Compass Gold: New Artisanal Gold Workings Identified on Yanfolia South Block

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TORONTO, March 19, 2019 - Compass Gold Corp. (TSX-V: CVB) (Compass or the Company) is pleased to provide an update on the progress of prospecting conducted on four exploration permits comprising the newly created Yanfolila South block on its Sikasso Property in Southern Mali.

Location of recently documented artisanal gold works on the Yanfolila South block (yellow stars).

Highlights

- Fourteen artisanal workings were identified on the Yanfolila South block permits
- Four workings are coincident with targets previously identified from shallow soil geochemistry and remote sensing studies
- Field teams have been dispatched to systematically collect material from the workings to help define an expedited bedrock drilling program
- Also, initial orientation induced polarization (IP) geophysics survey has been completed at Farabakoura; awaiting review by our consultant geophysicist

Compass CEO, Larry Phillips, observed, “We are continuing to find new evidence of the prospectivity of our large and relatively underexplored Sikasso permit area. Most recently, our prospecting team has identified fourteen artisanal gold workings at our Yanfolila South block, including some in which, using heavy excavation equipment, artisanal miners have reportedly recovered up to 20 kilograms of gold in recent months. We are now conducting a geochemical sampling program at the most prospective of these sites with the intention of identifying our newest drilling targets to locate the bedrock source of gold mineralization during the next phase of our robust exploration program.”

Technical Director, Dr. Sandy Archibald, added, “The discovery of new artisanal workings on the Yanfolila South block is welcome, as it vindicates our initial view on the mineral potential of this block. However, our immediate focus remains on our northern permits* where we have identified wide zones of bedrock gold mineralization through drilling at Farabakoura. An extensive IP survey is about to begin, which we hope will identify additional drilling targets.”

(*See Figure 1 insert.)

Yanfolila South Block – Background:

In October 2018, the Company announced its technical team had identified twelve shallow-soil gold anomalies coincident with crustal faults on the former Kourou permit (*Compass news release dated October 9, 2018*). Following the Company’s permit renewal (*Compass news release dated February 20, 2019*), that Kourou permit was separated into three smaller permits, namely, Kourou, Badogo, and Lontola, while the former Tiélouléna permit was reduced in size, with parts of it now making up this new Lontola permit (Figure 1). Collectively these four permits comprise the Yanfolila South block.

Yanfolila South – Prospecting

From late January to mid-February, a field team conducted a block-wide field study, covering 400 square kilometres (sq. km) to determine the location of artisanal gold workings not previously identified in published government files. At the same time, the team collected grab samples of near surface material (laterite soil, waste heap samples) and outcrops. The samples were sent to the SGS Bamako laboratory for gold assaying and, following industry best practice, utilizing appropriate standards and blanks.

Figure 1 accompanying this announcement is available at: http://www.globenewswire.com/NewsRoom/AttachmentNg/8767caae-905f-4640-9f90-52c32b809a42

Five artisanal workings were identified on the Badogo permit (see Table 1 below), four at Kourou, three at Tiélouléna, and two at Lontola. None of these workings were noted in the government database (SYSMIN, 2006), although the Company was aware of the Samagouela workings at Kourou.

The majority (8) of the workings are eluvial in nature, where the gold mineralization is present in the soil or lateralized (weathered) bedrock. Artisanal groups at five of the workings are recovering gold from the bedrock and eluvium, and one area is an alluvial (river) operation, where gold is recovered from the local stream. The workings range in age from the early 20th Century to 2018, with many workings being reactivated within the last decade.

The largest working in terms of area is at Sanoutafougani, where it covers 6 hectares (600 m x 100 m) and artisanal miners report the recovery of 10 kg (320 oz) of gold (Au) since the early 1960s. Nuggets of up to 60 g (2 ounces) have been reported from this working. Three grab samples were collected from spoil heaps at an area noted for coarse gold nuggets, with the highest assay being 12 parts per billion (ppb) Au. This observation confirms the coarse nature of the mineralization.

The newest working is Samagouela, where, in a three-month period in 2018, artisanal miners using heavy plant equipment are reported to have recovered 20 kg (645 oz) of gold from excavations up to 22.5 m in depth. Several thousand artisanal miners were active at the site in 2018, but it is now largely abandoned due to the farming season. Four grab samples were collected from the workings, with the highest grade recorded from material from a mechanically excavated hole showing 0.82 grams per tonne (g/t) Au.

