

NEWS RELEASE

July 21, 2011

ATLANTA GOLD ANNOUNCES 54% INCREASE IN INDICATED GOLD EQUIVALENT RESOURCE AT ITS ATLANTA PROPERTY IN IDAHO

Toronto, Ontario – Atlanta Gold Inc. (TSXV: ATG; OTCQX: ATLDF) announces that P&E Mining Consultants Inc. (“P&E”) of Brampton, Ontario has completed a re-evaluation of the mineral resource estimate at the Company’s Atlanta Gold Project in Idaho, USA, previously announced on January 6, 2011. Using the same assay database, P&E estimates an Indicated mineral resource of 686,600 gold ounces within 6.83 million tons at an average grade of 0.101 ounces per ton (“opt”) (3.45 grams per tonne) (“gpt”) Au and an Inferred mineral resource of 282,400 ounces contained within 1.79 million tons at an average grade of 0.158 opt (5.42 gpt) Au. Using a gold to silver price ratio of 55.6:1, the new Indicated mineral resource is 719,000 gold equivalent (“AuEq”) ounces within 6.83 million tons at an average grade of 0.106 opt (3.63 gpt) AuEq and the Inferred mineral resource is 290,000 AuEq ounces within 1.79 million tons at an average grade of 0.163 opt (5.59 gpt) AuEq.

Details of the P&E resource estimate as at June 30, 2011 are provided in the following table:

Area	Tons (000's)	GOLD				SILVER				TOTAL EQUIVALENT OUNCES OF GOLD (000's)
		Cut-Off Grade Au (opt)	Grade		Ounces of Gold (000's)	Grade		Ounces of Silver (000's)	Ounces of Silver as Gold Equivalent (000's)	
			Ounces Per Ton Au	Grams Per Tonne Au		Ounces Per Ton Ag	Grams Per Tonne Ag			
OPEN -PIT:										
Indicated	6,732	0.041	0.099	3.39	665.5	0.263	9.02	1,769.2	31.8	697.3
Inferred	850	0.041	0.093	3.19	79.4	0.200	6.86	170.2	3.1	82.5
UNDERGROUND:										
Indicated	95	0.113	0.222	7.61	21.1	0.319	10.92	30.3	0.6	21.7
Inferred	938	0.113	0.216	7.42	203.0	0.272	9.33	255.2	4.6	207.6
TOTAL:										
Indicated	6,828		0.101	3.45	686.6	0.264	9.04	1,799.5	32.4	719.0
Inferred	1,788		0.158	5.42	282.4	0.238	8.16	425.4	7.7	290.1

1. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
2. The quantity and grade of reported inferred resources in this estimate are uncertain in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.
3. The mineral resources in this press release were estimated using the CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions.
4. AuEq was calculated such that one ounce of Au = 55.6 ounces Ag. Metal prices used were the June 30, 2011 two year trailing average for Au at US\$1,231/oz and Ag at US\$22.48/oz with respective mill recoveries of 83% for gold and 88% for silver. Prevailing metal prices at June 30, 2011 were US\$1,506 per ounce of gold and US\$35.02 for silver.
5. The mined tonnage from historic operations was removed from the block model.
6. Gold cut-off grades of 0.041 opt (1.41 gpt) for open pit and 0.113 opt (2.25 gpt) for underground resources were established from metal prices, expected recoveries, and estimated operating costs.

For comparative purposes, details of the P&E resource estimate as at December 31, 2010 are provided in the following table:

Area	GOLD					SILVER				TOTAL EQUIVALENT OUNCES OF GOLD (000's)
	Tons (000's)	Cut- Off Grade (opt)	Grade		Ounces of Gold (000's)	Grade		Ounces of Silver (000's)	Ounces of Silver as Gold Equivalent (000's)	
			Ounces Per Ton Au	Grams Per Tonne Au		Ounces Per Ton Ag	Grams Per Tonne Ag			
OPEN -PIT:										
Indicated	2,331	0.04	0.130	4.46	303.0	0.389	13.34	906.8	11.7	314.7
Inferred	58	0.04	0.123	4.22	7.1	0.235	8.06	13.6	0.2	7.3
UNDERGROUND:										
Indicated	934	0.09	0.158	5.42	147.6	0.311	10.66	290.5	3.7	151.3
Inferred	1,500	0.09	0.185	6.34	277.5	0.267	9.15	400.5	5.2	282.7
TOTAL:										
Indicated	3,265		0.138	4.73	450.6	0.367	12.58	1,197.3	15.4	466.0
Inferred	1,558		0.183	6.27	284.6	0.265	9.09	414.1	5.4	290.0

1. Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
2. The quantity and grade of reported inferred resources in this estimate are uncertain in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.
3. The mineral resources in this press release were estimated using the CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions.
4. AuEq was calculated such that one ounce of Au = 77.6 ounces Ag. Metal prices used were the November 30, 2010 two year trailing average for Au at US\$1,075/oz and Ag at US\$16.61/oz with process recoveries of 90% for gold and 75% for silver.
5. The mined tonnage from historic operations was removed from the block model.

The increase over the previous mineral resource estimate is primarily attributable to expansion of the conceptual open pit shell onto unpatented lands and to a lesser extent due to increases in trailing average metal prices, offset somewhat by increases in estimated operating costs. “The 2010 exploration program identified several potential gold-bearing splays and veins to the northwest and southeast of the main Shear. The conceptual open pit shell was expanded to provide access to these mineralized splays and veins”, said Ernie Simmons, Vice President of Mining and COO of the Company.

The Company currently owns or leases approximately 406 acres (18.8%) of patented claims and 1,754 acres (81.2%) of unpatented claims, for a total of 2,159 contiguous acres. The previous P&E resource estimate was restricted to mineralization occurring solely on patented claims. “The conceptual open pit shell will now be within the boundaries of both patented and unpatented claims”, said Mr. Simmons. The Company has completed approximately 14,000 feet (4,270 metres) of drilling in 2011 which has intersected a number of mineralized zones of significant thicknesses and assays are currently pending for these drill holes.

Mineral resources contained within a preliminary optimized pit shell are considered to be amenable to lower cost open pit extraction, whereas mineral resources below this are considered to be amenable to underground extraction.

“The new mineral resource update adds approximately 252,000 equivalent ounces of gold for a 54% increase in the Indicated resource. We are pleased to cross this milestone and look forward to the results from this year’s drilling campaign and continued growth in the size of the resource”, said Bill Baird,

President and CEO of the Company. "This new resource model is still open to depth and mineralization extends along strike in both directions. Subject to the availability of financing, the Company plans to complete up to 60,000 feet (18,300 metres) of core drilling in 2011. The current increased mineral resource together with drill results from the aggressive exploration program currently underway will boost the production profile and add considerably to the scope of the planned Preliminary Economic Assessment. We have decided to include the results from our 2011 exploration program in the Preliminary Economic Assessment, which will delay its completion until early 2012. At the same time, we are cognizant of our obligation to work closely with local communities, government agencies and other land and resource users to minimize the environmental impact of the Atlanta Project and respect the priorities and concerns of local people. That important work is continuing, and we are pleased with the progress made to date."

The average gold equivalent grade (including silver resources as a gold equivalent) of the open pit resource is 0.104 opt (3.57 gpt) AuEq in the Indicated resource classification and 0.097 opt (3.33 gpt) AuEq in the Inferred open pit resource classification. The average gold equivalent grade of the underground resource is 0.228 opt (7.82 gpt) AuEq in the Indicated resource classification and 0.221 opt (7.58 gpt) AuEq in the Inferred underground resource classification.

Certain technical measurements in this news release have been converted to metric based on the conversion factors shown below:

Measure of Concentration

1 troy ounce per short (Imperial) ton = 34.2857 grams per metric tonne or 34.2857 parts per million

Linear Measure

1 metre = 3.2808 feet

1 centimetre = 0.3937 inch

1 kilometre = 0.621371 miles

Quality Control and Assurance

2010 exploration program drill samples were handled and assayed in accordance with NI 43-101 standards. Assaying was done by Inspectorate America Corporation of Sparks, Nevada, U.S.A. Inspectorate is a well known international laboratory that has operated in Nevada for more than 10 years. Samples were 30-gram fire assays of split NQ-sized core (4.76 centimetres in diameter). The NQ diameter drill-core samples were split in half; one half was retained in its original core box and the second half was sent to Inspectorate. Quality control and assurance of the analytical results were monitored by inserting standards, blanks, and duplicates into the sample run, for approximately every twenty samples at the project site.

