



June 29, 2026

Questions & Answers

The purpose of this Questions & Answers document is to provide shareholders and other stakeholders with additional background information regarding Compass Gold Corporation's history, exploration activities, permitting efforts, development planning and strategic objectives. The document is intended to address a number of common questions received from shareholders and to provide context regarding the Company's activities and priorities.

This document should be read in conjunction with the Company's public disclosure record, including its news releases, financial statements, management's discussion and analysis, and other filings available on SEDAR+. The information contained herein is provided for general informational purposes only and does not constitute an offer to sell or a solicitation of an offer to purchase securities of the Company.

Certain statements contained in this document constitute forward-looking information and are subject to important risks, uncertainties and assumptions as described below.

Forward - Looking Information

This document 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 document are made as of the date hereof. The Company undertakes no obligation to update forward-looking information except as required by applicable law.

Q1. What was Compass Gold's original strategy when the Company was formed, and has management executed that strategy successfully?

Compass Gold was founded with a clear objective: to acquire a large, prospective land package in southern Mali, assemble an experienced management, board and technical team with deep expertise in Mali and the gold mining industry, and systematically identify the area with the greatest potential to support a future commercial mining operation.

From the outset, the Company benefited from leadership with decades of direct experience in gold exploration, mine development, mine operations, capital markets and business activities in Mali. Management believed this combination of local knowledge, technical expertise and industry experience would provide a significant advantage in evaluating opportunities and advancing projects in a disciplined, cost-effective manner.

In 2017, the Company acquired a portfolio of five exploration permits covering a large portion of the Sikasso region of southern Mali. Over the following seven years, and continuing to today, the Company has completed extensive exploration and technical programs designed to identify the most promising opportunity within the district.

Management believes this strategy has been successfully executed. Through systematic exploration, the Company identified the Massala area, including the Tarabala and Moribala trends, as the most promising opportunity within the Company's land package and has focused its efforts accordingly. In addition to its longer-term exploration potential, Massala emerged as the most advanced opportunity for near-term development, providing a clear pathway to production and cash flow through Mali's Small Mine Permit framework.

Q2. How many properties did Compass originally acquire, and how were they explored?

Compass acquired five exploration permits in southern Mali in 2017 as part of its district-scale exploration strategy.

Together, these permits covered approximately 1,179 square kilometres within a highly prospective gold belt and provided exposure to numerous exploration targets. Rather than focusing on a single prospect, management adopted a portfolio

approach to evaluate multiple opportunities and progressively allocate capital to the areas producing the strongest technical results.

Over time, Compass completed extensive geological mapping, geochemical sampling, geophysical surveys, auger drilling, air-core drilling, reverse-circulation drilling, trenching programs, metallurgical testing and environmental studies across multiple targets.

Q3. How did Massala, Tarabala and Moribala emerge as Compass's highest-priority targets?

The emergence of Massala, Tarabala and Moribala was the result of several years of systematic exploration and technical evaluation across numerous targets within the Company's land package.

As exploration progressed, certain areas consistently produced strong geological, trenching, drilling and metallurgical results. Based on these results, Compass increasingly concentrated its exploration efforts and capital on the Massala area and the Tarabala-Moribala corridor.

This progression reflected management's original strategy: to evaluate multiple targets, compare results objectively, and focus resources where the technical evidence was strongest.

Q4. Has Compass altered its original vision of developing a larger mining operation?

No.

Compass's original objective was to identify and advance the most prospective gold-bearing areas within its land package. The Company continues to believe that the entire district remains highly prospective and that additional exploration may further expand its understanding of the mineralized system over time.

Management views the Small Mine strategy as a logical next step in the advancement of the project and a means of generating cash flow while continuing to evaluate future opportunities.

Q5. What changed in Mali with the introduction of the 2023 Mining Code?

In 2023, Mali introduced a new Mining Code as part of an effort to modernize and strengthen the country's mining sector. The reforms addressed exploration permits, mining permits, regulatory oversight, environmental requirements and the relationship between artisanal, small-scale and large-scale mining activities. The reforms also sought to create clearer distinctions between artisanal mining, small-scale commercial mining and large-scale mining operations, each of which presents different regulatory and economic considerations.

