

Atlanta Gold Announces Agreement with Holders of its Notes and Debentures

TORONTO--(BUSINESS WIRE)--May 2, 2017--**Atlanta Gold Inc. (TSXV: ATG; OTC Pink: ATLDF)** announces that it has reached agreement with the holders of its \$2,050,000 principal amount convertible debentures ("Debentures") and its US\$6.1 million principal amount senior secured notes ("Notes") to settle accrued and unpaid interest on the Debentures and Notes totaling C\$1,712,885 and to extend the maturity of the Notes by one year. Under the terms of the agreement, 45% of the balance of accrued and unpaid interest will be settled by the issuance of common shares of the Company on the basis of one share for each \$0.077 of interest, for a total issuance of 10,010,374 common shares, and the balance of the unpaid interest outstanding will be paid by a cash payment.

The maturity date of the outstanding Notes will be extended by one year to August 31, 2019 and the Notes will be repayable in installments at the rate of 25%, 35% and 40% on August 31st of 2017, 2018 and 2019, respectively. The Company's outstanding options to purchase 6,374.5 ounces of gold at US\$1,100 per ounce, previously issued with the Notes, will have their term extended by one year to August 31, 2019 and will vest at the rate of 25%, 35% and 40% on August 31st of 2017, 2018 and 2019, respectively.

Completion of the transaction is subject to the approval of the TSX Venture Exchange and is currently anticipated to be completed in early June, immediately following the completion of the previously announced financing to be completed with Jipangu Inc. (see news release of March 29, 2017). The common shares to be issued in satisfaction of the interest amounts will be subject to a four-month statutory hold period.

About the Company

Atlanta Gold Inc. holds through its 100% owned subsidiary, Atlanta Gold Corporation ("AGC"), leases, options or ownership interests in its Atlanta properties which comprise approximately 2,159 acres (8.74 square kilometres) located 90 air kilometers 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.

The Company is also focused on advancing its exploration and processing methods on the Neal Property, which is located approximately 15 miles from Boise, Idaho and comprises approximately 192 acres (0.78 square kilometres). The Neal Property's geology is similar to that of the Atlanta Project and it provides the Company with all-season access to further refine the processing equipment and procedures. AGC holds a five-year lease on the Neal Property and has staked an additional seven contiguous claims on public land that was open to mineral entry.

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 with respect to the payment of the overdue interest, and the amendment of the Notes and the gold options. Such are based upon various assumptions and other factors that management believes to be reasonable, including that the Company will receive the requisite approval of the Exchange and the financing with Jipangu Inc. will be approved by the Company's shareholders and completed in a timely manner. 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 by the forward-looking statements. Risks and uncertainties that may cause actual results to vary include the receipt of requisite approval from the Exchange and, in respect of the Jipangu financing, from the Company's shareholders, in each case on a timely basis; fluctuations in the gold price and currency exchange rates; changes in general economic conditions and in the financial markets; as well as other risks and uncertainties which are more fully described in the Company's annual and interim management's discussion and analysis and other filings by the Company with the securities regulatory authorities, which are available under the Company's profile at 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 by the forward-looking statements and accordingly, readers should not place undue reliance on the forward-looking statements. Readers are cautioned that the foregoing lists of risks, uncertainties, assumptions and other factors are not exhaustive. The forward-looking statements contained herein 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.

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.

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