



## **COMPASS GOLD: RENEWAL OF PERMITS AND DEMARCATION OF NEW BOUNDARIES**

*Toronto, Ontario, February 20, 2019* – **Compass Gold Corp. (TSX-V: CVB) (Compass or the Company)** is pleased to provide an update on the renewal of the permits that comprise its Sikasso Property in Southern Mali.

### **Highlights**

- **Mali Ministry of Mines and Petroleum has accepted the new permit boundaries and areas that comprise the Sikasso Property**
- **The five original permits have now been increased to nine new permits with a maximum area of 100 square kilometres (sq. km)**
- **Permits are now in good standing until the next renewal date in 2021**

**Compass CEO, Larry Phillips**, commented, “With the official approval of the new permit boundaries and renewal to 2021 we are further reducing our costs while continuing to focus in on the most promising target areas. We have not relinquished any ground that we feel has technical merit. Our exploration program is continuing, and we hope to announce the results of our recent drilling on Ouassada shortly.”

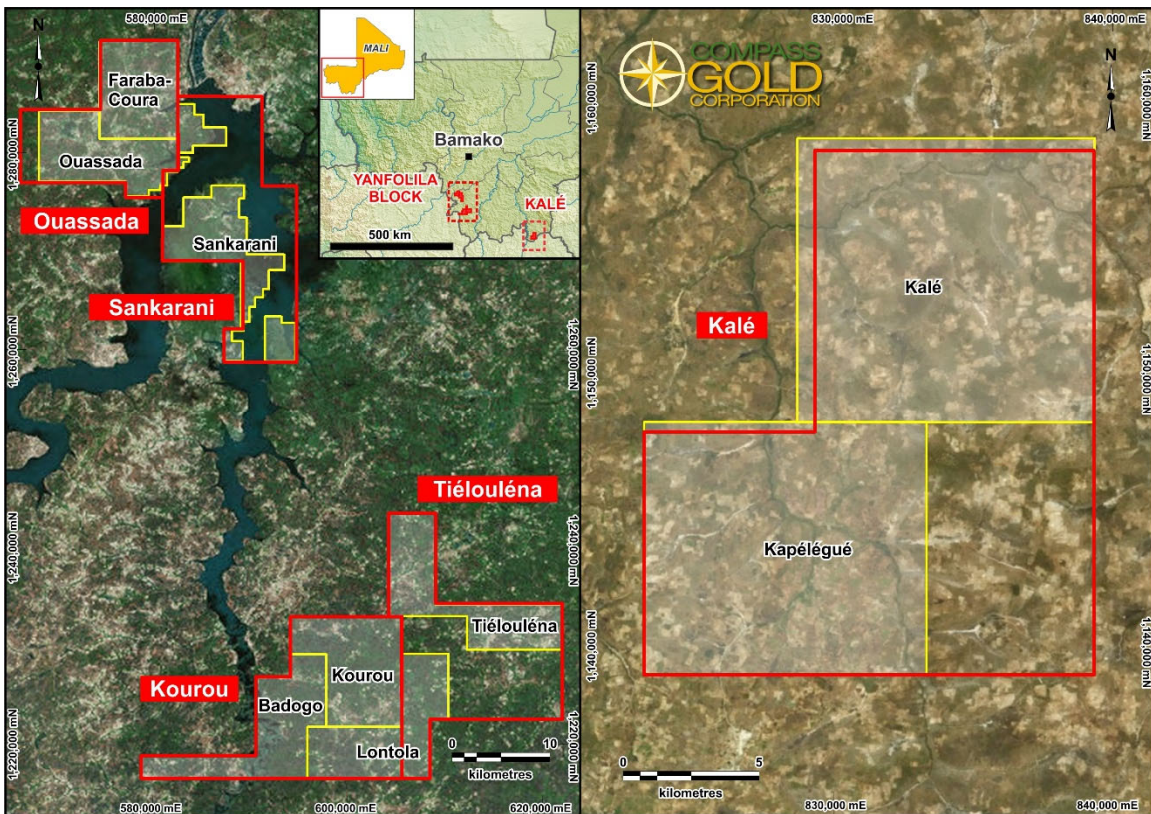
### **Sikasso Permit Renewal and Change in Boundaries**

