



December 21, 2017

President's Letter to Shareholders

As your new President and CEO of **Compass Gold Corp.**, I would first like to thank the many individuals who have made this exciting "relaunch" of our company possible. The strong support of our shareholders, the sound guidance of our advisors and the diligent efforts of our management team and directors have all combined to bring us to where we are today; ready to return to Mali and roll out an aggressive gold exploration program on our highly prospective Sikasso properties.

Our shareholder group has been expanded with the successful completion of a \$6 million Private Placement, which provides Compass with the financial resources to complete a full year of exploration and drilling work on the first 35 targets, identified across the nearly 1200 square kilometres of exploration permit areas. I want to acknowledge the dedicated efforts of the INFOR Financial group, in particular, Neville Dastoor in organizing and advising us throughout the process. I look forward to their continued support in the coming year.

We now have almost two hundred shareholders, from North America, Australia and the UK; some holding a few thousand shares, others with shareholdings in the millions. I believe that all of our shareholders appreciate the unique opportunity of 'people and property' that Compass provides. Most importantly, I believe we have a group of knowledgeable shareholders who understand the exploration process, in particular, the time, expertise and resources required to develop real value in the gold exploration world. The quality of market experience that you, our 'founding shareholders,' provide is an important strength of our Company, one on which we will work hard to build in the months ahead.

Our Board of Directors is another clear advantage for Compass. First we have our Chairman, James Henderson and Dr. Madani Diallo, the head of our exploration team in Mali, who are both continuing on as directors. These two long-time Compass directors been responsible for many years of careful work and investment at the Sikasso properties before Compass acquired them. These are now two of our largest shareholders, both dedicated to the success of Compass as we move forward.

I am also pleased to have two long-time associates from IAMGOLD, Joe Conway and Bill Pugliese, joining the Compass Board as non-executive directors. Together, this group of directors brings an incredible collection of experience, business acumen and exploration success, much of it specific to Mali. I look forward to working with them on your behalf.

Our appreciation also goes out to Lara Iacusso and Malcolm Carson, who have stepped down as directors after many years of professional direction and service to the Company.

The Compass Press Release on December 18, 2017, announced the appointment of the rest of the Compass management team here in Toronto; our new CFO, Lou Nagy, and our new Technical Director, Sandy Archibald, PhD, PGeo, who was responsible for the National Instrument 43-101 Technical Report on the Sikasso Property in Mali, and Greg Taylor, our Director of IR and Communications. These are seasoned mining professionals with whom I have worked in the past who are ready to take charge of the business of the Company and provide sound and steady management on your behalf.

But we are not going to find gold in Toronto! Our Malian exploration team has recently been deployed to begin sampling and auger drilling on the first of our 35 promising gold targets. This team is led by Dr. Madanii Diallo, someone with an unmatched record of exploration success and major discoveries throughout West Africa. My work with Madani goes back almost 25 years to the joint development of the great Sadiola mine at IAMGOLD's first major gold discovery in western Mali. Today, Mali is Africa's third largest and the world's fastest growing gold producer, and we are all excited to be working together to find the next great gold deposit in this prolific region.

The drilling and sampling work will ramp up quickly in the coming weeks, and we expect to see the first assay results early in the first quarter of the New Year. As this work continues over the next twelve months, our technical team will provide detailed update reports, on a regular basis, to you and the rest of the market.

Finally, on behalf our entire Compass team, we appreciate your confidence and support. We have a busy year ahead of us, but we are committed to making the next great Malian gold discovery for Compass and all of our shareholders.

With sincere best wishes to you and yours, for the holiday season,

SIGNED: "*Larry Phillips*"

Larry Phillips, President and Chief Executive Officer

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