



MANAGEMENT DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

The following management discussion and analysis (the "MD&A") of financial results is dated November 27, 2024, and reviews the business activities of Compass Gold Corporation ("Compass" or the "Company") and its subsidiaries, for the nine months ended September 30, 2024, and describes the Company's business operations through to the date of this MD&A. The MD&A should be read in conjunction with the Company's condensed interim consolidated financial statements for the nine months ended September 30, 2024, and the notes attached thereto ("Financial Statements"), as well as the audited consolidated financial statements for the year ended December 31, 2023 and related annual MD&A. This MD&A and the accompanying Financial Statements have been reviewed by the Company's Audit Committee and approved by the Company's board of directors (the "Board").

Statements in this MD&A that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. The Company does not assume the obligation to update any forward-looking statement, except as required by applicable law.

Management is responsible for the presentation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and ensuring that information used internally or disclosed externally, including the financial statements and the MD&A, is complete and reliable. The Board follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Audit Committee of the Board meets with management regularly to review the financial statements and the MD&A, and to discuss other financial, operating and internal control matters.

All figures are reported in Canadian dollars ("C\$") unless otherwise stated.

HIGHLIGHTS

- On October 28, 2024, the Company provided an update on its plans to produce gold at the Massala prospect located along the 15 km Tarabala Trend, which is contained within the Company's Sikasso Property in southern Mali. An Initial joint-production agreement was reached for toll-treating Compass ore at the adjacent Small Mining Facility owned by SMAT, a Malian business group. The agreement calls for Compass to obtain a Small Mining permit utilizing a 'toll treating' agreement, and for SMAT to deliver and complete the installation of updated processing components at their production facility during Q1 2025. Free cash flow generated by operation would be used to fund operating cash requirements, convertible debenture repayments, and to expand exploration and production activities.
- On August 19, 2024, the Company provided an update on the recent follow-up trench sampling program at the Massala prospect, located on the Company's Sikasso Property in southern Mali. Assay results were reported from five trenches, each 5-m deep and totalling 305 m in length at Massala, and included the widest intercept being 21 m @ 3.51 g/t Au (2 m depth; MATR005), and the highest-grade interval being 1 m @ 40.29 g/t Au (2 m depth; MATR004.) The Company also noted that the new Malian Mining Code provides for a streamlined process for obtaining a Small Mine Permit, with a four-year term allowing total production of 160,000 ounces of gold based on annual mining of up to 200,000 tonnes of ore per year. Further, the Company reported that it has commenced the process required for permit renewals and applications to allow for mining at Massala.

- On July 17, 2024, the Company reported the completion of its previously announced offering, on a non-brokered private placement basis, of 175 convertible debenture units of the Company, at a price of \$1,000 per Debenture Unit, for aggregate gross proceeds of \$175,000.
- On February 5, 2024, the Company provided a report to shareholders on the progress it has made since announcing the encouraging assay results from the initial trenches completed at Massala in September, which intercepted 20 m at 4.13 grams per tonne (g/t) gold (Au), including 4 m @ 19.19 g/t Au in Trench MATR001
- On September 13, 2023, the Company announced that trench sampling along the Tarabala prospect had identified several wide, high-grade mineralized zones, with the highest-grade interval being found at Massala, including 20 m at 4.13 g/t Au.
- On August 14, 2023, the Company noted that it had completed the first phase of its most recent trench sampling program at Tarabala and Massala, involving four 5-m deep trenches totalling 208 m in length, and from which 979 samples had been submitted to the assay laboratory.

1. COMPANY OVERVIEW

Compass was incorporated on July 1, 2002, under the laws of Alberta and subsequently continued into Ontario and is a Tier 2 issuer on the TSX- V. Through the November 2017 acquisition of Mali Gold Exploration Pty Ltd ("MGE") and Malian subsidiaries, Compass holds gold exploration permits located in Mali that comprise the Sikasso Property. The exploration permits are located on four sites in southern Mali with a combined landholding currently consisting of 1,173 square kilometres (sq. km). Compass's exploration permits are located in the same region as several multi-million-ounce gold projects, including Morila, Syama, Kalana and Yanfolila. The Company's Mali-based technical team, led in the field by Dr. Madani Diallo and under the supervision of Dr. Sandy Archibald, P.Geol., is conducting the planned exploration program. They are examining the numerous anomalies first noted for further investigation in Dr. Archibald's August 2017 "National Instrument 43-101 Technical Report on the Sikasso Property, Southern Mali," ("**the Technical Report**").

2. MINERAL PROPERTY

A) OVERVIEW

MGE holds, through its Malian subsidiaries, fourteen (14) gold exploration permits in Mali, West Africa covering a total area of 1,173 sq. km in established gold producing regions of Mali (**Figure 1**). The Company has now taken over MGE's business of gold exploration in Mali.

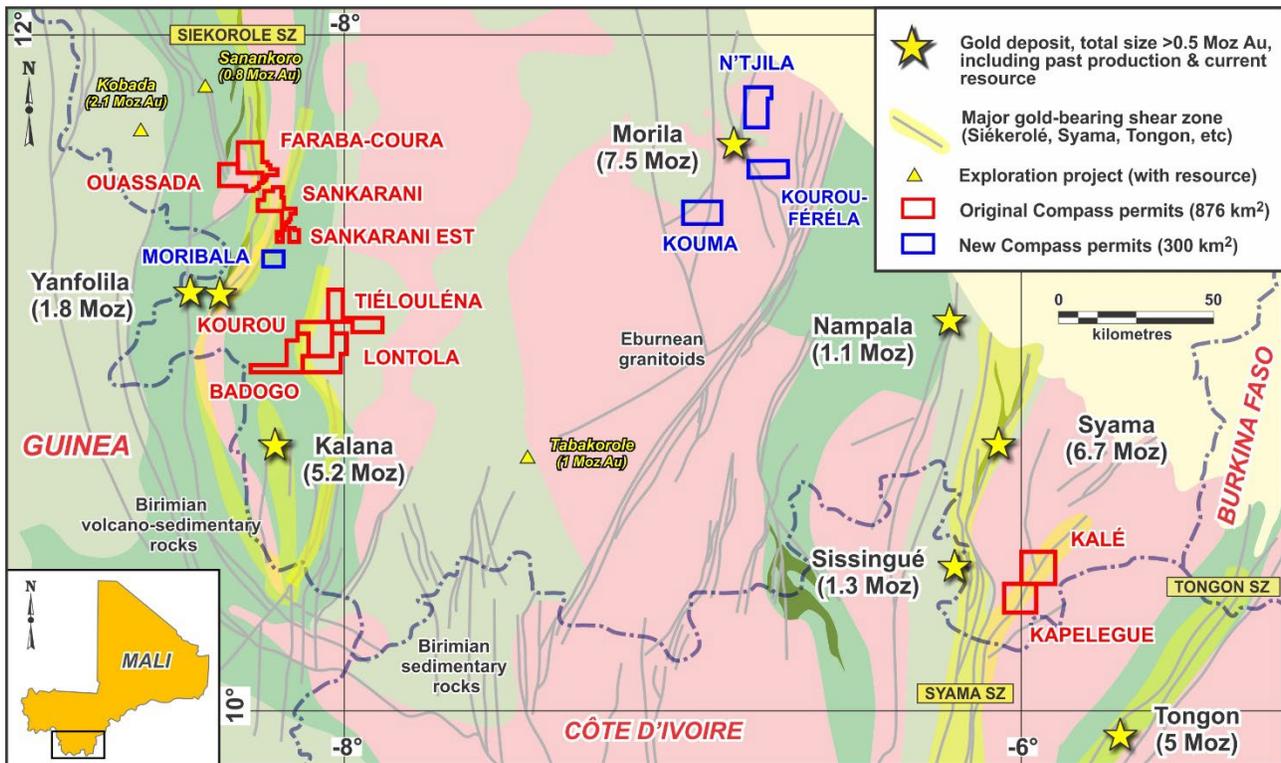


Figure 1. Location of original permit outlines (red) and additional permit added in 2021 (blue).

Permit Renewals

On February 20, 2019, the Company provided an update on the renewal of the permits that comprise its Sikasso Property area. It was noted that the Mali Ministry of Mines, Energy and Water had accepted the new permit boundaries and areas that comprise the Sikasso Property. The five original permits were increased to ten new permits each with a maximum area of 100 sq. km and which are in good standing until the next renewal date in 2024. In October 2021, the Malian Ministry of Mines, Energy and Water signed the Mining Conventions for four additional permits totaling 300 sq. km (**Table 1**). The three permit Mining Conventions in the vicinity of the Morila mine (N'Tjila, Kourouféréla, and Kouma) are under binding MOUs with La Société GT-Mining and Geology Services SARL. Due to a limit of three permits per applicant, Compass has set up a new subsidiary, Compass Gold Mining SARL. The Mining Convention for the fourth area, Moribala, was approved for Mali Gold Exploration SARL. Mining Conventions are valid for 20 years and allow preliminary exploration activity.

On August 29, 2023 and July 9, 2024, the Government issued respectively a new Mining Code and its Application Decree. On July 26, 2024 the Government has issued a “Communiqué de Presse” requesting mining titles holders to provide identifying documents and copies of held mining titles and conventions. It is therefore expected that the renewal and granting process of mining titles will resume in the coming months.

Table 1. Sikasso Property permits

Permit	Area (sq. km)	New Permit Name	Area (sq. km)	Arrêté / Convention 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
		Sankarani Est	13	2018-12-18	MGE 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	114	2018-09-04	ML Commodities Mali SARL
		Kapélégué	96	2018-10-03	ML Commodities Mali SARL
Moribala	34	Moribala	34	2021-10-19	Mali Gold Exploration (MGE) SARL
N'Tjila	103	N'Tjila	100	2022-10-04	Binding MOU with Compass Gold Mining SARL
Kourouféréla	72	Kourouféréla	72	2022-10-04	Binding MOU with Compass Gold Mining SARL
Kouma	91	Kouma	91	2022-05-04	Binding MOU with Compass Gold Mining SARL

Expenditures and Commitments

The Company has incurred exploration and development expenditures of \$479,735 for the nine months ended September 30, 2024 compared to \$1,122,068 for the nine months ended December 31, 2023 (**Table 2.**)

The Company initiated its first exploration program on November 29, 2017 (the day of acquisition of MGE.) The actual expenditures made from this inception date to September 30, 2024 are \$18,650,183 plus the cost of acquired machinery and equipment in the amount of \$18,724 (net of amortization). For further information, please refer to note 5 of the related financial statements for the nine months ended September 30, 2024. As of September 30, 2024, the Company had incurred \$6,172,837 (2023 -\$6,172,837) of acquisition costs of MGE, before the write down of the Kale permit.

Table 2: Exploration expenditures includes the following items as of September 30, 2024:

	Nine months ended September 30, 2024 \$	Year ended December 31, 2023 \$	Year to date (since inception) September 30, 2024 \$
Project Management and administrative	193,917	393,634	3,281,184
Licensing Costs / Property	-	44,891	654,516
Drilling and Assay	206,329	531,623	8,838,466
Field work support	66,310	139,619	4,212,937
Technical studies	-	-	1,299,452
VAT recoverable related to expenditures	13,179	12,301	363,628
Total Expenditures	479,735	1,122,068	18,650,183

The Company completed a detailed review of the permits and licenses during fiscal 2022. Given the extensive holdings held by the Company and current capital market conditions, the Company's management decided to relinquish ownership of the Kale permit area. This permit was selected due to its low potential, which was based on the work completed to date. By dropping this permit, the Company will focus its capital resources on the remaining permit areas. From now until the Kale permit renewal in 2024, The Company will not incur any more expenditures on the Kale permit or renew the Kale permit. The capitalized exploration costs of \$923,500 and acquisition costs of \$1,309,500 related to these permit areas for a total of \$2,233,000 were written down and expensed for the year ended December 31, 2022.

During fiscal 2021, the Company renewed the permits comprising the Property to extend the life of the licences for conducting mineral exploration. As a result of this process, the permits have been renewed and the Company has committed to exploration expenditures over the next three years as follows:

Year/Work Program (\$)	Phase 1	Phase 2	Future Phases	Total
First Year	1,797,330	-	-	1,797,330
Second Year	-	2,841,999	-	2,841,999
Third Year	-	-	3,700,622	3,700,622
Total	1,797,330	2,841,999	3,700,622	8,339,951

B) CURRENT ACTIVITIES

Exploration Program Fiscal 2024

On August 19, 2024, the Company provided an update on the recent follow-up trench sampling program at the Massala prospect, located on the Company's Sikasso Property in southern Mali. Assay results were reported from five trenches, each 5-m deep and totalling 305 m in length at Massala, and included the widest intercept being 21 m @ 3.51 g/t Au (2 m depth; MATR005), and the highest-grade interval being 1 m @ 40.29 g/t Au (2 m depth; MATR004.) The Company also noted that the new Malian Mining Code provides for a streamlined process for obtaining a Small Mine Permit, with a four-year term allowing total production of 160,000 ounces of gold based on annual mining of up to 200,000 tonnes of ore per year. Further, the Company reported that it has commenced the process required for permit renewals and applications to allow for mining at Massala.

