Compass Identifies Two New 1-km Targets With Bedrock Gold Mineralization on the Farabakoura Trend

13.08.2020 | GlobeNewswire

TORONTO, Aug. 13, 2020 - Compass Gold Corp. (TSX-V: CVB) (Compass or the Company) is pleased to provide an update on the recently completed fieldwork at the Dial?k? prospect on the Company’s Sikasso Property in southern Mali (*Figure 1*).

Highlights

- Exploration work at Dial?k? identifies two discrete >1-km-long zones of coincident gold-in-shallow-soil anomalism associated with the Siekeroli shear zone
- Pronounced gold in soil anomaly present adjacent to Dial?k? workings
- Gold-bearing quartz veins recovered from shallow artisanal workings
- Drilling at Dial?k? will start when ground conditions permit

Compass CEO, Larry Phillips, said, “These latest results from our Dial?k? prospect have added two clear new targets to our already robust pipeline of highly prospective gold targets at Tarabala, Samagouela and Sodala. Our objective for the coming year is to confirm a gold resource at one or more of these targets contained on our Sikasso Property.”

He added, “Our technical team recently completed a review of all of our exploration results and has outlined an aggressive and cost-effective exploration program for the coming field season once ground conditions permit. The first stage of this exploration program will include a fully-funded 3,000 m drill program on our Samagouela and Tarabala prospects, where we had considerable success earlier this year. We are anxious to resume this next phase of field work as soon as the rainy season ends.”

Dial?k? Overview
Dial?k? is located on the boundary between the Ouassada and Faraba-Coura permit areas (Figures 1 and 2). It is one of eighteen prospects previously identified along the 16-km Farabakoura Trend through regional, shallow, soil geochemistry, deep auger sampling and airborne magnetic surveys. The initial target at Dial?k? was chosen based on an isolated 3.8 g/t Au shallow soil sample (the highest shallow soil on the Ouassada/Faraba-Coura permits), close to the inferred location of the Siekeroli fault, and cut by a strong NW-trending fault interpreted from airborne magnetic surveying.

The latest assay results from the Dial?k? prospect were received following the Company’s recently completed field work in southern Mali, which concluded with the start of the rainy season. Samples collected there in May from spoils heaps at a new area of east-west trending artisanal workings, covering 4.5 hectares, contained mineralized quartz veins with grades up to 35.1 g/t Au (Figure 2). Follow-up Gradient IP and shallow soil surveys confirmed the Dial?k? workings are centred on an area marked by numerous smaller faults and gold soil anomalism adjacent to the main Siekeroli shear zone. Another target area 800 m to the west of the Dial?k? workings contains gold in soil samples up to 1.22 g/t Au. This area represents an exciting new target 2 km to the north of the focus of Compass’ field work in May 2019. This work was completed in mid-July, and the final assays were received in early August. Drilling on the prospect is planned once ground conditions permit.

Figure 1: Location of Compass Gold’s western permit areas. Target trends are illustrated in yellow with corresponding prospects (purple text):
https://www.globenewswire.com/NewsRoom/AttachmentNg/09806274-5f87-4e48-ac2d-75d43a8ece45

Technical Review:

Pit Reject (spoil) Samples
A total of 90 unbiased samples were collected on a 25 x 25 m grid over the newly identified workings at Dial?k?. The samples were 1.5 to 2 kg and randomly collected by shovel from the waste piles adjacent to artisanal workings. Shafts vary in depth from 6 to 30 m, with the water table occurring at 24 m.

Gold concentrations ranged from 1 ppb to 35,110 ppb (35.11 g/t Au). Five samples had gold grades greater than 1 g/t Au (1.08, 2.98, 4.00, 4.63 and 35.11 g/t Au), and 18 samples had gold grades between 0.2 and 1.0 g/t Au. Inspection of the pit reject samples showed the mineralization was present in smoky quartz veins with oxidized pyrite that cut a sheared granodiorite. This is similar to the mineralization noted in other prospects on the Farabakoura Trend (e.g., Farabakoura, Kabangoue, and Boumban).