Management believes the government's objective has been to create a clearer and more effective framework for the long-term development of Mali's mining industry while ensuring the country receives an appropriate benefit from its mineral resources.

Q6. What is a Small Mine Permit and why did it create a significant opportunity for Compass?

The Small Mine Permit category under Mali's 2023 Mining Code codified a formal regulatory framework for responsible small-scale commercial mining operations.

Under the 2023 Mining Code, a Small Mine Permit has a four-year term and is designed for projects with defined operating limits, including a maximum ore processing rate of 50 tonnes per hour (1200 tonnes per day) and total resources of 160,000 ounces of gold in the deposit. Small Mine Permit holders remain subject to applicable taxes, royalties, environmental obligations and regulatory requirements.

Importantly, the Government of Mali's equity participation requirements applicable to large-scale mining permits under the 2023 Mining Code do not apply to Small Mine Permits.

For Compass, the Small Mine Permit category presents a significant opportunity by providing a pathway to production with lower capital requirements and a shorter development timeline than a conventional large-scale mining project.

Q7. Why has the Small Mine Permit process taken longer than originally anticipated?

At the same time Compass was advancing its Small Mine Permit application, the Malian government was implementing reforms across the mining sector, including new legislation, procedures and administrative systems.

Management has continued to advance all aspects of the project within its control, including environmental studies, metallurgical testing, bulk sampling programs and development planning. Management continues to believe that the Small Mine Permit category aligns with the objectives of Compass and the Malian government, and remains an appropriate framework for the development of the Massala project.

Q8. How does the Small Mine strategy fit into Compass's long-term vision?

Management views the Small Mine strategy as a potential first step toward unlocking value from a much larger mineralized system, rather than as the Company's final objective.

Management continues to believe that the Massala, Tarabala and Moribala corridor may ultimately support development opportunities beyond the initial Small Mine concept, although additional drilling, technical studies and economic analysis will be required.

One or more Small Mine operations have the potential to generate cash flow, support continued exploration activities, and provide additional geological and operational information that may assist in evaluating future development opportunities.

Q9. Where is Compass today compared to where it was when the Company was formed?

Since its formation in 2017, Compass has progressed from a district-scale exploration company with five exploration permits and multiple early-stage targets to a company focused on advancing what management believes is the most promising opportunity – the Small Mine Permit at Massala.

The Company has completed extensive exploration and technical work, received its Environmental Permit, advanced development planning, conducted metallurgical testing, and is well advanced in evaluating mining, processing and plant design alternatives intended to support a timely transition toward production once the Small Mine Permit is granted.

Management's objective has been to continue advancing all aspects of the project that are within the Company's control while awaiting a permitting decision.

Q10. How much capital has Compass Gold raised since the December 2017 financing, and approximately what percentage has been invested directly in exploration and technical work? Of that amount, how much has been deployed on the Tarabala and Moribala permit areas?

Since the November 2017 financing, Compass Gold has raised approximately CDN \$25.9 million in equity capital, approximately 77% of which has been deployed in Mali on exploration, technical studies, project evaluation, permitting, and related development activities.

The Tarabala and Moribala trends have been a major focus of the Company's exploration efforts. Approximately 32.7% of all exploration expenditures incurred in Mali during this period were directed toward exploration activities on the Tarabala and Moribala trends. These investments have included drilling, trenching, bulk sampling, geological modelling, metallurgical testing, environmental studies, and other technical work aimed at advancing management's understanding of the mineralized system and supporting future development opportunities.

Q11. Based on the trenching, bulk sampling, historical drilling and recent Phase 1 drilling results disclosed to date, what can management say about the scale, continuity and grade profile of the mineralized area currently being evaluated at Massala?

The results to date are very encouraging and indicate a shallow, near-surface mineralized system (that is, gold generally occurs within approximately 30 to 40 metres from surface before reaching the underlying hard rock) with multiple zones of gold mineralization relevant to small-mine development planning. However, Compass has not yet declared a mineral resource, and it is premature to estimate

overall grade, tonnage or contained ounces beyond publicly disclosed information. Current work is focused on geological modelling, continuity, grade distribution and defining a technically supportable small mine facility. What gives management confidence is the consistency between trenching, bulk sampling, historical drilling and recent drilling, all of which continue to support the presence of near-surface gold mineralization over a significant area and provide a strong foundation for ongoing technical evaluation and development planning.

