facility. AGC complied with all terms of the Consent Decree and has continued to use best management practices in operating the pilot water treatment facility in what it believed to be in cooperation with ICL.

Groundwater drains from the historic 900 adit, which was originally driven by companies that previously were in production at the historic mine site, into Montezuma Creek through the pilot water treatment facility constructed by AGC in 2006 as directed by the Consent Decree with ICL. AGC does not own the land on which the historic adit is located, nor does it have any use or right to use of the groundwater that is discharged from the historic adit. Notwithstanding that AGC’s activities on the property have not caused the groundwater discharge, since 2006, AGC has been voluntarily treating approximately 2.5 million gallons of groundwater per month utilizing the pilot water treatment facility. That pilot water treatment facility was designed and constructed to meet or exceed applicable effluent standards that were in effect at the time of its installation. The naturally occurring historical levels of arsenic and iron are higher than the corresponding effluent levels contained in the NPDES permit, which are based on drinking water quality criteria.

As part of AGC’s continuing efforts to reduce effluent levels, AGC has proposed a draft Plan of Operations to the USFS, subject to USFS approval, for the construction of a diversion pipeline to redirect water believed to be flowing through Montezuma Fault into the historic mine workings and discharging from the historic 900 adit to the existing pilot water treatment facility. AGC also proposed improvements to and expansion of the existing pilot water treatment facility to determine final best management practices for treating arsenic contaminated water in accordance with the applicable NPDES permit. In addition, AGC is proposing closure of the historic 900 adit and elimination of the water discharge and reclamation of the pilot water treatment facility area.

In consultation with SPF Water Engineering, LLC, AGC has cooperated and continues to cooperate and consult with the USFS, the United States Environmental Protection Agency,

Idaho Department of Environmental Quality and Idaho Department of Water Resources regarding AGC's activities and environmental protection initiatives in Atlanta.

"We are disappointed that ICL and NEDC decided to use litigation instead of continuing the dialogue that we initiated after receiving their expression of alleged concerns, particularly given that AGC has acted and continues to act in good faith and that ICL had previously agreed to work with AGC to improve the quality of water entering Montezuma Creek, which is in everyone's best interest", said Bill Baird, President and CEO of the Company. "AGC did not cause the water discharge or any contamination of the discharge from the Atlanta Mine but has voluntarily worked to improve water quality and the health of the Boise River. We will continue to focus on our daily commitment to the highest quality of environmental stewardship at Atlanta."

### **About the Company**

**Atlanta Gold Inc. (TSXV: ATG)** holds through its 100% owned subsidiary, Atlanta Gold Corporation, leases, options or holds ownership interests in its Atlanta properties which comprise approximately 889.1 hectares located 90 air kilometers north 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.

### **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 AGC's ability to defend itself against the lawsuit and the outcome thereof. Such are based upon assumptions, estimates, opinions and analysis made by management in light of its experience, advice from its advisors, current conditions and its expectations of future developments as well as other factors which it believes to be reasonable and relevant. 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 Company's ability to successfully defend the lawsuit, the discretion of the Court and the regulatory authorities to impose fines and other penalties should the defense be unsuccessful, the Company's limited financial resources and the impact that such legal action may have on the receipt of governmental approvals, permits and licenses. 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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