On February 5, 2024, the Company reported to shareholders on the progress it has made since announcing the encouraging assay results from the initial trenches completed at Massala in September, which intercepted 20 m at 4.13 grams per tonne (g/t) gold (Au), including 4 m @ 19.19 g/t Au in Trench MATR001.

Field Work:

Nine new trenches have been excavated at 25-metre intervals at Massala, which is part of a 14- km long zone of mineralization that follows the Tarabala Fault (**Figures 2, 3 and 4**), including three trenches to the north of MATR001 and six to the south.

More than 2,000 channel samples were collected from these new trenches. A total of 614 samples, standards, blanks and duplicates have been assayed, and the remaining samples are being prepared for assaying. All samples were, or will be, prepared and assayed in accordance with the protocols established by an independent Canadian resource geologist who will be responsible for performing an NI 43-101-compliant resource estimation. This initial resource estimation and accompanying technical report is required for the formal application for a Small Mine Exploitation Permit under the pending new Malian Mining Code Decree.

The cost to complete the sample collection, assay results, and resource estimate, inclusive of overhead costs, is approximately CDN\$300,000. Compass originally planned to complete these tasks by the end of April 2024, but this has been pushed back until Q3 2024. Once these tasks are completed, subject to financing, Compass will finalize the mining equipment to be purchased and activate the related civil work and planning for the development of the small mine operations.

As previously reported (*see Compass news release dated September 13, 2023*), four earlier trenches were dug along a total trend length of more than 3.5 kilometres to show that near-surface mineralization is consistent with the previous drilling results along the Tarabala Trend at the Tarabala and Massala prospects, and extend to depths of at least 80 to 100 metres.

To identify the strongest mineralized zones, these initial four trenches were dug more than 400 metres apart. To improve confidence in the continuity of the mineralization for the resource estimation, additional trenches at 25-metre spacings are required.

The high-grade results from trench MATR001, averaging 4.13 g/t Au over a length of 20 metres, led to a focus on a strike length of 200 metres adjacent to this trench as the target of an initial resource.

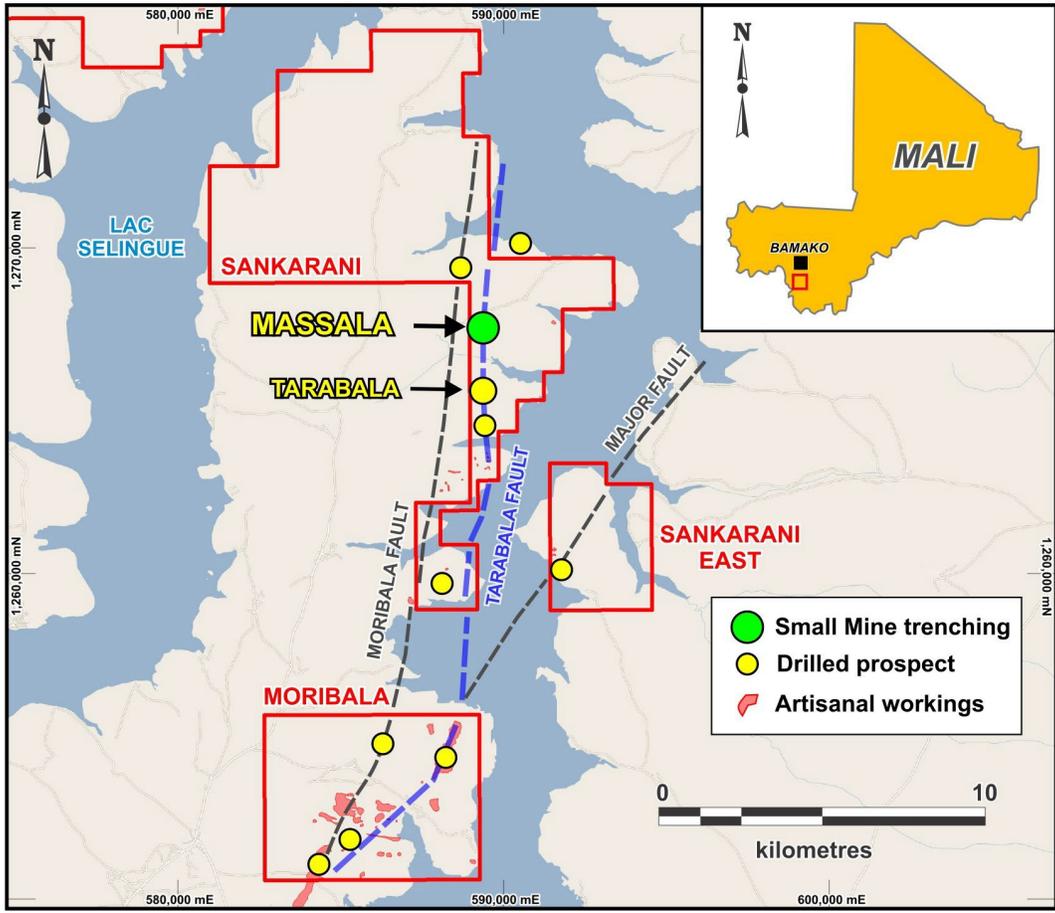


Figure 2: Location of Tarabala and Massala prospects where trenching was completed. Additional artisanal workings along the Tarabala and Moribala faults are also displayed.

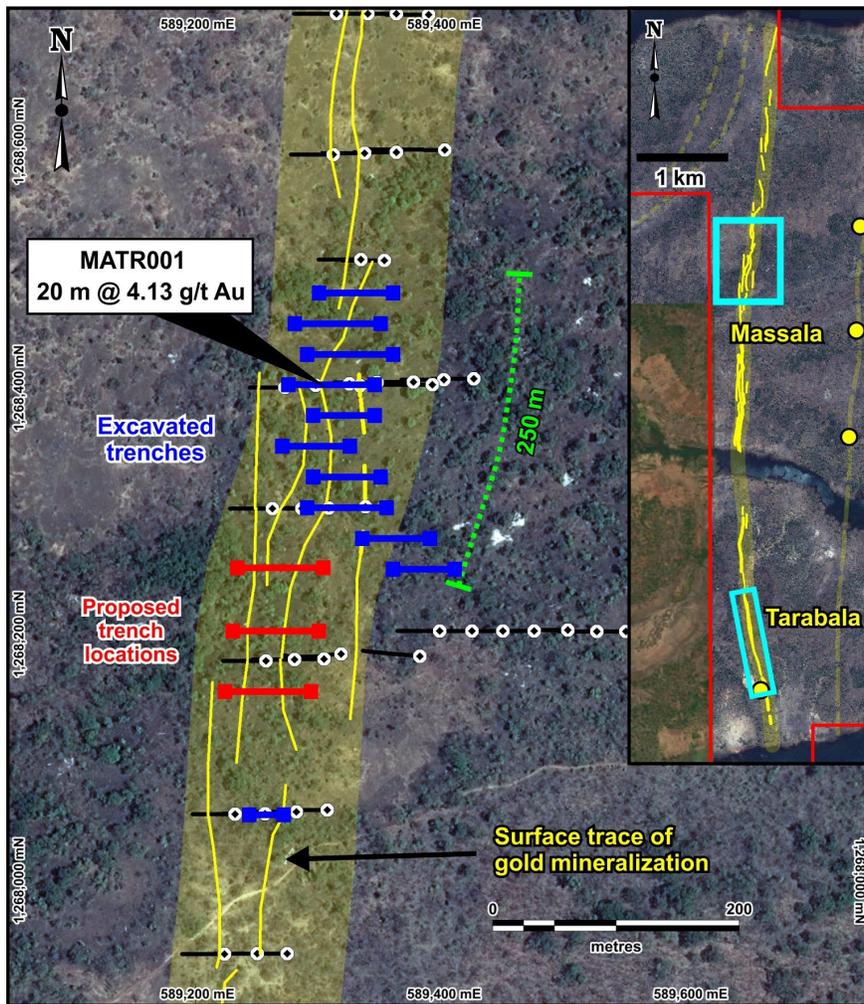


Figure 3: Map showing the location of the completed trenches at the Tarabala and Massala prospects.



Figure 4: Sampling at a depth of 4 m at Massala.

Economic Modelling:

In addition to the trenching and sampling work completed and ongoing in the field, the Company's technical team is incorporating data and third-party estimates into a comprehensive model, which validates the robust economics of a Small Mine scenario at Massala and Tarabala.

Preliminary modelling indicates:

- Modest all-in capital cost of approximately US\$4.5M
- Repayment of capital expected to be completed in less than one year
- Accelerated time for building, delivering and commissioning all plant and mine site facilities within approximately eight months of initial capital advances
- Operating costs on a cash basis range from US\$725 (worst case) to US\$400 (best case) per ounce, depending on production cost assumptions
- Free cash flow in year one after repayment of all capital and interest
- Total projected after-tax cash flow from the first four years of operation=US\$19.5M, which includes repayment of capital costs
- Favourable tax deductions and exemptions (e.g. exploration expenses, accelerated depreciation on capital)

New Malian Mining Code:

Following the formation of a new government in Mali in 2020, a new Mining Code was adopted on August 29th, 2023, replacing the previous regulations, which had been in effect since 2019. A Decree defining how the new Mining Code will be applied, has been issued on July 9th, 2024. On July 26, 2024 the Government issued a "Communiqué de Presse" requesting mining titles owners to provide documentation on their identities and copies of signed conventions and issued licenses, thus restarting licenses granting and renewal process.

The new Mining Code and its Application Decree allows for a 100% private ownership of a Small Mine operation, processing less than 50 t/hr of ore and having gold reserves less than 5 t (160 koz). A Small Mine mining permit is issued for 4 years, renewable until depletion of resources.

The remaining assay work and other materials for submitting the Company's Small Mine Exploitation permit application are scheduled to be completed over the next six months and costs to complete it are projected to be approximately Cdn\$300,000, which covers corporate and Malian overhead over this period and will be completed subject to available capital to support such expenditures.

Corporate Development:

On October 28, 2024, the Company provided an update on its plans to produce gold at the Massala prospect located along the 15 km Tarabala Trend, which is contained within the Company's Sikasso Property in southern Mali (**Figure 2**). An Initial joint-production agreement was reached for toll-treating Compass ore at the adjacent Small Mining Facility owned by SMAT, a Malian business group. The agreement calls for Compass to obtain a Small Mining permit utilizing a 'toll treating' agreement, and for SMAT to deliver and complete the installation of updated processing components at their production facility during Q1 2025. Free cash flow generated by operation would be used to fund operating cash requirements, convertible debenture repayments, and to expand exploration and production activities.

SMAT is owned by a successful Malian business group who can be a strong strategic partner with Compass. SMAT has invested in a modern small mine processing facility located less than 3 kilometres from the Company's near surface Massala gold prospect. As previously reported, this target zone has a strike length of at least 150 metres, and has been tested by a series of trenches down to a depth of 5 metres. Assay results show that the mineralization clearly exceeds the 1-gram-per-tonne level that Compass considers to be profitable for a small mine.

Compass and its joint-venture partner have targeted Q1, 2025 for the SMAT processing facility to be operational and for Compass to have secured the required Mining Permit authorizing this joint toll-treating agreement.

Under this arrangement, Compass will be able to produce gold within the SMAT facility, by processing ore from Tarabala trend at a rate of up to 50 tonnes/hour. This total annual gold production and ore processing will fall within the provisions of the Malian Mining Code for Small Mines, as proclaimed in July of this year. This code allows for a maximum of 200,000 tonnes/year and 160,000 ounces of gold over a four-year period.

A number of specific issues, including precise cost-sharing details, will be determined once the full plant is tested and commissioned for production.

Funds generated from the Company's small mine gold production will be used for operating cash requirements, providing funds to repay the Convertible debenture for those holders who do not elect to convert their interest to shares in the Company, and finally, to pursue opportunities to expand production activities along other sections of the Tarabala trend and conduct additional exploration across the exploration permit areas retained by the Company.

Exploration Program Fiscal 2023

On January 5, 2023, the Company reported that it had completed its previously announced \$700,000 private placement financing and was preparing to launch a follow-up drilling program to test previously identified mineralized sections at depth along the Tarabala Trend on its Sikasso Property in Southern Mali (**Figure 5**).