Q12. Based on the work completed to date, what can management say about the potential scale and longevity of a future small-mine operation at Massala?

Our recent work has been focused on defining and evaluating a potential starter mining area rather than the full extent of the mineralized system. The area currently being evaluated represents only a portion of the Massala structure (~10%). Any estimate of ounces, mine life or production duration must await further drilling, modelling and technical studies. Accordingly, the current work should be viewed as evaluating a potential initial mining area rather than defining the full potential of the Massala system.

Q13. What has been the historical experience with small-scale mining permits in Mali, and what lessons are most relevant to Compass?

Prior to the introduction of Mali's 2023 Mining Code, there was no clearly defined regulatory framework for a modern small-scale mining operation. In practice, many local operators conducted what could best be described as mechanized artisanal mining, often based on limited resource definition, basic processing facilities, and less comprehensive environmental and technical requirements than would be expected today.

As discussed in Q6 above, the 2023 Mining Code introduced a formal Small Mine Permit category with clearly defined regulatory standards and operating parameters. Among other requirements, applicants must conduct community consultations and obtain a full Environmental Permit and comply with limits relating to permit area size, processing capacity, and maximum mineable reserves. The new framework is intended to support responsible, well-planned mining operations while maintaining an appropriate scale of development.

The most important lesson from Mali's historical small mining experience is that geology alone is not enough. Many operations have struggled because they advanced into production with insufficient drilling, inadequate metallurgical understanding, limited mine planning, or insufficient capital to withstand operational challenges. The most successful operators have typically combined quality geological data with disciplined technical evaluation, realistic development plans, strong environmental practices, and access to the capital and management expertise required to execute those plans. These are the principles that Compass has sought to incorporate into its own development strategy.

Q14. Is the government's review of exploration permit renewals and related policy matters still affecting the issuance of small mining permits?

Our understanding is that policy matters relating to exploration permits and renewals continue to be addressed by the government. Until those matters are resolved, mining permit approvals have progressed more slowly than anticipated. We remain in regular communication with the relevant authorities.

Q15. Is the government considering changes to the size or scope of small mining permits that could affect Compass's application?

Various industry participants have advocated for changes to small-mine regulations over the past two years. At present, we are not aware of any material regulatory changes that would negatively affect our application.

Q16. What is management's current estimate of the capital required to construct and commission an initial small mining operation?

The optimal plant configuration remains under evaluation. Current work is focused on balancing capital cost, operating efficiency and metallurgical recovery. The final design will depend on the selected processing flowsheet and the outcome of ongoing engineering and economic analysis. Our early estimates for a simple gravity plant are around US\$5-7m. The ultimate capital requirement will depend heavily on the final processing configuration, particularly whether the project proceeds as a gravity-only operation or incorporates a leaching component designed to maximize recovery.

Q17. Could a partnership with a well-connected Malian party improve the likelihood of permit approval?

No. We do not believe permit decisions are influenced by private commercial relationships. Compass's application will be assessed on its technical, environmental and regulatory merits. Local partners may provide operational or commercial benefits once a permit is granted.

Q18. What expenditures remain before permit approval, and how is the Board managing cash preservation?

The major costs associated with drilling, metallurgical testing, environmental permitting, and other key technical programs have largely been incurred. While we await a decision on the Small Mine Permit application, the Company's focus has shifted toward development planning, engineering evaluation, plant design optimization, contractor engagement, and other activities that support project readiness.

The Board continues to take a disciplined approach to capital allocation and cash preservation. Expenditures are being prioritized toward activities that either advance the Company's technical understanding of the project or support its ability to move efficiently toward development once a permit decision is received.

As disclosed in the Company's most recent public filings, Compass reported a cash balance of approximately CDN \$4.4 million as of March 31, 2026. Management believes the Company is well positioned to continue advancing its planning and evaluation activities while maintaining financial flexibility during the permitting process.

Q19. Is there any reason to believe the government has concerns with Compass's application that have not been communicated to the Company?

