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NEWS RELEASE

ARN PROPERTY OPTIONED AND EXPLORATION UPDATE

July 6, 2004 - Robert C. Carne, President, is pleased to announce that the Company's Arn property has been optioned to Klondike Gold Corp. Under terms of the agreement Klondike Gold can earn a 50% interest by completing \$1,500,000 in work expenditures on or before December 31, 2006 and making cash payments totalling \$200,000 and delivering a total of 500,000 shares on or before June 30, 2009. Klondike Gold can increase its interest to 75% by issuing another 500,000 shares and producing a bankable feasibility study by December 31, 2016.

The Arn property is located 6 km south of the Alaska Highway in southwestern Yukon. It hosts several skarn zones mineralized with gold and copper. The most prospective target (Zone A) is exposed in one small outcrop which was tested down-dip by a diamond drill hole in 2002. That hole produced an interval which assayed 11.92 g/t gold over 12.67 m, including 64.40 g/t over 1.98 m from partially oxidized semi-massive pyrite with minor chalcopyrite.

Diamond drilling is underway to test Zone A along strike and down-dip from the 2002 intersection. A few holes are also testing Zone B, located about 40 m southwest of Zone A. Nine holes have been completed to date. Prospecting, trenching and magnetic surveys have also been done in the vicinity of Zones K and M about 3 km west of the drill area. Earlier work at those zones discovered gold and copper mineralization within skarnified and quartz-carbonate altered outcrop and float.

Diamond drilling at the Company's Golden Revenue property, which is under option to Yale Resources Ltd., has been suspended due to extreme forest fire hazard. The crew has been evacuated and fireguards are in place around the drill and camp. Work will not resume until the danger decreases. Prior to evacuation, four of 18 proposed holes were completed and a fifth was underway.

ATAC has also staked a gold-copper porphyry target, the location of which is not being disclosed at this time. A crew is presently onsite conducting geological mapping, prospecting and soil geochemical surveys.

No assay results have been received from any of the projects. Exploration is being conducted under the supervision of Bill Wengzynowski, P.Eng. who is the qualified person for NI43-101 purposes.

For more information regarding ATAC or its projects please contact Rob Carne or Doug Eaton at 604-688-2568.

ATAC RESOURCES LTD.

Per: Robert C. Carne, President

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