Qualified Persons

The independent Qualified Persons as defined by NI 43-101 for the purpose of this news release regarding the Atlanta Project resource update are Fred Brown, CPG, Tracy Armstrong P.Geol., and Eugene Puritch, P.Eng., all of P&E Mining Consultants Inc. of Brampton, Ontario. The contents of this press release have been reviewed and approved by Mr. Puritch. P&E Mining Consultants Inc. is an established and internationally recognized geological and mine engineering consulting firm specializing in resource estimates, scoping, pre-feasibility studies and participation with other consulting firms on feasibility studies, with over 130 projects undertaken in the last seven years. P&E has Certificates of Authorization from the Association of Professional Geoscientists of Ontario, Professional Engineers of Ontario and the Association of Professional Engineers and Geoscientists of Saskatchewan and Professional Engineers and Geoscientists of Newfoundland and Labrador.

Mr. Fred Brown CPG, PrSciNat, of P&E is a Certified Professional Geologist (#11015) with the American Institute of Professional Geologists and a registered Professional Natural Scientist with the

South African Council for Natural Scientific Professions (#400008/04), has over 25 years of worldwide experience in mining resource and reserve assessments and related work.

Ms. Tracy Armstrong, P.Geo., a graduate of Queen's University at Kingston, Ontario with a B.Sc. (Hons) in Geological Sciences (1982), is a geological consultant currently licensed by the Order of Geologists of Québec (License 566), by the Association of Professional Geoscientists of Ontario (License 1204) and by the Association of Professional Engineers and Geoscientists of British Columbia (Licence 34720). She is an independent geological consultant contracted by P&E Mining Consultants Inc. and has worked as a geologist continuously since her graduation from university.

Mr. Eugene Puritch, P.Eng. (Haileybury School of Mines, Queen's University), President of P&E, has more than 30 years experience in mine evaluation and resource estimating for some of Canada's largest mining companies. He has undertaken more than 300 resource estimates and mine designs in his career, many of which formed the basis for feasibility studies and subsequent production decisions. Prior to co-founding P&E, Mr. Puritch was regularly under contract to provide his services to Micon International Ltd., Aker Solutions Canada Inc., A.C.A. Howe International Ltd. and Strathcona Mineral Services.

About the Company

Atlanta Gold Inc. (TSXV: ATG; OTCQX: ATLDF) holds through its 100% owned subsidiary, Atlanta Gold Corporation, leases, options or ownership interests in its Atlanta properties which comprise approximately 2,159 acres (8.74 square kilometres) located 90 air kilometres 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 resource estimates, recovery rates, mining methods, the continuance and extent of additional exploration in 2011, the completion of a preliminary economic assessment and the timing thereof. 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, the availability of adequate financing and the ability to achieve operating cost estimates. 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 uncertainties with respect to the interpretation of geology, continuity, size and grade estimates and recoverability of mineral reserves and resources); insufficient funding or delays in raising additional financing on satisfactory terms; operational and technical difficulties which could increase operating and/or capital costs; risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, changes in laws or regulations and the risk of obtaining necessary licenses and permits; fluctuations in resource prices and in 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 quarterly Management's Discussion and Analysis and in other Company filings with securities and regulatory authorities which are available 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 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.

Information Concerning Estimates of Mineral Reserves and Resources

The mineral resource estimates reported in this news release were prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”), as required by Canadian securities regulatory authorities. For United States reporting purposes, the United States Securities and Exchange Commission (“SEC”) applies different standards in order to classify mineralization as a reserve. In particular, while the terms “measured,” “indicated” and “inferred” mineral resources are required pursuant to NI 43-101, the SEC does not recognize such terms. Canadian standards differ significantly from the requirements of the SEC. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories constitute or will ever be converted into reserves. In addition, “inferred” mineral resources have a great amount of uncertainty as to their existence and their economic feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category.

For further information contact:

Atlanta Gold Inc.:

Bill Baird
President and CEO
Telephone: (416) 777-0013
Fax: (416) 777-0014
E-mail: info@atgoldinc.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:

Christopher Haldane
Account Manager
Telephone: (416) 868-1079
Fax: (416) 868-6198
E-mail: chris@chfir.com

P&E Mining Consultants Inc.:

Eugene Puritch
Principal
Telephone: (905) 595-0575
Fax: (905) 595-0578
E-mail: gene@peconsulting.ca

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.