We have no basis to believe that is the case. Our understanding is that delays are affecting all applicants and are largely attributable to administrative, regulatory and capacity-related factors.

Q20. Is the potential strategy of attracting a larger mining partner still viable?

Yes, although market conditions have evolved. Our immediate focus is on advancing Massala to production. Over time, demonstrating scale, continuity, operating success and resource potential would enhance our attractiveness to potential strategic partners. One or more successful small mine operations could also serve as a platform for demonstrating the district's potential to larger mining companies seeking growth opportunities in Mali.

Q21. Have other commodities displaced gold as Mali's primary mining focus?

No. Gold remains the dominant mining industry in Mali and continues to be central to the country's economy.

Q22. Is foreign influence affecting mining priorities in Mali?

International participants remain active in Mali's mining sector. However, our view is that government policy continues to be driven primarily by national economic and regulatory objectives.

Q23. What rights are associated with a valid exploration permit and a mining permit?

A valid exploration permit holder has exclusive rights granted under applicable legislation. Only the permit holder may advance the project through the regulatory process, subject to compliance with all legal and operational requirements, and ultimately receive the mining permit (in Mali, the mining permit is referred to as the "exploitation permit").

Q24. What is the current status of SMAT and what lessons did Compass take from that opportunity?

SMAT demonstrated both the opportunities and challenges associated with small-scale gold production. After evaluating the facility and potential toll-treatment arrangements, Compass concluded that the required modifications to the plant and commercial terms did not support a transaction that was in shareholders' best interests. To our knowledge, the SMAT plant is not currently operating. Compass has since focused its efforts on advancing its own Small Mine development strategy at Massala.

Q25. Why was there significant trading activity following the recent financing?

We believe some financing participants elected to monetize their shares while retaining warrant exposure, a common market practice. At the same time, several existing and new investors acquired significant positions. Regardless of secondary-market activity, the financing successfully strengthened the Company's balance sheet.

Q26. What would Compass look like if permit approval were delayed for another year?

Based on our current financial position, we believe the Company is capable of maintaining its core activities while awaiting a permitting decision. Capital preservation remains a central priority. Importantly, a permitting delay does not impair the underlying geology or technical merits of the project.

Q27. What key decisions cannot be finalized until the permit is granted?

The principal decisions are committing capital, finalizing plant construction decisions and initiating mining operations.

Q28. What work can be completed during the upcoming rainy season?

The rainy season provides an opportunity to advance engineering, planning, procurement evaluations, contractor discussions and other development-readiness activities.

Q29. What are the Company's plans for additional small mine permits beyond Massala?

Our priority is to establish successful operations at Massala. Following operational validation, we would evaluate opportunities to expand along the trend or pursue additional permit applications where justified by technical results.

Q30. How active is gold exploration in Mali today compared with previous years?

Exploration activity is generally lower than it was several years ago, particularly with respect to new permit applications, which we understand have been on hold for approximately five years. Most current work appears focused on existing projects and near-mine opportunities.

Q31. What is the status of Compass's other exploration permit areas?

The Company's exploration permits have been maintained in good standing and required commitments have been satisfied. Longer term, these properties represent potential sources of additional exploration growth, joint ventures or strategic transactions.

Q32. How important is gold mining to Mali?

Gold is one of Mali's most important industries, generating employment, foreign exchange, tax revenue and economic activity. It remains a strategic sector for the country.

Q33. How would a Compass operation benefit Mali and local communities?

Benefits would include royalties, taxes, employment, local procurement opportunities, skills development and broader economic activity. Compass also believes successful small-scale mining can create a model for responsible development.

Q34. How will Compass minimize environmental impacts during production?

Compass has already completed the environmental assessment process required for the proposed small mining operation and has received its Environmental Permit. That process involved extensive technical studies, stakeholder consultation, environmental review, and the development of mitigation and monitoring measures tailored to the project area.

Once in production, Compass will be required to operate in accordance with the conditions of its Environmental Permit, including ongoing environmental monitoring, reporting, water management, site rehabilitation obligations, and other safeguards designed to protect local communities and the surrounding environment. Management believes that responsible environmental stewardship is essential to the long-term success of the project and intends to operate in a manner that meets or exceeds applicable regulatory requirements and industry standards.