Figure 2: Location of the Dial?k? prospect on the Farabakoura Trend. Other prospects on the trend are also illustrated:
https://www.globenewswire.com/NewsRoom/AttachmentNg/3f4596d0-7853-4929-9b98-c569cf169b7a

Shallow Soil Sampling
A total of 320 infill soil samples were collected on a 100 m x 100 m grid centred over the Dial?k? and Farabakoura NW workings. Gold concentrations ranged from 1 ppb to 1,220 ppb (1.22 g/t Au), with an average concentration of 24 ppb. Eleven samples contained more than 100 ppb Au (0.10 g/t Au), which is considered extremely anomalous in the total shallow soil database (7,101 samples) covering the 179 sq. km Ouassada and Faraba-Coura permits.

Gold anomalism correlates closely with the presence of artisanal workings and interpreted faults. A large 1,200 m long and up to 550 m wide zone of enhanced gold anomalism parallels the western contact of the Siekorole fault and is centred on the Dial?k? workings. This is considered the primary target zone.

A second area of enhanced anomalism is noted in the NW corner of the sampling grid, including one sample with 1.22 g/t Au. This 500 x 500 m zone correlates with a fault parallel to the Siekorole fault that cuts a granodiorite. Only weak anomalism is present in the vicinity of the Farabakoura NW artisanal workings, although a pit reject sample from this location contained 1.20 g/t Au.

Gradient Induced Polarization (IP) Survey
Concurrent with the geochemical sampling programs, a Gradient IP ground geophysical survey was performed over the Dial?k? and Farabakoura NW workings. The survey covered an area of 1.5 sq. km (1.4 x 1.0 km) and lines were orientated in a NE direction. The resistivity and chargeability data were processed and interpreted by Jeremy S. Brett, M.Sc., P.Geo. (MPH Consulting Limited).

The processed data indicate the location of the Siekorole fault (Figure 1) and a parallel fault 600 m to the west. The Dial?k? workings are located at the centre of a 700 x 700 m zone of faulting that is likely a favourable location for mineralization. The large area of gold soil anomalism in the northwest of the soil grid appears to correspond to an area of less structural complexity.

Interpretation of Field Work

Surface geochemical and geophysical surveys at Dial?k? have significantly enhanced the understanding of likely locations for gold mineralization at the prospect. Two targets have been identified that require follow-up drilling: a 700 x 700 m area centred at Dial?k?, and a 500 x 500 m area 400 m to the northwest of Farabakoura NW. Both targets are located on north-northwest trending faults in contact with intrusive rocks and extend for over 1 km.

Next Steps

Compass’s technical team recently completed a thorough review of all exploration data collected to date to appraise current and new target areas. The review outlined an aggressive exploration program for the coming field season totalling at least 3,000 m of air core drilling on previously identified broad zones of shallow gold mineralization on the Company’s Samagouela and Tarabala prospects, and ground

geophysics and in-fill soil surveys on additional areas of interest. This exploration is fully-funded and is expected to start as soon as field conditions allow, likely in November.

Targets have been selected according to their potential to host shallow, open-pittable ore systems.

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 km^2. 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 Archibald, P.Geo, is conducting the current exploration program. They are examining numerous anomalies first noted in Dr. Archibald’s August 2017 “National Instrument 43-101 Technical Report on the Sikasso Property, Southern Mali.”

QAQC

All pit reject and 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. All 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.

For further information please contact:

Compass Gold Corp.	Compass Gold Corp.
Larry Phillips – Pres. & CEO	Greg Taylor – Dir. Investor Relations & Corporate Communications
lphillips@compassgoldcorp.com	gtaylor@compassgoldcorp.com
T: +1 416-596-0996 X 302	T: +1 416-596-0996 X 301

Website: www.compassgoldcorp.com

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