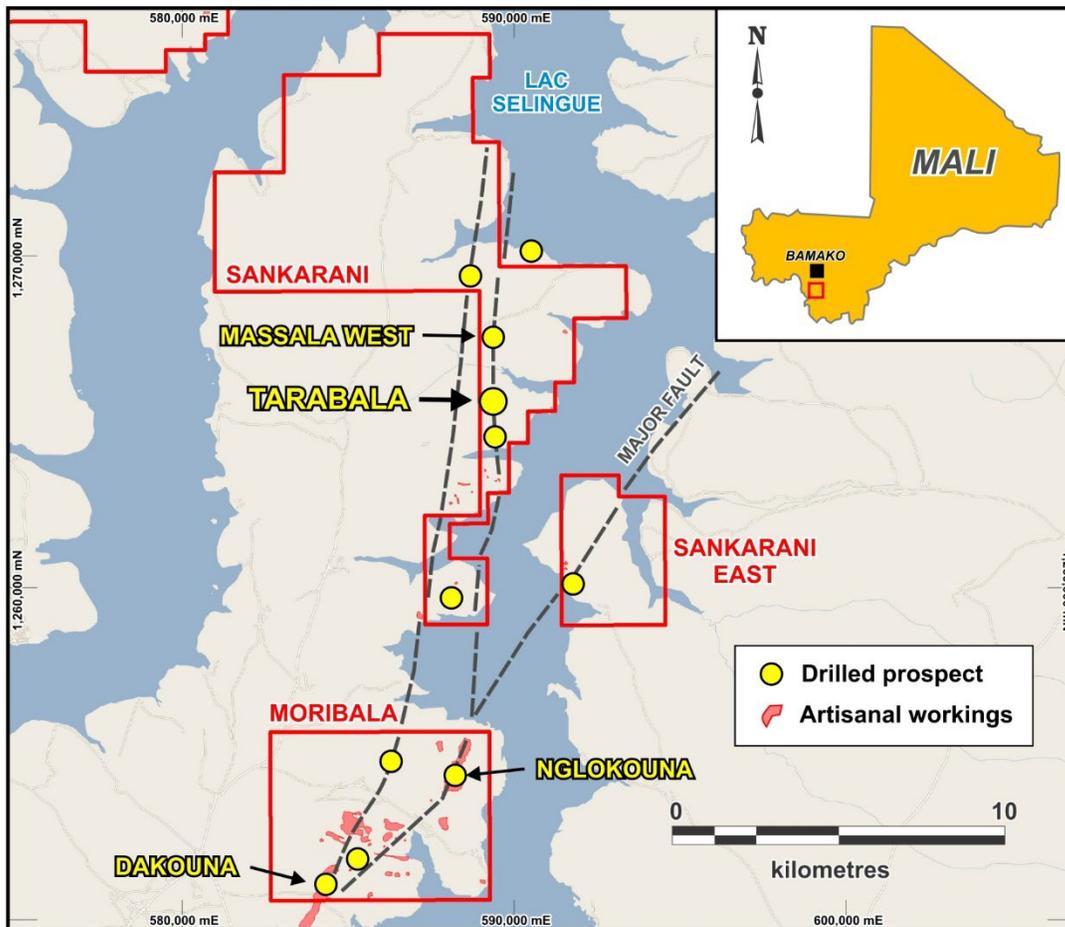


Figure 5: Property map showing the location of the Tarabala prospect.

The results of the private placement enabled the Company to initiate its planned follow-up drilling program at Tarabala. Previous drilling had indicated gold mineralization in a wide zone extending over a strike length of 1,600 metres at shallow depths. However, re-assaying of previous RC and core samples demonstrated that simple fire assay testing had under-reported the gold content of the samples primarily due to the presence of the “nugget effect” from coarse gold.

The upcoming drilling was expected to provide important new information on the nature and grade of the gold mineralization. The new drill holes would be deeper than the previous drilling and samples were to be tested using metallic screen fire assay to ensure the coarse (nuggety) gold content is recorded.

Drilling was aimed to establish the width and orientation of the veins, mineralogy, as well as the continuity of grade along strike and down dip. While it is known that the gold mineralization extends over 4 km along the Tarabala fault between the Tarabala and Massala West prospects, this program was intended to determine the depth potential.

On March 8, 2023, the Company announced that it had launched its previously announced follow-up drilling program on the Tarabala Trend. The program consisted of an 800-m reverse circulation drill program focused on the artisanal workings on the Tarabala prospect and looking to trace the down-dip extension of wide zones of shallow gold mineralization identified through earlier Air Core (AC), RC and diamond drilling.

Previous AC drilling on the Tarabala Trend first identified bedrock gold at the Tarabala prospect in April 2020 (**Figure 5**). Subsequent drilling identified shallow gold mineralization at Massala West. This confirmed the presence of a 4-km-long mineralized zone between Tarabala and Massala West (**Figure 6**). The deepest drilling has only tested the mineralized zone to a depth of 80 m from surface.

AC results at Tarabala included wide intervals of up to 16 m @ 1.51 g/t Au (from 16 m; SAAC02) and 17 m @ 0.73 g/t Au (from 18 m; SAAC109), and included higher grade sub-intervals such as 4 m @ 5.20 g/t Au (from 26 m; SAAC02) and 1 m @ 12.99 g/t Au (from 33 m; SAAC36). Follow-up RC drilling at Tarabala indicated that the mineralization continued at depth, but it was not tested deeper than 60 m. The widest intercepts from the RC driller were 26 m @ 0.47 g/t Au (from 45 m; SARC001) and 25 m @ 0.58 g/t Au (from 67 m; SARC003). The best mineralization was identified in a 1-km-section of the 2.2 km-long mineralized Tarabala Fault.

Two kilometers further north, AC drilling identified two discrete mineralized zones greater than 550 m at Massala West. The northernmost zone contained the widest mineralized interval and the highest grade. Drill hole SAAC123 contained 24 m @ 2.35 g/t Au (from 18 m), which included 1 m @ 26.80 g/t Au (from 35 m). RC drilling in the two zones identified several mineralized intervals including the widest zone of 6 m @ 1.02 g/t Au (from 43 m; SARC010). Owing to difficult drilling conditions caused by a higher-than-expected water table, the subsequent RC drilling conducted at Massala West was unable to target the main vein system at a depth of 80 m.

A resampling program of historic Compass RC chips indicated that coarse-grained (“nuggety”) gold was likely present at Tarabala. The nugget effect was evidenced by the presence of higher-grade mineralized intervals, e.g., 7 m at 14.13 g/t Au (inc. 1 m @ 97.34 g/t Au), compared to an earlier result of 0.42 g/t Au, and previously barren intervals containing gold, e.g., 1 m @ 0.92 g/t Au, compared to 0.01 g/t Au.

The latest drilling was specifically to address the nugget effect by employing two assay techniques on the RC chip samples. The first is a cyanide-leach (‘Leachwell’) assay that would quickly determine gold content over the entire length of the hole. Any gold mineralized zones identified will be further tested by metallic screen fire assay. This technique is designed specifically to ensure all coarse-grained gold is identified and analysed. These assay techniques will accurately determine whether nuggety gold is present in new drilling samples, and which technique will be the most reliable as the technical team moves forward with additional exploration and resource definition drilling.

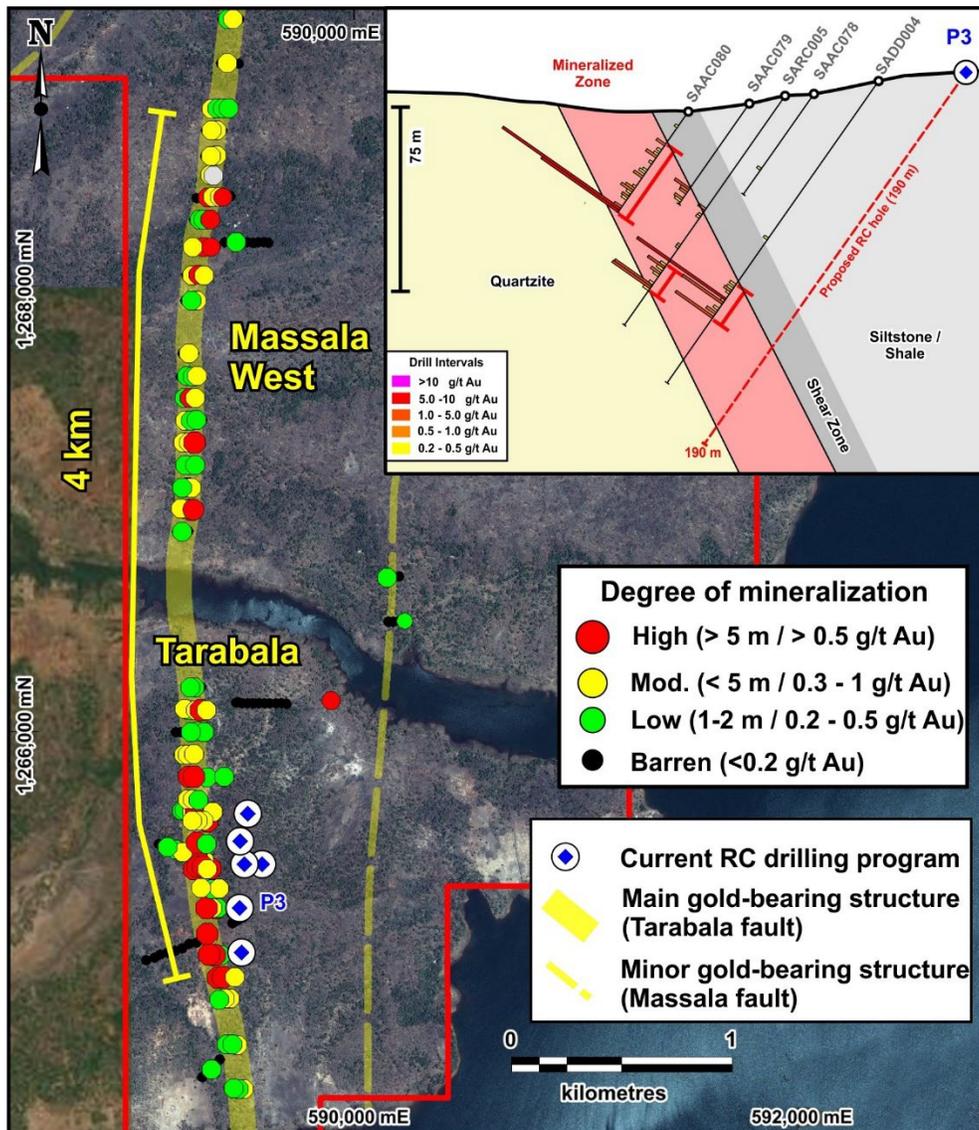


Figure 6: Summary of drilling on the Tarabala Trend and the location of the planned RC drill holes.

On April 18, 2023, the Company noted that the previously announced six-RC-hole drill program for 1,036 m was completed in early March. This work at the Tarabala prospect tested the down-dip extension of mineralization previously identified by near-surface drilling there. The drill program, aimed at testing 450 m of a 1,000 m zone, intercepted higher-grade mineralized areas within wide zones of low-grade mineralization. This included the best interval of 13 m at 3.30 g/t Au (from 84 m), including 8 m @ 4.95 g/t Au (from 84 m) (see **Table 3.**) The highest-grade interval was 1 m @ 18.90 g/t Au (from 86 m), was one of the highest-grade intercepts found in the area. The widest interval of low-grade mineralization was 19 m at 0.84 g/t Au (from 170 m.) Importantly, the mineralization remains open at depth.

The Company noted that an open pit mine in Mali can be economic at 0.7 grams per tonne gold, a level far lower than many of the grades discovered in this section of the Tarabala zone.

During a recent site visit, a Compass technical team found that the number of artisanal workings at Tarabala had increased sharply since the last drilling in August 2021. Field mapping now shows that artisanal workings have extended 1,000 m sporadically along the Tarabala Fault, and they have been excavated to depths up to 15 m. Similar increases in artisanal activity have also been observed

within our Moribala permit area. There, these artisanal miners are typically extracting significant amounts of coarse-grained gold. As a result, the Company is assessing the potential for higher grade mineralization being present near surface along these trends and the economics of accessing that gold.

A site visit was also conducted to a nearby 200-tonne-per-day gold process plant, which is located 1 km northwest of the main area of artisanal gold working at Tarabala. This visit was to assess whether Compass could use similar equipment to process a bulk sample from Tarabala and Massala West to determine the gold recovery. These bulk samples would allow Compass to determine gold recoveries from the high-grade, near-surface portions of mineralization on the Tarabala Fault.

Table 3. Mineralized intervals greater than 3 m and grades greater than 0.4 g/t Au identified during recent RC drilling at the Tarabala prospect.