Compass Gold’s previous permits were issued in 2011, under the 1999 Mining Code. In 2012 a new Mining Code was enacted and the Mali Department of Mines and Petroleum (Ministere des Mines et du Petrole) stated that all new permits would need to conform to the new 2012 Mining Code and its application rules. Among other points, permits could not exceed an area of 100 square kilometers (sq. km) and that, as far as possible, water bodies should not be included in the permit area. With these rules in mind, the Company needed to redraw the permit areas within the five former permits of Ouassada, Sankarani, Kourou, Tiélouléna, Kalé. Also, in order to reduce permit retention costs, the Company further eliminated areas where no targets had been identified from the Company’s previous work, such as soil geochemistry, remote sensing, or geophysics. Only the Tiélouléna was substantially affected by this action. At various times in 2018, the Company submitted applications to redraw the boundaries of the five original permits and the Mali Department of Mines and Petroleum officially approved the new Mining agreements valid for 30 years. The department issued new “Arrêtés” granting permits for an initial period of three years, renewable twice for two years each, for a total seven years per permit.

The change in permit area and new names are tabulated in Table 1 and Figure 1.

**Table 1.** Changes to the Sikasso Property permits

Permit	Area (sq. km)	New Permit Name	Area (sq. km)	Arrêté Date	Compass Subsidiary
Ouassada	179	Faraba-Coura	94	2018-09-04	SERM SARL
		Ouassada	86	2018-10-17	SERM SARL
Sankarani	250	Sankarani	74	2018-10-05	SERM SARL
Kourou	250	Kourou	100	2018-07-31	REM SARL
		Badogo	100	2018-07-31	REM SARL
		Lontola (partial)	100	2018-10-30	ML Commodities Mali SARL
Tiélouléna	250	Tiélouléna	100	2018-07-31	REM SARL
		Lontola (partial)	100	2018-10-30	ML Commodities Mali SARL
Kalé	250	Kalé	100	2018-09-04	ML Commodities Mali SARL
		Kapélégué	100	2018-10-03	ML Commodities Mali SARL



**Figure 1** - Location of former permit outlines (red) and revised permit outlines (yellow). Note the change in scales between the two figures.

The Ouassada permit previously covered an area of 179 sq. km, and was located on the western shore of Lake Sélingué, with parts of the adjacent Sankarani permit. This permit was separated into two new permits: Faraba-Coura (94 sq. km), and Ouassada (86 sq km). Both permits now incorporate parts of the old Sankarani permit.

Other than the reallocation of parts of the Sankarani permit to Faraba-Coura and Ouassada noted above, the permit has been reduced to reflect the presence of Lake Sélengué. The current Sankarani permit covers an area of 74 sq. km and retains the artisanal workings at Sodala and Tarabala.

The 250 sq. km area of the former Kourou permit has been retained, and now comprises three 100 sq. km permits: Kourou, Badogo, and 50 sq. km of Lontola. Therefore, all 12 discrete gold targets identified from the Phase 1 shallow soil sampling program (*see Compass press release dated October 9, 2018*) remain in the new permits. The northern part of the original Tiélouléna permit has been retained as Tiélouléna, and the southwest portion covered by 50 sq. km of the Lontola permit.

The original Kalé permit, located in southeast Mali, the easternmost permit comprising the Sikasso Property. This permit originally covered 250 sq. km, but is now covered by two 100 sq. km permits: Kalé and Kapélégué (Figure 1). The remaining 50 sq. km was not renewed, since it was outside the primary target zone, the crustal-scale fault termed the Kalé Shear Zone (*see Compass press release dated September 17, 2018*).

### ***About Compass Gold Corp.***

Compass, a public company having been incorporated into Ontario, is a Tier 2 issuer on the TSX- V. Through the acquisition in late-2017 of Mali Gold Exploration Pty Ltd and its Malian subsidiaries, Compass holds gold exploration permits located in Mali that comprise the Sikasso Property. The exploration permits are located in three sites in southern Mali with a combined land holding of 854 sq.km. The Sikasso Property is located in 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."

### **Qualified Person**

This news release has been reviewed and approved by Dr. Sandy Archibald, P.Geo, Compass's 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.*

For further information please contact:

Compass Gold Corporation	Compass Gold Corporation
Larry Phillips – Pres. & CEO	Greg Taylor – Dir. Investor Relations & Corporate Communications
<a href="mailto:lphillips@compassgoldcorp.com">lphillips@compassgoldcorp.com</a>	<a href="mailto:gtaylor@compassgoldcorp.com">gtaylor@compassgoldcorp.com</a>
T: +1 416-596-0996 X 302	T: +1 416-596-0996 X 301

Website: [www.compassgoldcorp.com](http://www.compassgoldcorp.com)

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