

NEWS RELEASE

January 10, 2012

ATLANTA GOLD INC. ANNOUNCES U.S. DISTRICT COURT DECISION ON CLEAN WATER ACT

Toronto, Ontario – Atlanta Gold Inc. (TSXV: ATG) OTCQX: ATLDF (the “Company”) announces that on January 9, 2012, the U.S. District Court for the State of Idaho granted the motion for partial summary judgment sought by the Idaho Conservation League (“ICL”) and the Northwest Environmental Defense Center (“NEDC”) against the Company’s wholly-owned subsidiary, Atlanta Gold Corporation (“AGC”). The action was brought by ICL and NEDC in April 2011 alleging violations of the United States Federal Water Pollution Control Act (“Clean Water Act”) with respect to the operation by AGC of the pilot water treatment facility (“PWTF”) located at the historic 900 level adit (“the Adit”) and water discharged into Montezuma Creek from property owned by the Bureau of Land Management and administered by the United States Forest Service (the “USFS”).

AGC anticipates filing a motion with the Court to reconsider certain factual findings and legal conclusions contained in the Order. The Order granted by the Court is not determinative of a penalty, if any, that AGC may be required to pay. The determination of any penalty would be the subject of further Court proceedings and it is not currently possible to determine the likely outcome of such proceedings. AGC intends to engage in settlement discussions with the plaintiffs in an attempt to reach an agreement without further litigation.

AGC continues to operate the PWTF at the request of the USFS, until the closure plan submitted by AGC for the Adit is finalized and implemented.

AGC is dedicated to the principles of environmentally sound exploration, development and mining practices, and continues to focus on its daily commitment to the highest quality of environmental stewardship at Atlanta.

About the Company

Atlanta Gold Inc. holds through its 100% owned subsidiary, Atlanta Gold Corporation, leases, options or ownership interests in its Atlanta properties which comprise approximately 2,159 acres located (8.74 square kilometres) located 90 air kilometres 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 the determination and magnitude of any penalty against AGC as a result of the legal action, the commencement of settlement discussions with the plaintiffs 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 discretion of the Court and the regulatory authorities to impose significant fines and other penalties in the action, the Company's ability to reach a settlement with the plaintiffs and the cost thereof, the limited financial resources of the Company 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.

For further information contact:

Atlanta Gold Inc.:

Bill Baird
Vice-President and CFO
Telephone: (416) 777-0013
Fax: (416) 777-0014
E-mail: bill.baird@gmail.com

Investor Cubed Inc.:

Neil Simon
Telephone: (647) 258-3310,
(888) 258-3323
Fax: (416) 363-7977
E-mail: nsimon@investor3.ca

CHF Investor Relations:

Juliet Heading
Senior Account Manager
Telephone: (416) 868-1079 X239
Fax: (416) 868-6198
E-mail: juliet@chfir.com

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.