Hole ID	From (m)	To (m)	^{1, 2} Interval (m)	Au (g/t)
SARC017	140	150	10	0.49
inc.	142	143	3	0.59
inc.	149	150	5	0.6
SARC018	81	83	2	1.41
SARC018	119	129	10	0.42
inc.	119	121	2	0.92
inc.	125	126	1	0.77
SARC019	84	97	13	3.30
inc.	84	92	8	4.95
inc.	94	97	3	1.02
SARC020	125	136	11	0.46
inc.	125	128	3	0.99
inc.	131	132	1	0.54
inc.	134	136	2	0.52
SARC022	161	164	3	0.59
SARC022	170	189	19	0.84
inc.	170	178	8	0.81
inc.	181	184	3	1.31
inc.	186	189	3	1.63

¹True thicknesses are interpreted as 70-90% of stated intervals.

²Intervals use a 0.2-gram-per-tonne gold cut-off value.

On May 3, 2023, the Company reported that additional assay data on recently completed deep reverse circulation drilling, and surface channel and grab sampling confirmed higher-grade near-surface and deeper gold mineralization at the Tarabala prospect.

The Company noted that coarse-grained “nuggety” gold was confirmed at Tarabala, and is likely present at other locations along the Tarabala Trend. Nuggety gold was shown to occur in fresh rock at depth, and not solely in the near-surface weathered laterite. This work reconfirms that mineralization remains open at depth and along strike.

It was further found that metallic screen fire and cyanide extraction assay results are in good overall agreement (**Table 4.**)

Table 4. Comparison of Cyanide extraction and Metallic Screen Fire Assay of mineralized intervals identified during recent RC drilling at the Tarabala prospect.

Hole ID	From (m)	To (m)	^{1,2} Interval (m)	Cyanide (g/t Au)	MSFA (g/t Au)	% Difference
SARC017	145	150	5	0.60	1.13	188.3
SARC018	119	129	10	0.39	1.34	3446
SARC019	84	97	13	3.30	1.14	-35
SARC020	125	128	3	0.99	0.58	-59
SARC020	134	136	2	0.52	0.55	107
SARC022	170	189	19	0.84	1.68	200

¹True thicknesses are interpreted as 70-90% of stated intervals.

²Intervals use a 0.2-gram-per-tonne gold cut-off value.

The greatest increase in grade was present in SARC018 where **10 m @ 0.39 g/t Au** (cyanide) became **10 m @ 1.34 g/t Au** (MSFA), a 344% increase. The widest drilled intercept was encountered in SARC022, where **19 m @ 0.84 g/t Au** (from 170 m, SARC022), (cyanide) increased to **19 m @ 1.68 g/t Au** (from 170 m, SARC022), (MSFA), which doubles the grade of the interval (**Figure 7**). Increases were also seen in intervals in SARC017 and part of a narrower interval in SARC022. The largest decrease was present in SARC019, where **13 m @ 3.30 g/t Au** (from 84 m), was reduced in grade to **13 m @ 1.14 g/t Au** (from 170 m, SARC022). This reduction is expected since the nature of coarse gold means the variability (heterogeneity) is likely to be high even in duplicate samples from the same interval. What is promising about this sample interval is that the MSFA showed gold was still above 1 g/t Au in the bedrock.

Important takeaways from the work are: coarse gold is present in bedrock samples, grades are generally higher in the MSFA samples, and grades in the widest intervals are greater than 1 g/t Au.

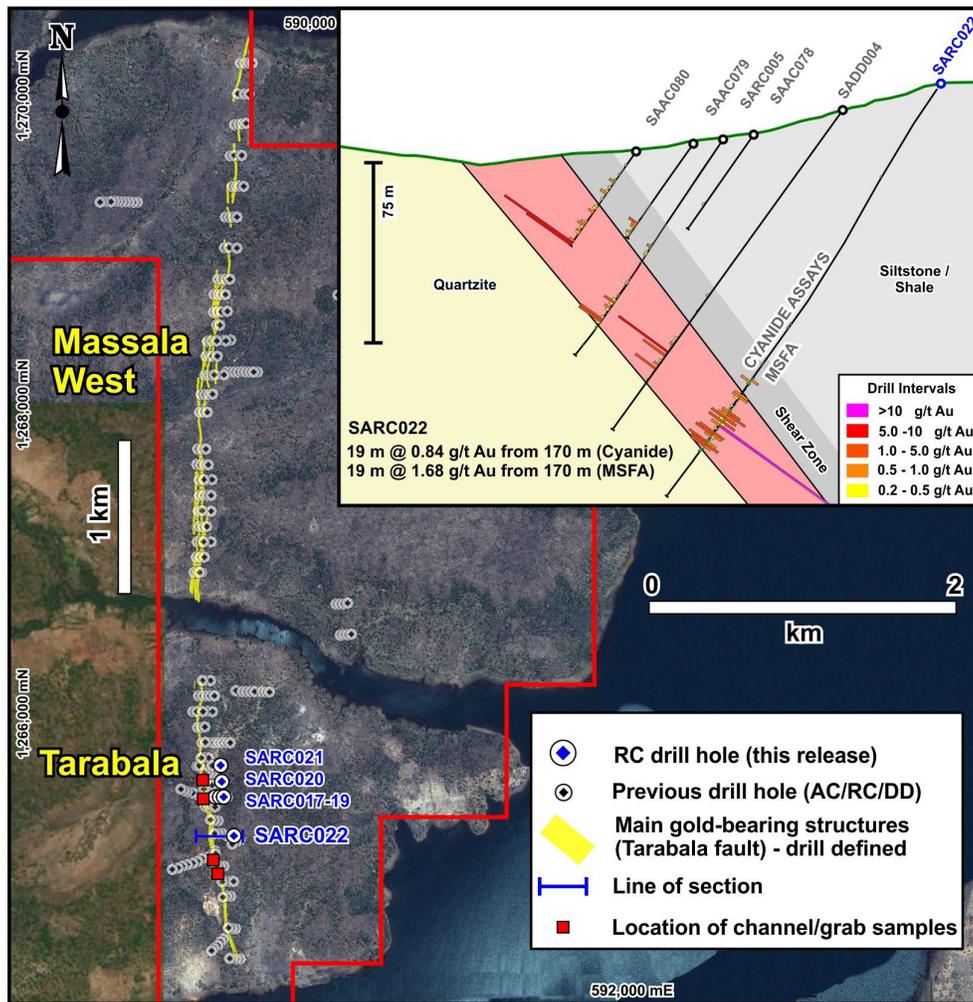


Figure 7: Summary map of drilling on the Tarabala Trend and the location of the recently completed RC drill holes. The cross-section shows both down-hole cyanide leach and MSFA results for SARC022.

Tarabala Channel Sampling Results

A total of twenty-two, 5 kg surface samples (12 channel and 10 quartz vein grab) were collected from four areas over a strike length of 600 m of artisanal workings at Tarabala in March 2023. The samples were analysed for gold using cyanide leach extraction (“cyanide”) and metallic screen fire assaying (MSFA). The aim of the sampling was to compare assaying techniques for surface samples, and determine if the samples displayed coarse gold. The channel samples collected from artisanal workings on the surface projection of mineralization from SARC017-19 contained **8 m @ 1.72 g/t Au** (cyanide leach) and **8 m @ 1.08 g/t Au** (MSFA). Due to safety considerations, it was not possible to sample the complete 12 m mineralized zone. The highest-grade sample analysed by cyanide leaching contained 9.83 g/t Au, whereas the same sample analysed by MSFA contained 3.71 g/t Au. The average grade of the zone, excluding the high-grade interval, was **7 m @ 0.56 g/t Au** (cyanide) and **7 m @ 0.71 g/t Au** (MSFA).

Four samples collected 80 m north of the channel samples on the main north-south veins system averaged 0.58 g/t Au (cyanide) and 0.50 g/ Au (MSFA). Two samples collected to test east-west cross-cutting veins contained 0.10 g/t Au (cyanide) and 0.09 g/t Au (MSFA).

Two samples of mineralization sampled 450 m south of the channel sample location averaged 0.78 g/t Au (cyanide) and 0.56 g/t Au (MSFA). The final samples collected were an additional 50 m to the south, with the highest grade recorded being 5.38 g/t Au (cyanide) and 7.35 g/t Au (MSFA). The sampling locations are close to where an air core drill hole intercepted 5 m @ 2.86 g/t Au (from 8 m, SAAC083) in December 2020.

Statistical analysis of the surface and drilling cyanide versus MSFA assay results showed that coarse gold was slightly more abundant in surficial samples (one in four, or 25%), compared to one-in-six (17%) of the bedrock samples.

Following up on these and other recent results in the area, the Company is considering the development of a small mining operation on high-grade near-surface gold mineralization to generate a near-term revenue stream. In line with this option, the Company is also finalizing plans for a deep trenching and pitting program at the main Tarabala prospect to develop the optimal scenario for mining gold from the near-surface laterite. This program will involve the excavation of five 5-m deep, and up to 100-m long trenches, and the collection and analysis of the recovered 1 m channel samples.

Compass also plans to collect and test a series of large (50-60 kg) channel samples from existing surface workings at the Tarabala prospect to test gold recoveries from the near-surface zone. If results are positive, additional channel samples will be collected at prospects along the Tarabala and Moribala trends.

The proceeds of the Offering will be principally used to fund the delineation of the mineralized zone identified at Tarabala, located on the Company's Sikasso Property in Southern Mali. This is the first phase of the previously reported proposed establishment and development of a small gold mining operation on high-grade near-surface gold mineralization at the Tarabala Trend (the "**Tarabala Project**").

On August 14, 2023, the Company provided an update on the recent trench sampling program at the Tarabala prospect, located on the Company's Sikasso Property in southern Mali (**Figure 5**). Four trenches, 5-m deep and totalling 208 m in length, had been completed at Tarabala and Massala (**Figure 8**). Metallurgical studies were expected to begin once the assays have been reviewed and further trenching planned following the rainy season.

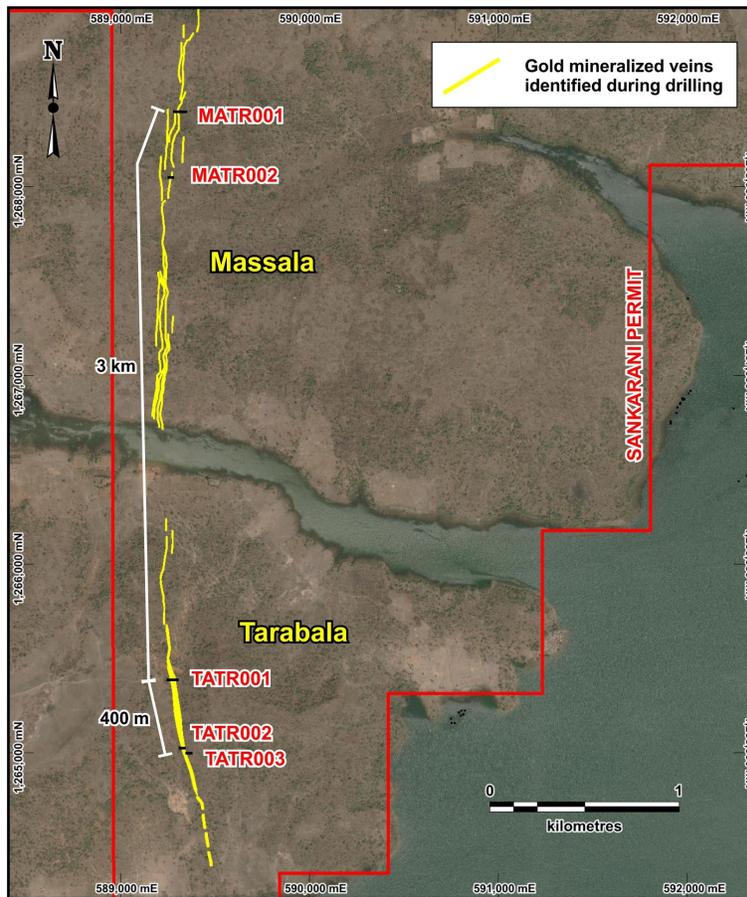


Figure 8: Map showing the location of the completed trenches at the Tarabala and Massala prospects.

Two trenches were excavated at the Tarabala prospect to test the surface exposure of the mineralized structure encountered during previous drilling. Previous bedrock drilling identified a wide zone (up to 25 m) of mineralization at the prospect, e.g., **16 m @ 1.51 g/t Au** (SAAC02) and **19 m @ 1.68 g/t Au** (SARC022.)

A total of 17 trenches, 5 m deep and up to 100 m in length, over a distance of 800 m with a spacing of 50 m, were planned at the prospect. Only two trenches could be completed at the start of the rainy season. Trench TATR001 was excavated in a plateau area characterized by a hard iron-cemented crust (termed cuirass or hard cap), whereas the second trench (TATR002) with a slight offset (TATR003) was to the south of the eroded plateau and excavated in much softer laterite.

