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COMPASS GOLD TO RAISE UP TO \$3.4-MILLION IN OVER-SUBSCRIBED PRIVATE PLACEMENT

Toronto, Ontario – December 7, 2020 – Compass Gold Corp. (TSX-V: CVB) (“Compass” or the “Company”) announced today that it has increased the size of its previously announced \$2.5 million private placement (the “Offering”) (*see Compass news release dated November 30, 2020*) and will now issue up to 17 million common shares of the Company, at a price of \$0.20 per share, for aggregate gross proceeds of up to \$3.4 million.

The proceeds from this offering will be used to fund exploration, including a 17,000-meter drill program to be completed before the end of Q2, 2021, and for general corporate purposes. Drilling will focus on mineralized trends on the Tarabala and Samagouela targets discovered at the Company’s Sikasso Property in southern Mali. Phase 1 of this program, consisting of 3,000 meters of drilling on the first of these targets, is fully funded and has commenced. Initial drill results are expected near the end of December.

Larry Phillips, Compass President and CEO, said, “The response from our existing shareholder to this offering has been very robust, and we appreciate their continued support. As with last year’s offerings, we have used this opportunity to expand our share register by adding strong and experienced investors, including major Institutional resource funds who recognize how far Compass has progressed and the tremendous potential to be realized over the coming year. Our discovery team, led by Dr. Madani Diallo and Dr. Sandy Archibald, is committed to bold objectives for 2021, and now we have the resources to help them deliver the results that will benefit all of us as shareholders.”

Mr. Phillips continued, “We also wish to welcome the team from Red Cloud Financial and acknowledge their excellent work in bringing important new investors into this expanded offering. It is clear to me that the Red Cloud Team shares our vision and excitement for the valuable opportunities that Compass Gold presents. We look forward to their assistance in the months ahead to build and expand our communications and market outreach activities. As we embark upon a year of important and regular reporting of drill results, we are committed to generating and building our relationships within the resource investment community, throughout North America and beyond.”

Certain insiders of the Company are participating in the Offering. Further, subject to compliance with the policies of the TSX Venture Exchange and applicable securities legislation, the Company will pay a finder’s fee to certain registered dealers in connection with the Offering comprised of: (i) a cash fee equal to 6.0% of the gross proceeds received from the sale of common shares sold to purchasers introduced to the Company by the finder, and (ii) warrants exercisable for a period of two years following the closing of the Offering to acquire that number of common shares of

the Company, at a purchase price of \$0.20 per share, equal to 6% of the number of common shares sold to purchasers introduced to the Company by the finder.

All the shares issuable pursuant to the Offering will be subject to a hold period expiring four months and one day after the date of issuance.

The securities offered pursuant to the Offering have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from registration requirements. This release does not constitute an offer for sale of securities in the United States.

Subject to the receipt of funds and Subscription Agreements from investors, as well as the receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange, the Offering is expected to close on or about December 14, 2020.

Participation by insiders in the Offering will be exempt from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”) by virtue of the exemptions contained in Sections 5.5(b) and 5.7(1)(a) of MI 61-101.

Red Cloud Retained for Capital Markets Advisory Services

The Company is pleased to advise it has engaged Red Cloud Securities Inc. and Red Cloud Financial Services Inc. (together “Red Cloud”) to provide the Company with a range of corporate advisory and capital markets related services. Red Cloud is a globally focused mining boutique and capital markets advisory group. It uses its unique broad global distribution network and its extensive capital markets experience in the mining industry to assist companies identify, build and maintain important relationships with key investors. Red Cloud Securities Inc. is registered as an IIROC market dealer in all provinces of Canada, as well as the Yukon, and is subject to applicable securities regulation.

About Compass Gold Corp.

Compass, a public company having been incorporated into Ontario, is a Tier 2 issuer on the TSX-V. Through the 2017 acquisition of MGE and 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 867 km². The Sikasso Property is located in the same region as several multi-million-ounce gold projects, including Morila, Syama, Kalana and Komana. Mineralization hosted on adjacent and or nearby properties is not necessarily indicative of mineralization hosted on the Company’s property. The Company’s Mali-based technical team, led in the field by Dr. Madani Diallo and under the supervision of Dr. Sandy M. Archibald, P.Geol, is conducting the current exploration program on several anomalous areas of the Sikasso Property, southern Mali.

Forward-Looking Information

This news release contains “forward-looking information” within the meaning of applicable securities laws, including statements regarding the completion of the Offering and the Company’s proposed use of

proceeds and planned exploration work. 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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