Discrete Gold Soil Anomalies Delineated Along Strike From Farabakoura Workings

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TORONTO, Aug. 26, 2019 - Compass Gold Corp. (TSX-V: CVB) (Compass or the Company) is pleased to provide an update on exploration activity on the Faraba-Coura permit, Sikasso Property in Southern Mali.

Highlights

- Three discrete gold zones (up to 1 km) identified over a distance of 4.8 km from a shallow soil survey, and 2 km along strike from Farabakoura gold workings
- Anomalies are coincident with crustal-scale faults cutting intrusions
- Results reinforce anomalies previously identified through wide-spaced, deep soil auger sampling
- Data review suggests a similar style of gold mineralization found at Farabakoura might also be present in newly tested area (Boumban)

Compass CEO, Larry Phillips, said, “While drilling progressed at Farabakoura, our field teams continued exploring other target areas on our adjacent Faraba-Coura permit. Combining the results of this latest work with our previous findings, we now have three robust targets for the next phase of bedrock drilling, which we intend to initiate later this year. While our primary focus remains on the gold workings Farabakoura and Kabangoué, it is also important to note that these promising target areas represent only a small fraction of our prospective total land holdings.”

Background
Between December 2017 and February 2018, Compass undertook a shallow soil sampling program over the Faraba-Coura and Ouassada exploration permits. Samples were collected with a sample spacing of 100 m, a line spacing of 500 m, and to depths of 60 cm. From this work, three broad zones were selected for deep auger sampling to an average depth of 15 m using a similar sample and grid spacing to the previous shallow soil program. The auger sampling identified four single or double sample point anomalies over a distance of approximately 5 km for future infill sampling.

Boumban Soil Anomalies
Beginning in June 2019, Compass undertook an infill shallow soil sampling program, which consisted of 563 samples collected on a 100 x 100 m grid. (Samples on the original 500 m spaced lines were not duplicated.) All samples were analyzed for gold using fire assay conducted at SGS (Bamako), and the results were combined and plotted with the previous permit-wide samples (Figure 1). Simple statistical analyses were performed on the data to determine the degree of sample anomalism. (Generally, in Mali shallow soil samples >20 ppb Au warrant further investigation.) Background values were considered to be 5 ppb Au or less (number of samples (n) = 2822), weakly anomalous (5 - 11 ppb Au, n = 818), moderately anomalous (11 - 18 ppb Au, n = 201), strongly anomalous (18 - 100 ppb Au, n = 130), and extremely anomalous (> 3 standard deviations from the mean, 100 - 3800 ppb Au, n = 13). From the latest 563 samples, one sample was classified as extremely anomalous (containing 100 ppb Au), and 43 samples as strongly anomalous. A sample collected previously within the same grid area contained 793 ppb Au, which was the third highest value of the 3,984 soil samples collected in Ouassada and Faraba-Coura.

A photo accompanying this announcement is available at
https://www.globenewswire.com/NewsRoom/AttachmentNg/99f1fa68-fc69-4ec7-a0c3-21755450c42a

Plotting the samples based on anomalism resulted in the delineation of the three areas – Boumban South, Central, and North – which had been previously identified in the auger sampling, over a distance of 4.2 km. The Boumban South anomaly is approximately 850 m in length, Boumban Central is 900

x 900 m, and the Boumban North anomaly is 700 m in length. All three anomalies follow NW-trends that correlate with similar trending interpreted faults. The elevated gold concentrations in the Boumban soil samples is comparable to the samples collected from over the artisanal workings at Farabakoura, located between 2 and 3 km along strike to the south-southeast.

Like the workings at Farabakoura, the eastern part of the Boumban Central anomaly is coincident with a strong north-south trending airborne electromagnetic (EM) anomaly. This anomaly can be traced over 40 km to the Komana East pit of the Yanfolila mine (operated by Hummingbird Resources), suggesting that it might play an important role in the formation of gold mineralization in the region.

Ground Magnetic Survey

Contemporaneous with the shallow soil survey, a detailed ground magnetic survey was also performed. This 50 m line spaced, north-south oriented survey was planned to provide higher resolution information on the bedrock geology than previously available. The ground survey consisted of three survey areas: a 2.5 x 2.5 km area adjacent to the 2019 Farabakoura ground survey; a similar sized grid in the north; and, a smaller (2 x 2 km) grid in the centre. Only the northern and southern grids were completed before the start of the rains last month, resulting in the gap (see Figure 1) over the Boumban Centre soil anomaly.

Initial interpretation of the ground magnetic data indicates the likely presence of granodiorite intrusions intruding a volcaniclastic sequence, which have been cut by a series of NW-trending faults similar to Farabakoura. The data also suggests the presence of a small buried mafic intrusion to the east of the Boumban South gold anomaly.

Next Steps

Comparison between the geophysics and drilling information from Farabakoura, and the interpretation of the shallow soil and ground magnetic survey data at Boumban, suggest that a similar style of gold mineralization might be present. When ground conditions and access improve at the end of the rainy season, the priority will be to complete the ground magnetic grid over the Boumban Centre area, and augment the survey with infill lines at a spacing of 25 m. Interpretation of this new data will determine the precise location of the reverse circulation (RC) bedrock drilling targets. This drilling could start in November while the rigs are *en route* to the Farabakoura drilling targets.

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 854 km^2. 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.”

QAQC

All soil 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 soil samples were prepared and analyzed at SGS SARL (Bamako, Mali) by fire assay technique FAE505. All standard and blank results were reviewed to ensure no failures were detected.

Qualified Person

This news release has been reviewed and approved by EurGeol. 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.

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