Two trenches (MATR001 and MATR002) were also excavated at the Massala prospect, 4 km to the north of Trench 1 (**Figure 5**). The trenches were located to test the surface expression of a mineralized zone identified by drilling, including **24 m @ 2.35 g/t Au** (SAAC123). Previous drilling at Massala identified at least six gold-bearing veins in a 900 m wide zone over a distance of 1.7 km. Like Tarabala, trenching was performed in the hard cap as well as in the saprolite. Local artisanal miners reported coarse-grained (2-3 mm) gold grains being recovered from the hard cap.

A total of 979 1-m channel samples were collected continuously along the length of the trench at 1 m depths, and vertical channel samples were also collected. The samples were undergoing gold assaying using a cyanide-leach (Leachwell) assay method at the time of the release.

On September 13, 2023, the Company announced that trench sampling along the Tarabala prospect had identified several wide, high-grade mineralized zones, with the highest-grade interval being found at Massala, including 20 m at 4.13 g/t Au.

The objective of the trenching program was to test several sections of the 3.5-kilometre Tarabala trend to determine which sections contain the strongest gold mineralization, including the best widths and grades, to support the commencement of a small mining operation. The trenching looked to find gold grades in the range of 0.8 g/t Au, which are believed to be sufficient to support a small near-surface mining operation. While the results along the Tarabala section of the trend achieved these objectives, the trenching at Massala along the northern end of the trend, returned widths and grades that far exceeded these objectives. Additional trenching is being planned after the rainy season ends in October on two of the most favourable zones at Massala.

Tarabala and Massala Trench Sampling Results

Three trenches (TATR001 to 003) were excavated at the Tarabala prospect to test the surface expression of a mineralized structure encountered during previous drilling (*see Compass Press release April 18, 2023*). That drilling intersected gold mineralization over a distance of 1,800 m, with widths up to 25 m, and slightly narrower zones with higher grades, e.g., **16 m @ 1.51 g/t Au** (SAAC02) and **19 m @ 1.68 g/t Au** (SARC022).

Trench **TATR001** was excavated on a plateau 70 m south of the most extensive artisanal gold workings on property. The plateau is the result of a hard iron-cemented crust (termed cuirass or hard cap), that makes artisanal mining very difficult. Trenches TATR002 and TATR003 were located to the south of the eroded plateau and excavated in much softer laterite.

Mapping of the walls of **TATR001** indicated the presence of numerous, highly broken-up narrow (1-5 cm) oxidized quartz veins. Sampling at depths of 1 and 4 m produced several discrete 1 m intervals, containing a maximum of 0.54 g/t Au. Bedrock RC drilling beneath the trench defined a mineralized zone that contained 25 m @ 0.58 g/t Au (from 67 m, SARC003), which included 3 m @ 1.14 g/t Au, from 75 m.

Trenches **TATR002** and **TATR003** are located 350 m and 400 m, respectively, to the south of **TARR001**. Due to the abundance of artisanal workings in the area, **TATR003** was offset 50 m to the south. The trenches were selected to test the surface expression of a mineralized zone identified by drilling, including **5 m @ 1.23 g/t Au** (SAAC082). The results from **TATR002** indicate that mineralization was encountered at each depth tested (**Table 5**), and correlated between the depths. Discrete mineralized zones varied from **3 m @ 1.77 g/t Au** (5 m depth) to **12 m @ 0.86 g/t Au** (2 m depth). **TATR003** tested mineralization in the hanging wall (to the east) and located three zones 2-3 m wide, with the best grade being 2 m @ 1.54 g/t Au (5 m depth).

Trench **MATR001** at Massala (**Figures 8 and 9**) was selected to test the surface expression of a mineralized zone identified by drilling, including **24 m @ 2.35 g/t Au** (SAAC123). The trench was excavated in heavily laterized rock, with only a surficial cuirass developed. Channel samples at depths of 1, 2 and 5 m were analysed and the results presented in **Table 5**. The 1 m depth sample identified gold mineralization over **24 m @ 1.24 g/t Au**, the 2 m depth sample **18 m @ 1.44 g/t Au**, and the 5 m depth sample **20 m @ 4.13 g/t Au** (including 1 m @ 71.6 g/t Au). The sampling is in excellent agreement with the previous drilling.

MATR002 was excavated 350 m to the south of MATR001, and was designed to test a narrow mineralized zone intercepted in SAAC235 containing 3 m @ 1.11 g/t Au. Sampling at a depth of 1

and 4 m over the 29 m length of this trench did not detect gold grades greater than 0.13 g/t Au. It is likely that the trench did not continue far enough eastward to intercept the mineralization.

Table 5. Results of channel sampling from trenches at Massala and Tarabala prospect.

Trench	Level	From (m)	To (m)	^{1,2} Interval (m)	Au (g/t)
MATR001	1 m	5	20	15	0.39
MATR001	1 m	24	48	24	1.24
inc.		41	48	7	3.5
inc.		45	46	1	18.4
MATR001	2m	33	51	18	1.44
inc.		41	45	4	3.35
		47	51	4	1.96
	5m	33	53	20	4.13
inc.		40	53	13	6.23
inc.		41	42	1	71.6
TATR002	1 m	20	29	9	0.48
	2 m	16	28	12	0.86
inc.		26	28	2	3.81
	3 m	11	18	7	0.51
		26	33	7	0.87
	4 m	21	27	6	1.36
(still open)		32	34	2	0.72
	5 m	15	16	1	1.19
		24	27	3	1.77
TATR003	5 m	24	27	3	0.37
		32	34	2	0.3
		43	45	2	1.54

¹True thicknesses are interpreted as 70-90% of stated intervals. ²Intervals use a 0.2-gram-per-tonne gold cut-off value.

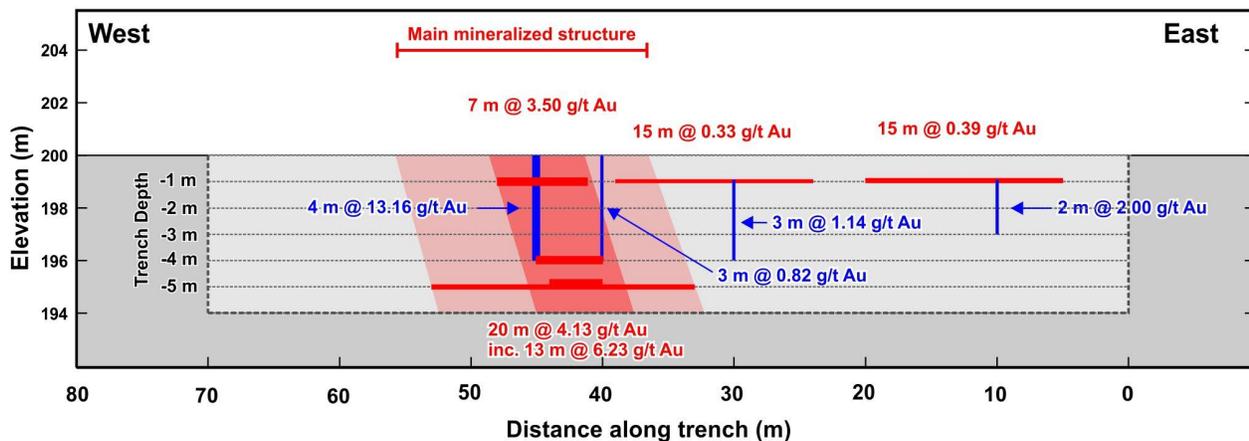


Figure 9: Cross section through trench MATR001 at Massala showing the location of the mineralization.

The Company is developing a plan and budget to excavate more trenches closer to trench MATR001, which, of the two trenches at Massala, returned the best grade. This work would be initiated in November when the rains abate. The assay results from that program, combined with the planned metallurgical study, would be used to perform a resource estimate on the near-surface mineralization and provide the relevant and more detailed information concerning the potential for a near-surface small mining operation at Tarabala.

On August 19, 2024, the Company provided an update on the recent follow-up trench sampling program at the Massala prospect, located on the Company's Sikasso Property in southern Mali. Assay results were reported from five trenches (see **Figure 10, Table 6**), each 5-m deep and totalling 305 m in length at Massala, and included the widest intercept being **21 m @ 3.51 g/t Au** (2 m depth; MATR005), and the highest-grade interval being **1 m @ 40.29 g/t Au** (2 m depth; MATR004.)

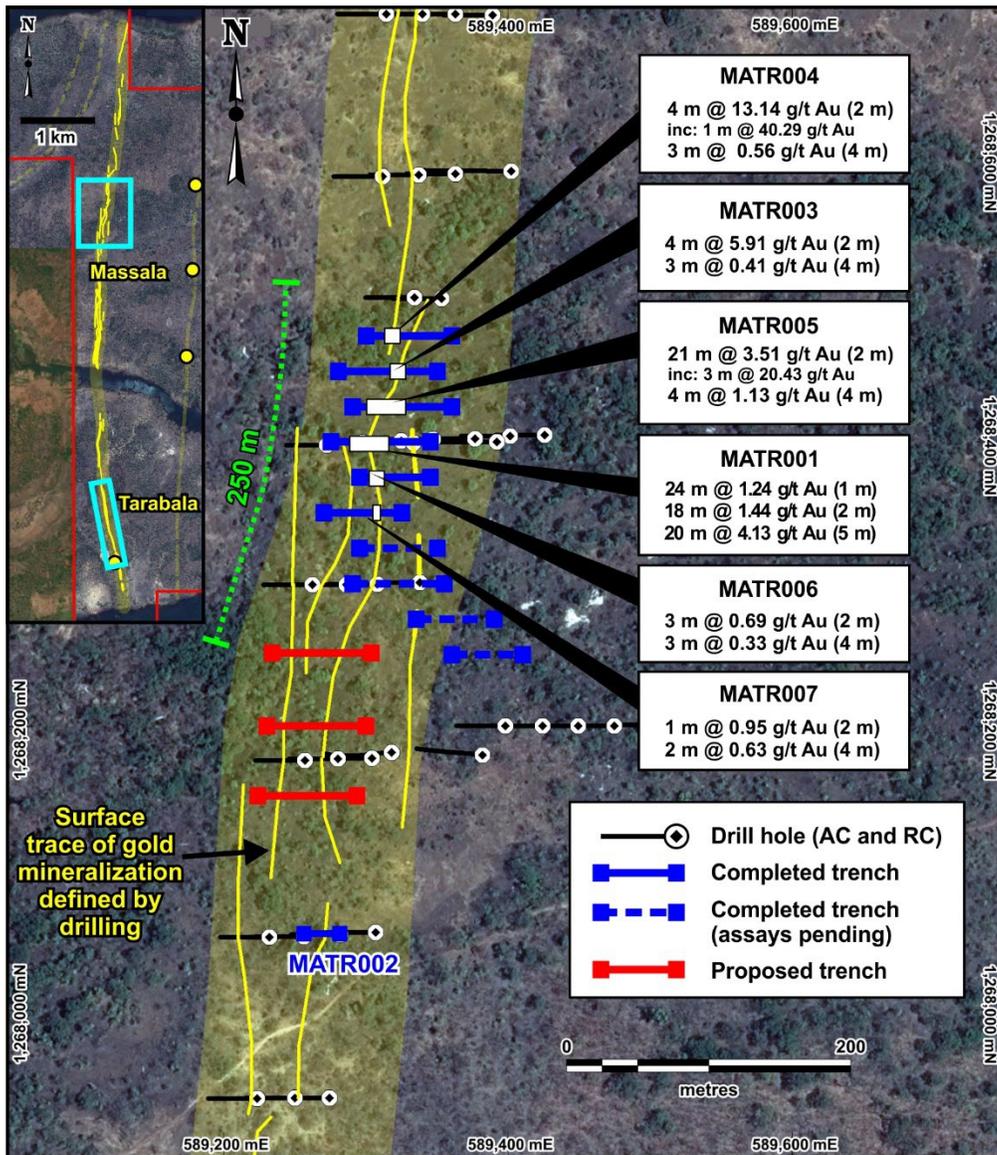


Figure 10: Map showing the location of the completed trenches at Massala

Massala Trench Sampling Results

Mineralization at Massala was identified previously by shallow air core drilling with the interception of a wide mineralized zone that included **24 m @ 2.35 g/t Au** (SAAC123; *see Compass Press release March 28, 2021*). Subsequent drilling identified additional gold mineralization along strike and down-dip along the 3.5-kilometre Tarabala trend. With higher grades reported near surface, Compass excavated two trenches at Massala to determine if a near surface resource was possible. Samples were collected from trench **MATR001** at 1, 2 and 5 m depths (*see Compass Press release September 13, 2023*). The 1 m depth sample identified gold mineralization over **24 m @ 1.24 g/t Au**, the 2 m depth sample **18 m @ 1.44 g/t Au**, and the 5 m depth sample **20 m @ 4.13 g/t Au** (including 1 m @ 71.6 g/t Au), **Figure 10**. The sampling is in excellent agreement with the previous drilling. A second trench, **MATR002** was excavated 350 m to the south of MATR001 and was designed to test a narrow mineralized zone intercepted in SAAC235 containing 3 m @ 1.11 g/t Au. Sampling at a depth of 1 and 4 m over the 29 m length of this trench did not detect gold grades greater than 0.13 g/t Au. It is likely that the trench did not continue far enough eastward to intercept the mineralization.