Table 1. Summary of artisanal workings identified on Yanfolila South block

Name	Permit	Type	[1] Max. Au in soil (ppb)	[2] Year (Discovered/Reactivated)	Dimensions
Sanoutafougani	Badogo	Eluvial	10	ca. 1960 / 2013	600 x 100 m
Sokofèle Kra Kra	Badogo	Eluvial	51	> 2004	400 x 50 m
Senébéldé	Badogo	Eluvial	50	2018	75 x 25 m
Wolokourou	Badogo	Eluvial	11	> 2004	25 m x 25 m
Niaguélé Dama	Badogo	Alluvial	< 5	ca. 1900	-
Samagouela	Kourou	Eluvial/Bedrock	8	2016?	200 m x 100 m
Samagouela Ancien	Kourou	Eluvial/Bedrock	14	ca. 1940s	200 m x 10 m
Bougoufiè Trichiyoro	Kourou	Eluvial	12	> 2004	100 x 50 m
Daoulemba	Kourou	Eluvial/Bedrock	12	1989	50 m x < 5 m
Djiguiba Kourou	Lontola	Eluvial	< 5	2015	200 m x 150 m
Moussaoule Kourou	Lontola	Eluvial	< 5	> 2004	500 m x 50 m
Tioulena	Tieoulena	Eluvial	< 5	2014	350 x 150 m
Tinkole	Tieoulena	Eluvial/Bedrock	9	2015	Isolated pits
Guelo	Tieoulena	Eluvial/Bedrock	6	2018	100 m x 10 m

[1] These are the gold concentrations of the closest shallow soil samples collected by Compass Gold in June 2018.
[2, 3] Information collected from local artisanal miners. The Company was unable to verify the information, but believes it is relevant.

The workings at Sokofèle Kra Kra, which cover an area of 400 m by 50 m, are also noted for the coarse gold present, with nuggets reported up to 18 g since mining began in 2014. During the field team’s initial site visit, seven samples of discarded quartz vein spoil were collected. The highest concentration was 64 ppb Au, with five samples less than the limit of detection (1 ppb).

On the Tiélouléna permit three artisanal sites were visited. The newest site was Guelo, and was opened in 2018 to recover gold from eluvium and quartz veins cutting the bedrock metasedimentary rocks. Five samples were collected from the site and the highest gold concentrations were recorded from an ore dressing site (0.81 g/t Au) and spoil associated with a shaft (0.17 g/t Au).

Six of the artisanal workings on the permits are coincident with the shallow soil geochemical anomalies previously identified by Compass (Figure 1). The gold concentration of the soil samples at these workings ranged from 8 to 51 ppb Au (Table 1). The other eight artisanal workings had gold in soil concentrations that ranged from less than the limit of detection (5 ppb) for four samples, to 14 ppb Au. The difference between the limits of detection between the 2018 soil samples and the 2019 samples was due to different gold assay techniques at the two assay laboratories, i.e., ALS (Johannesburg) and SGS (Bamako), respectively. These concentrations suggest that soil sampling alone is not a good indication of the presence of gold mineralization, or that samples greater than 10 ppb are anomalous in this environment.

Although the initial reconnaissance grab samples collected are encouraging, the company has immediately started a new sampling program on nine areas within the Yanfolila South block to determine the extent and gold grade of mineralization. This will take the form of methodical grid sampling, with a spacing of 50 m, of discarded spoil material associated with artisanal excavation (dark grey areas in Figure 1). It is estimated that this work program, which will take three to four weeks to complete, will include the collection of about 1,350 samples for analysis. The results of this geochemical survey will be used to initially identify bedrock drilling targets, which will subsequently be tested through aircore (AC) or reverse circulation (RC) drilling.

Ouassada IP and Magnetic Survey

The previously announced ground geophysical surveys (*see Compass news release dated February 14, 2019*) at the Farabakoura artisanal workings on Ouassada have been completed. The data is currently being interpreted by a geophysical consultant and the results will be announced shortly. Once the optimal measurement parameters have been determined, the remaining 55-line-kms of IP (over 19 targets) on the Ouassada and Farabakoura permits will be performed.

About Compass Gold Corp.

Compass, a public company having been incorporated into Ontario, is a Tier 2 issuer on the TSX V. Through the recent acquisition of MGE and Malian subsidiaries, Compass holds gold exploration permits located in Mali that comprise the Sikasso Property. The exploration permits are situated at three sites in southern Mali with a combined land holding of 854 km^2. The Sikasso Property is located within the same region as several multi-million ounce gold projects, including Morila, Syama, Kalana and Kodiéran. The Company’s Mali-based technical team, led in the field by Dr. Madani Diallo and under the supervision of Dr. Sandy Archibald, P.Geo, is initiating a new exploration program. They are examining the first of numerous anomalies noted for further investigation in Dr. Archibald’s August 2017 “National Instrument 43-101 Technical Report on the Sikasso Property, Southern Mali.”

QAQC

All geochemical samples were collected following industry best practices, and an appropriate number and type of certified reference materials (standards), blanks and duplicates were inserted to ensure an effective QAQC program was carried out. The samples were prepared and analyzed at SGS SARL (Bamako, Mali) by fire assay analysis. All standard and blank results were reviewed to ensure no failures were detected.

Qualified Person

This news release has been reviewed and approved by Dr. Sandy Archibald, P.Geo, Compass’ Technical Director, who is the Qualified Person for the technical information in this news release under National Instrument 43-101 standards.

Forward‐Looking Information

This news release contains "forward‐looking information" within the meaning of applicable securities laws, including statements regarding the Company’s planned exploration work and management appointments. Readers are cautioned not to place undue reliance on forward‐looking information. Actual results and developments may differ materially from those contemplated by such information. The statements in this news release are made as of the date hereof. The Company undertakes no obligation to update forward‐looking information except as required by applicable law.

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