The location of trenches **MATR003** to **MATR007** are illustrated on **Figure 10** and represent a distance of 150 m along the mineralized trend. The trenches were sited 25 m apart and 5 m deep, and samples were collected at depths of 2m and 4 m. The assay results of the program are presented in **Table 6**.

The widest intercept was recorded from trench **MATR005**, which contained **21 m @ 3.51 g/t Au**, including **3 m @ 20.43 g/t** (from 2 m depth) and **4 m @ 1.13 g/t Au** (at 4 m depth). The 2 m depth interval compares well with MATR001 immediately to the south, which contained **24 m @ 1.24 g/t Au**. MATR004 was located 50 m to the north of MATR005 and contained 4 m @ 13.14 g/t Au (at 2 m), which included the highest grade interval of **1 m @ 40.29 g/t Au**.

Trenches MATR006 and MATR007 were excavated 25 m and 50 m, respectively, to the south of MATR001. Mineralized widths encountered in these trenches did not exceed 4 m or grades greater than 1.1 g/t Au at depths of 2 and 4 m. The widest interval was **3 m @ 0.69 g/t Au** (at 2 m) from **MATR006**, which included the highest-grade sample of **1 m @ 1.03 g/t Au**.

Table 6. Results of channel sampling from trenches at Massala.

Trench	Level	From (m)	To (m)	^{1,2} Interval (m)	Au (g/t)
MATR001	1 m	5	20	15	0.39
MATR001	1 m	24	48	24	1.24
inc.		41	48	7	3.5
inc.		45	46	1	18.4
MATR001	2m	33	51	18	1.44
inc.		41	45	4	3.35
		47	51	4	1.96
	5m	33	53	20	4.13
inc.		40	53	13	6.23
inc.		41	42	1	71.6
MATR002	No intercept > 0.2 g/t Au (0.13 g/t Au max)				

Trench	Level	From (m)	To (m)	^{1,2} Interval (m)	Au (g/t)
MATR003	2 m	4	5	1	0.73
	2 m	39	43	4	5.91
	2 m	46	50	4	0.26
	4 m	22	25	3	0.41
	4 m	57	58	1	1.65
MATR004	2 m	9	10	1	0.62
	2 m	12	16	4	13.14
inc.		14	15	1	40.29
	2 m	40	41	1	0.91
	2 m	45	46	1	0.40
	4 m	12	15	3	0.56
MATR005	2 m	9	10	1	0.51
	2 m	14	35	21	3.51
inc.		16	19	3	20.43
inc.		17	18	1	36.84
	2 m	46	47	1	0.63
	4 m	16	20	4	1.13
MATR006	2 m	10	13	3	0.69
inc.		12	13	1	1.03
	2 m	15	16	1	0.30
	2 m	36	37	1	0.35
	2 m	39	43	4	0.29
	2 m	45	47	2	0.24
	4 m	11	14	3	0.33
	4 m	34	35	1	0.42
MATR007	2 m	19	20	1	0.64
	2 m	43	44	1	0.45
	2 m	47	48	1	0.95
	4 m	20	21	1	0.57
	4 m	29	31	2	0.63

C) FUTURE ACTIVITIES

In early February 2024, the excavation of the trenches was completed with the collection of more than 2,000 1-m long channel samples at depths from 1 to 5 m in each trench. The samples were dispatched to a geochemical laboratory in Burkina Faso, with half the assays results received and scrutinized by the company. The results gave the company comfort to pursue discussions with a Malian partner, SMAT, to determine if toll treatment of the Massala gold mineralization was possible. The assay results of the remaining samples are pending, and both sets of results will be used to determine a resource estimate over part or all of the 450 m of mineralized strike length sampled by trenching. If the results are positive an accelerated metallurgical and resource estimation program will be completed subject to available capital to support such expenditures. Additional activities planned for the remainder of 2024 included health and security measures at the work site, a preliminary environmental study (required to receive a Small Mining permit), and collecting and

analyzing a small metallurgical test sample. Meanwhile, SMAT will engage engineering groups to optimize the existing processing equipment to aid recovery of gold mineralization from Massala.

Expenditures for the above-noted exploration and work site programs are estimated to be approximately \$450,000. Exploration expenditures include all costs associated with the exploration work noted above, as well as in-country running costs. The timing and extent of completing these exploration programs are subject to completing the required financing to fund the expenditures.

The Company has commenced the process required for permit renewals and applications to allow for mining at Massala.

This MD&A has been reviewed and approved by EurGeol. Dr. Sandy Archibald, P.Geol., Compass's Technical Director, who is the Qualified Person for the technical information in this news release under National Instrument 43-101 standards.

3. RESULTS OF OPERATIONS

This analysis of the results of the Company's operations should be read in conjunction with the Company's condensed interim consolidated financial statements for the nine months ended September 30, 2024.

Revenues

The Company has no revenue or sources of recurring revenues at this time.

Expenses

The operating expense for the nine months ended September 30, 2024, decreased to \$574,041 from \$589,797 last year. Overall, expenditures for most of the major expense categories are comparable with last year and in line with the annual budget. The most significant change in expenditures for the nine months ended September 30, 2024 was the change in foreign exchange, which reported a loss in the current period of \$25,293 compared to a loss of \$74,574 in the same period last year:

1. Management fees for the nine months ended September 30, 2024 were \$293,000 compared to \$329,839 in the same period last year. These costs are for the management and director fees and are comparable between the periods.
2. Share based payments, as explained in note 10 to the consolidated financial statements, were \$Nil for the nine months ended September 30, 2024. For the year ended December 31, 2023, the expense was \$32,168. Yearly fluctuations in stock option expense are dependent on several factors including, but not limited to, the number of options issued, valuation of options, vesting year and timing. For the nine months ended September 30, 2024 and year ended December 31, 2023, no options were granted.
3. Interest charges and accretion expense is a result of the debenture that closed on September 30, 2023. Convertible Debenture interest charges and accretion charges for the nine months ended September 30, 2024 were \$53,203 (2023 - \$16,250) and \$50,192 (2023 - \$20,875), respectively. Interest charges have been accrued and reflected in the balance of the convertible debenture.

4. Foreign exchange reported a loss of \$25,293 for the nine months ended September 30, 2024 compared to a gain of \$74,574 in the same period last year. Exchange differences arising on the translation of non-monetary items are recognized in income for the reporting year. This is a non-cash item and only a valuation adjustment between the investment and exploration expenditures accumulated to date.

Write down of exploration expenditures and acquisition costs

Refer to section 1(B) Mineral Property – Expenditures and Commitments. The capitalized exploration costs related to the Kale permit area of \$923,500 and acquisition costs of \$1,309,500 for a total of \$2,233,000, were written down and expensed for the year ended December 31, 2022.

4. DISCLOSURE OF OUTSTANDING SHARE CAPITAL

The Company is authorized to issue an unlimited number of voting common shares, an unlimited number of non-voting first preferred shares and an unlimited number of non-voting second preferred shares.:

September 30, 2024

Common shares outstanding	103,970,446
Warrants	11,432,668
Options outstanding	2,451,000
Convertible debenture shares, if converted	8,250,000

Basic common shares outstanding as of September 30, 2024 was 103,970,446. Fully diluted shares outstanding, which includes all issued common shares, warrants, broker warrants and options, as of September 30, 2024 was 126,095,114. For further information on the Company's capital, please refer to the notes of the Financial Statements (Note 8 – Convertible Debenture, Note 9 – Share Capital, Note 10 - Reserves).

5. QUARTERLY RESULTS

Selected quarterly information for the most recently completed eight quarters is presented below in Canadian currency (\$), and in accordance with International Financial Reporting Standards.

	2025			2023				2022
	Q3 \$000's	Q2 \$000's	Q1 \$000's	Q4 \$000's	Q3 \$000's	Q2 \$000's	Q1 \$000's	Q4 \$000's
Revenues	-	-	-	-	-	-	-	-
Write down of mineral assets	-	-	-	-	-	-	-	(2,233)
Loss for the period excluding write down	(189)	(195)	(190)	(94)	(221)	(271)	(98)	(130)
Loss per share	(0.005)	(0.005)	(0.00)	(0.00)	(0.005)	(0.005)	0.00	(0.02)

Overall, the expenditure pattern, excluding the impact from share-based payments, has remained consistent between the quarters reported for fiscal 2022 through to September 30, 2024. The biggest change in quarterly losses is from the change foreign exchange translation losses, which have increased as a result of strengthening Canadian dollar against the Euro.

6. LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2024, the Company had a working capital deficit of \$1,085,816 (working capital deficit as at December 31, 2023 - \$319,185). Cash as at September 30, 2024 was \$19,630 compared to \$125,901 as at December 31, 2023.

On June 30, 2024, the Company completed a second tranche of the convertible debenture financing for gross proceeds of \$175,000 accompanied by the issuance of 875,000 common share purchase warrants. The terms of the convertible debentures allow for a conversion at \$0.10 per share at the option of the holder with an annual interest rate of 10% and for a term of 12 months from the date of closing. Each common share purchase warrants is exercisable by the holder to acquire one common share at price of \$0.10 for a period of 12 months.

On June 30, 2023, the Company completed a convertible debenture financing for gross proceeds of \$650,000 accompanied by the issuance of 3,250,000 common share purchase warrants. The terms of the convertible debentures allow for a conversion at \$0.08 per share at the option of the holder in the first year and for a conversion at \$0.10 in the second year, with an annual interest rate of 10% and for a term of 24 months from the date of closing. Each common share purchase warrants is exercisable by the holder to acquire one common share at price of \$0.10 for a period of 24 months.

On January 4, 2023, the Company issued a total of 10,000,000 common shares of the Company, at a price of \$0.07 per share, for aggregate gross proceeds of \$700,000.

Review of Statement of Cash flows

Cash Used in Operating Activities

Cash used in operating activities during the nine months ended September 30, 2024 was \$94,516 compared with \$305,461 in the same period last year. Cash was used to fund management and director fees, professional fees, listing and registration fees, and administrative costs.

Cash Used in Investing Activities

Total project expenditures on a cash flow basis for the nine months ended September 30, 2024 were \$183,662 compared to \$966,411 for the year ended December 31, 2023. For more detail see Section 2.

7. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are described in detail in Note 11 of the Financial Statements

For further clarification, management, and director fees of \$370,771 (2023 - \$399,226) for the nine months ended September 30, 2024 were paid or accrued. These fees are payable to Company officers and directors, or companies controlled by or associated with Company officers or directors as follows:

- The President and Chief Executive Officer of the Company (the "CEO"), Larry Phillips, was paid \$135,000 (2023 – \$135,000). Larry Phillips became the CEO on November 29, 2017. Such consideration was paid to a management company pursuant to which Mr. Phillips provides the CEO services.
- The Chief Financial Officer of the Company (the "CFO"), Louis Nagy, was paid \$58,500 (2023 – \$58,500). Such consideration was paid to a management company pursuant to which Mr. Nagy provides the CFO services.
- The Exploration Manager of the Company, Madani Diallo, who is a non-executive director of the Company, was paid \$109,771 (2023 – \$108,226). Such consideration was paid to a company pursuant to which Dr. Diallo provides services to the Company, on a consultancy basis, relating to the oversight of project work at the Sikasso Property. The majority of these costs are capitalized.
- Non-management directors of the Company were paid, in aggregate, fees of \$67,500 (2023 – \$97,500), such fees are usually paid on a quarterly basis. In the current period they have been accrued.

8. OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

9. FINANCIAL INSTRUMENTS AND RISKS

The Company's financial instruments consist of cash, receivables, and trade payables. Cash, which is measured at its fair value, is classified as FVTPL. Receivables are measured at amortized cost and classified as amortized cost. Trade payables, which are measured at amortized cost, are classified as amortized cost. Other liabilities are classified as other financial liabilities, which are subsequently measured at amortized cost. The fair value of these financial instruments measured at amortized cost approximates their carrying values, unless otherwise noted.

For the nine months ended September 30, 2024 and year ended December 31, 2023, the Company had no derivative assets or embedded derivatives.

It is management's opinion that the Company is not exposed to significant interest rate, currency or credit risks arising from these financial instruments. The Financial Risk and Capital management of the Company is described in further detail in Note 13 of the Financial Statements.

10. FORWARD LOOKING STATEMENTS

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this MD&A contains forward-looking statements pertaining to expectations regarding the Company's ability to source new assets or business or raise capital, and other future activities to be conducted by the Company.

With respect to forward-looking statements listed above and contained in this MD&A, the Company has made assumptions regarding, among other things, the Company's ability to source potential assets or business or obtain additional financing on satisfactory terms.

Inherent in forward-looking statements are risks, uncertainties, and other factors beyond the Company's ability to predict or control. These risks, uncertainties and other factors include, but are not limited to: fluctuations in currency and interest rates, incorrect assessments of the value of acquisitions, competition for capital, competition for acquisitions of reserves, competition for undeveloped lands and competition for skilled personnel, as well as those risk factors listed in the Risks and Uncertainties section below.

11. EMERGING MARKET DISCLOSURE

The Company's principal property interests are located in Mali, an emerging market, and are held indirectly through locally incorporated subsidiaries for the purpose of compliance with local laws. Operating in an emerging market exposes the Company to certain risks and uncertainties that may not exist or that are significantly less likely to exist in other jurisdictions, such as Canada or the United States. In order to manage and mitigate these risks, the Company has designed a system of corporate governance for itself and its subsidiaries. These systems are coordinated by management of the Company and overseen by the Board. Further information concerning these systems and the operations of the Company in Mali are described in greater detail below.

Notwithstanding any additional potential risks or uncertainties arising from operating in Mali, it should be noted that many notable mining companies operate in the vicinity of the Company (both juniors and majors), including: Barrick Gold; AngloGold Ashanti; Endeavour Mining; Firefinch; B2 Gold; Resolute Mining; Perseus Mining; Hummingbird Resources; Oklo Resources; Roscan Gold; Robex Resources; and Cora Gold.

Mining Rights / Asset Verification

The Company's principal property interests include fourteen exploration permits, referred to as: Ouassada, Faraba-Coura, Sankarani, Sankarani Est, Moribala, Kourou, Tiéouléna, Badogo, Lontola, Kalé, Kapélégué, N'Tjila, Kourouféréla, and Kouma which collectively comprise the Sikasso Property. The Sikasso Property, which comprises all of the Company's exploration permits, is described in detail in the technical report prepared for the Company dated August 31, 2017 entitled "NI 43-101 Technical Report on the Sikasso Property, Republic of Mali" (the "**Technical Report**").

In connection with its acquisition of MGE in November 2017, the Company conducted extensive due diligence on MGE and its interest in the Sikasso Property, including searches of applicable government registries and a review of applicable title documents. Further, the Company obtained legal opinions from reputable legal counsel in Mali with respect to the good standing of each of the Malian subsidiaries and with respect to the ownership and good standing of the Company's exploration permits collectively known as the Sikasso Property.

Each fiscal year, in connection with the preparation of the Company's annual financial statements, the Company requests and receives updated legal opinions from legal counsel in Mali with respect to the good standing of each of the Malian subsidiaries and with respect to the ownership and good standing of the permits comprising the Sikasso Property.

A detailed description of the permits, the system of mineral rights/tenure in Mali and certain due diligence undertaken by the Company in respect of its acquisition of the Sikasso Property (through its acquisition of MGE) is set out in the Technical Report. The Technical Report includes, among other things, copies of the original corporate and title opinions rendered to the Company.

Legal Right to Conduct Operations / Laws and Customs

Mali has an established and stable regime with respect to mining rights and, as a result, the Company and other foreign mining companies are generally able to operate predictably and stably in that country. The system of mineral rights/tenure in Mali is described in detail in the Technical Report. As indicated above, many foreign mining companies (both juniors and majors) operate in Mali under this regime.

The Company has obtained all permits required for the conduct of its business as presently conducted. Apart from the mining permits comprising the Sikasso Property, the Company holds, or may be required to obtain in the future, certain customary or routine permits, licenses, or other regulatory approvals in the ordinary course of its operations.

The principal business operations and activities of the Company relate to the exploration for minerals on the Company's permits, collectively known as the Sikasso Property. The Ouassada, Faraba-Coura, Sankarani, Sankarani-Est, Moribala, Kourou, Tiéouléna, Badogo, Lontola, Kalé, Kapélégué, N'Tjila, Kourouféréla, and Kouma gold exploration permits comprising the Sikasso Property, respectively, allow the Company to conduct exploration activities on the lands subject thereto. The current term of these exploration permits will expire at various times during 2024.

In order to acquire an exploration permit in Mali, a locally incorporated company is required to directly hold the permit. For this reason, the permits comprising the Sikasso Property are held through Mali incorporated subsidiaries. The Organization for the Harmonization of Business Law in Africa ("**OHADA**"), of which Mali is a member state, allows for 100% foreign ownership of companies.

OHADA is an international treaty regulating commercial companies and economic entities in certain West and Central African countries and the stated purpose of the initiative is to facilitate and encourage both domestic and foreign investment in the member states.

In addition, the Company through its Malian subsidiaries is required to hold certain standard business licenses, file taxes, and otherwise comply with local and federal laws generally applicable to a company with business operations or activities in Mali. Except for the exploration permits comprising the Sikasso Property, there are no permits, licenses or other regulatory approvals that would be considered material to the operations of the Company at this time.

In order to comply with Malian laws, the Company relies on directors, employees and/or consultants with local experience in Mali, including Madani Diallo, a director and consultant of the Company who is a resident in Mali. Dr. Diallo has extensive mining experience in Mali and is principally responsible for overseeing project work in respect of the Sikasso Property. The Company also relies on external service providers with specific Mali expertise as required or when deemed prudent (including accounting professionals, legal counsel, and technical consultants).

The Company has retained reputable legal counsel in Mali on various occasions to provide necessary or prudent advice, guidance and/or opinions relating to the Company, including as to the Company's (and its subsidiaries') legal right to conduct business in Mali.

The Company is not aware of, and has not received notice of, any non-compliance with any requirements with respect to permits, licenses or other regulatory approvals required to carry on its business in Mali as currently conducted. Further, the Company is not aware of any material restrictions against foreign investment in Malian companies, nor any material legal requirements imposed on foreign ownership of Malian mining companies.

Corporate Structure

The Board is responsible for the overall stewardship of the Company and, as such, supervises the management of the business and affairs of the Company. More specifically, the Board is responsible for reviewing the strategic business plans and corporate objectives, and approving acquisitions, dispositions, investments, capital expenditures and other transactions and matters that are material to the Company, including those of its material subsidiaries and the Sikasso Property.

All of the Malian subsidiaries holding the permits comprising the Sikasso Property are wholly-owned by the Company (either directly or indirectly). As such, the Company is able to control the subsidiaries, through the election of directors and appointment of officers. The directors, officers, and employees of each of the subsidiaries are effectively obligated, either directly or indirectly, to follow the directions of the management of the Company, including with respect to the assets of the subsidiaries (including bank accounts). As described above, there are no restrictions on foreign corporations holding shares of Malian corporations. Further, there are no director residency requirements applicable to Mali corporations. The Company is, therefore, able to appoint directors and officers of its own choosing.

The Company conducts its banking in Mali through banks of international repute, which are subject to international standards. Differences in banking systems and controls between Canada and Mali are addressed by having stringent controls over cash kept in the jurisdiction, especially with respect to access to cash, cash disbursements, appropriate authorization levels, and performing and reviewing

bank reconciliations on at least a monthly basis. In executing certain normal course monetary transactions, funds are transferred between the Company and its subsidiaries by way of wire transfer.

All material disbursements of corporate funds and operating capital to the Company's Malian subsidiaries are reviewed and approved by the Board (or its designees), and are based upon pre-approved budget expenditures. Annual budgets (as updated from time to time) are developed by management of the Company. Annual budgets and quarterly updates on budgets are approved by the Board. Treasury is managed exclusively in Canada. The Malian subsidiaries periodically request funds to pay for goods and services as per approved budget, and 'cash calls' are made on a monthly basis. When 'cash calls' are received by the Company, they are reviewed against the Company's current approved budget and year-to-date expenditures and the management of the Company performs a detailed review of all significant invoices and contracts to support expenditures. All 'cash calls' must be approved by the management of the Company. Financing reports, including with respect to expenditures, are presented to the Audit Committee and the Board on at least a quarterly basis.

The subsidiaries of the Company are not currently generating revenue. If and when the Malian subsidiaries start generating significant revenue, the Company may be required to adopt additional policies and/or procedures in this regard.

With respect to oversight of the Company's operations in Mali, Dr. Madani Diallo, a director, consultant, and significant shareholder of the Company, is a resident in Mali and is an active participant in the operations and affairs of the Company and its subsidiaries. Specifically, Dr. Diallo is responsible for overseeing project work in respect of the Sikasso Property. Dr. Diallo has extensive mining experience in Mali. In addition, the Company has retained Dr. Sandy Archibald (PGeo), the author of the Technical Report, as a technical consultant on a monthly retainer. As required, Dr. Archibald visits Mali on a regular basis (three to four times annually) to meet with the technical team in the Bamako office, the field office and at the permit areas.

At the present time and based on its present stage of development the Company is of the view that there are no material risks associated with its corporate structure and that any risks are effectively managed based on the controls described above and elsewhere herein.

The minute books of the Company and its subsidiaries are located and maintained in the local jurisdictions by legal counsel or corporate administrators. Specifically, the minute books and corporate records of the Mali subsidiaries are located in Bamako, Mali. There are no restrictions on the Board's access to the books and records of the Company.

Board and Management Experience in Mali

Key members of the Board and management have experience running operations in emerging markets, including Mali. James Henderson (Director and Chairman of Audit Committee), Larry Phillips (Director and Chief Executive Officer), Dr. Madani Diallo (Director) and Joseph Conway (Director and Board Chairman) all have direct and relevant experience conducting business in Mali.

- Mr. Henderson is the former chairman of Oklo Resources Limited (ASX:OKU), a company with gold mining projects in Mali. Mr. Henderson was also formerly a senior officer and significant shareholder of MGE prior to its acquisition by the Company (in 2017).
- Mr. Phillips was previously a senior officer at IAMGOLD Corporation, holding the positions of Executive Vice President, Corporate Affairs and General Counsel. Among other

jurisdictions, including various emerging market jurisdictions, IAMGOLD held interests in Mali (Sadiola and Yatela gold mines) during Mr. Phillips' tenure at that company.

- Dr. Diallo is a Professional Geochemist with over 35 years of experience in mineral exploration with a focus on developing gold and base metals exploration programs in West Africa. Dr. Diallo has held many senior roles including country manager, exploration manager, geochemist and project manager. Dr. Diallo is Executive Director, Country Manager of Oklo Resources Limited (OKU:ASX) and was also formerly a senior officer and significant shareholder of MGE prior to its acquisition by the Company. Dr. Diallo, who is resident in Mali, is responsible for overseeing project work in respect of the Sikasso Property.
- Mr. Conway was previously a senior officer at IAMGOLD Corporation, holding the positions of President and Chief Executive Officer. Among other jurisdictions, including various emerging market jurisdictions, IAMGOLD held interests in Mali (Sadiola and Yatela gold mines) during Mr. Conway's tenure at that company.

For the benefit of current directors and officers that do not have specific prior experience in operating in Mali, the Company has retained the former officers, directors, and service providers of MGE to assist with the transition of the responsibilities to the new management team and service providers.

The Board, through its corporate governance practices, regularly receives management and technical updates, risk assessments and progress reports in connection with its operations in Mali. Through these updates, assessments and reports, the Board is continually gaining familiarity with the operations, laws and risks associated with operations in that jurisdiction.

The Company is of the view that, collectively, the directors and management possess adequate experience in Mali to effectively operate the Company – in particular, having regard to the Company's current business activities and stage of development.

Judgments and Remedies

The Company is a corporation existing under the *Business Corporations Act* (Ontario) and is a reporting issuer in British Columbia, Alberta and Ontario. Shareholders of the Company have all rights and remedies available to them under the OBCA and applicable securities laws.

The fact that the material properties of the Company are located in Mali and the fact that certain of the subsidiaries of the Company are incorporated under Malian law does not affect an investor's ability to exercise statutory rights and remedies as against the Company under Canadian securities law. However, the enforcement of judgment obtained in a Canadian court could be adversely affected by the fact that certain of the Company's assets are located in Mali. Further, certain directors or officers are resident outside of Canada. The enforcement of judgment obtained in a Canadian court against a director not resident in Canada may be adversely affected by the fact that such director or officer resides outside of Canada.

Language / Communication

The official language of Mali is French; however, many other native African languages are more widely used. Dr. Madani Diallo, a director and consultant of the Company, is responsible for overseeing project work in respect of the Sikasso Property. Dr. Diallo is resident in Mali and is fluent in both English and French.

All director and management meetings are held in English. Meeting materials are prepared in English. If and when required, contracts, meeting materials and other relevant documents are translated into English with third party software or translators (as the context requires). Contracts outside of Mali are completed in English, which includes major contracts with project related expenditures.

12. RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which is the exploration and development of its principal permitted area, the mineral property known as the Sikasso Property, a gold exploration project in Mali, West Africa. Risk factors relating to the Company could materially affect the Company's future results and could cause them to differ materially from those described in forward-looking statements relating to the Company.

It should be noted that this list is not exhaustive and that other risk factors may apply, including risks described elsewhere herein, risks not currently known to the Company, and risks that the Company currently deems immaterial. Any one or more of these risk factors could have a material adverse effect on the Company's business, results of operations, financial condition, and/or the value of its securities.

Dependence on one Mineral Project

The Company is currently focused on a group of exploration permits comprising one principal mineral property, the Sikasso Property, located in Mali. The Sikasso Property may never result in a commercially viable gold or other mineral body, which would have a material adverse effect on the Company's business, results of operations, financial condition, and/or the value of its securities.

Exploration, Development and Operating Risks

The Sikasso Property is in the early exploration stage and is without a known body of commercially exploitable ore. Exploration for mineral resources involves a high degree of risk and few properties that are explored are ultimately developed into producing mines.

The exploration for, discovery and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not reduce or eliminate. While the discovery of gold and other minerals may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Substantial expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit (i.e. size, grade, access and proximity to infrastructure), financing costs, the cyclical nature of commodity prices and government regulations (including those relating to prices, taxes, currency controls, royalties, land tenure, land use, importing and exporting of mineral products, and environmental protection). The effect of these factors or a combination thereof cannot be accurately predicted but could have an adverse impact on the Company.

Mineral Exploration and Development

The exploration and development of mineral projects is highly speculative in nature and involves a high degree of financial and other risks, and success in exploration and subsequent exploitation is

dependent upon a number of factors including, but not limited to, quality of management, availability of geological expertise and the availability of capital. The Company's activities on its mineral properties, specifically at the Sikasso Property, are predominantly exploratory in nature and, therefore, are subject to a significant degree of risk. The Company cannot give any assurance that its current or future exploration efforts will result in the discovery of mineral resources. As well, mineral deposits, even though discovered, may be insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by additional factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and other factors, which may make a mineral deposit unprofitable to exploit. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities and grades to justify commercial operations or that the funds required for development can be obtained on a timely basis. Development at the Company's mineral properties, specifically at the Sikasso Property, will only follow upon significant further exploration work, and the completion of feasibility or other economic studies.

Should a producing mine be developed at the Sikasso Property, for which the Company can provide no assurance, other factors will ultimately impact whether mineral extraction and processing can be conducted economically, including obtaining all necessary consents, permits and approvals for the development of the mine, actual mineralization, consistency and reliability of ore grades and future commodity prices, as well as the effective design, construction and operation of processing facilities.

Financial Resources

The exploration and development programs on the Company's mineral properties, specifically at the Sikasso Property, will require significant additional financing. The amount of required financing may be substantial. Failure to obtain sufficient and timely financing may result in delaying or indefinitely postponing exploration, development or production activities at the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company. If the Company obtains debt financing, it will be exposed to the risk of leverage and its operations could become subject to restrictive loan and lease covenants and undertakings. If the Company obtains equity financing, existing shareholders may suffer dilution. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such financings.

Property Interests and Permits

The Company's principal property interests include fourteen exploration permits, referred to as Ouassada, Faraba-Coura, Sankarani, Sankarani-Est, Moribala, Kourou, Tiéouléna, Badogo, Lontola, Kalé, Kapélégué, N'Tjila, Kourouféréla, and Kouma, which collectively comprise the Sikasso Property. The current term of these exploration permits will expire at various times during 2024. There can be no assurance that the Company will be able to secure the grant or the renewal of these exploration permits or other tenures on terms satisfactory to it, or that governments having jurisdiction over the Company's mineral properties will not revoke or significantly alter such permits or other tenures or that such permits and tenures will not be challenged or impugned.

Although the Company takes reasonable measures to ensure proper title in the properties in which it holds an interest, including the receipt of title opinions in respect of the Sikasso Property, there may

still be undetected title defects affecting such properties. Accordingly, the properties in which the Company holds an interest may be subject to prior unregistered liens, agreements, transfers or claims, or unsatisfied work commitments, all of which could have a material adverse impact on the Company's operations. In addition, the Company may be unable to access or operate its properties as permitted or to enforce its rights with respect to its properties. If a title defect exists, it is possible that the Company may lose all or part of its interest in the properties to which such defects relate.

The Company's current and anticipated future operations, including further exploration and development activities on the Sikasso Property, will require additional permits from various governmental authorities. Any costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could prevent, delay or restrict the Company from proceeding with certain exploration or development activities. There can be no assurance that all permits that the Company requires will be obtainable on reasonable terms, or at all. Delays or a failure to obtain such permits, or a failure to comply with the terms of any such permits that the Company has obtained, could have a material adverse impact on the Company.

Business Risk

Substantial expenditures are required to be made by the Company to establish ore reserves. The mineral interests being explored by the Company, specifically at the Sikasso Property, are in the exploration stage only, are without known bodies of commercial mineralization and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines. Exploration of the Company's properties may not result in any discoveries of commercial bodies of mineralization. If the Company's efforts do not result in any discovery of commercial mineralization, the Company will be forced to look for other exploration projects or cease operations.

Financing Risk

The Company will require substantial capital to finance further exploration on, and development of, the Sikasso Property. Accordingly, the continuing development of the Sikasso Property will depend upon the Company's ability to obtain financing through equity financing, debt financing, or other means.

The Company currently has no significant source of operating cash flow and no revenues from operations. To fund future investments in its mineral properties the Company requires capital. The Company may not have sufficient internally generated cash flow and working capital and may have to access the capital markets. Subject to economic conditions at the time, there can be no assurance the Company would be able to raise additional equity or debt financing on acceptable terms. If the Company cannot finance its future projects it could have a material and adverse effect on the Company's future business, cash flows, earnings, results of operations, financial condition and/or the value of its securities.

Risks Associated with Operations in Mali

The Company's mining interests are located in Mali, West Africa. The Company's operations in Mali are exposed to various levels of political and economic risks and uncertainties, among others. Any changes in the political or economic climate in Mali, even if minor in nature, may adversely affect the exploration activities of the Company. These risks and uncertainties vary from time to time and include, but are not limited to, labour disputes, nullification of governmental orders and permits, unstable political and economic environments, potential for bribery and corruption, currency

devaluation, high interest rates, sovereign risk, war (including in neighbouring states), military repression, civil conflicts, terrorist activity, criminal activity, delays in obtaining or the inability to obtain necessary governmental permits, opposition to mining from environmental organizations, limitations on foreign ownership, difficulty obtaining key equipment and components for equipment, and inadequate infrastructure. These risks may limit or disrupt the Company's operations.

In March 2012, Mali was subject to an attempted coup d'état that resulted in the suspension of the constitution, the partial closing of the borders and the general disruption of business activities in the country. Subsequently, the presence of United Nations, French and Mali troops in the country has had the effect of increasing security and rendering stability to the nation. However, military conflicts with terrorist insurgents and bouts of violence have continued, primarily in the northern and central regions of Mali. To date the conflict in Mali has been principally contained to the northern and central portions of the country. The gold mining regions of Mali are principally located in the southern regions of Mali. As such, the operations of the Company and other mining companies have, to date, not been disrupted in any material respect; however, companies operating in the region (including the Company) continually monitor and assess the situation and potential risks.

Since the end of the legislative elections in April 2020, Mali has been confronted with a serious socio-political crisis marked by protests of the coalition group M5-RFP and violence. Mediation efforts have been undertaken by the international community as well as a variety of national figures to promote negotiation and to find solutions to put an end to the crisis. Mali had been subject to two recent coup d'états in August 2020 and May 2021. In each case, members of the Malian military seized power. Mali remains under a military government headed by President Assimi Goita, who assumed power following the May 2021 coup. These events have intensified the already precarious situation that the Malian population is facing, due to years of security and humanitarian crises.

These risks may limit or disrupt the Company's operations and exploration activities, through the restricted movement of funds, the deprivation of contractual rights or the taking of property by nationalization or expropriation without fair compensation, all of which would have a material adverse effect on the Company's operations.

Political Risk in Mali

While the Government of Mali has supported the development of its natural resources by foreign companies, there is no assurance that it will not in the future adopt different policies or new interpretations respecting foreign ownership of mineral resources, rates of exchange, environmental protection, labor relations, and repatriation of income or return of capital. Any limitation on the transfer of cash or other assets between the Company and its subsidiaries could restrict the Company's ability to fund its operations, or it could materially adversely affect the Company's financial condition and results of operations.

Moreover, mining tax regimes in foreign jurisdictions are subject to differing interpretations and constant changes and may not include fiscal stability provisions. The Company's interpretation of taxation law, including fiscal stability provisions, as applied to the Company transactions and activities may not coincide with that of the tax authorities. As a result, taxes may increase and transactions may be challenged by tax authorities and the Company's operations may be assessed, which could result in significant taxes, penalties and interest. The Company may also encounter difficulties in obtaining reimbursement of refundable tax from tax authorities.

The possibility that the government may adopt substantially different policies or interpretations, which might extend to the expropriation of assets, cannot be ruled out.

Political risk also includes the possibility of civil disturbances and political instability in Mali or neighboring countries as well as threats to the security of the Company's properties and workforce due to political unrest, civil wars or terrorist attacks. Any such activity may disrupt the Company's operations, limit the Company's ability to hire and keep qualified personnel as well as restrict the Company's access to capital.

Asset Location and Legal Proceedings

A substantial portion of the assets of the Company are located outside of Canada, and a majority of its subsidiaries are located outside of Canada. Accordingly, it may be difficult for investors to enforce within Canada any judgments obtained against the Company, including judgments predicated upon the civil liability provisions of applicable Canadian securities laws. Consequently, investors may be effectively prevented from pursuing remedies against the Company under Canadian securities laws.

Certain directors and officers of the Company reside outside of Canada and substantially all of the assets of these persons are located outside of Canada. It may not be possible for shareholders to effect service of process against the Company's directors and officers who are not resident in Canada. In the event a judgment is obtained in a Canadian court against one or more of the directors or officers for violations of Canadian securities laws, it may not be possible to enforce such judgment against those directors and officers not resident in Canada.

Gold Price

The ability of the Company to raise capital is dependent on the price of gold. Gold prices fluctuate on a daily basis and are affected by a number of factors beyond the control of the Company, including the U.S. dollar exchange rate with other currencies, central bank lending and sales, producer hedging activities, global demand, production costs, confidence in the global monetary system, expectations of the future rate of inflation, the availability and attractiveness of alternative investment vehicles, the strength of the U.S. dollar (the currency in which the price of gold is generally quoted), interest rates, terrorism and war, and other global or regional political or economic events or conditions.

The future trend in the price of gold cannot be predicted with any degree of certainty. The market price of gold affects the economics of any potential development project and the viability of current operations, as well as having an impact on the perceptions of investors with respect to gold equities and, therefore, the ability of the Company to raise capital. A decrease in the market price of gold and other metals could affect the Company's ability to finance the exploration and development of the Company's properties could curtail further exploration or development due to lack of capacity to finance. There can be no assurance that the market price of gold will remain at current levels, that such prices will increase or that market prices will not fall.

Currency Risk

By virtue of the location of its exploration activities, the Company incurs certain costs and expenses in Malian currency. The currency of Mali is the West African CFA franc ("**CFAF**"). Exchange rates historical and may in the future vary substantially. Financings by the Company typically raise funds in Canadian dollars. The majority of exploration expenditures are incurred in CFAF exposing the Company to potential significant foreign currency translation and transaction exposures, which could have a material and adverse effect on the Company's future business, cash flows, earnings, results of operations, financial condition and/or the value of its securities. The Company currently does not hedge against other currencies and maintains the majority of its cash in Canadian dollars.

Government Regulation

The exploration and development activities of the Company require licenses, permits or other approvals from various federal, provincial, and local governmental authorities and such operations are or will be governed by laws and regulations relating to prospecting, development, mining, production, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, water use, environmental protection, land claims of indigenous people and other matters. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration and development activities may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. It is also possible that future laws and regulations, or a more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspensions of the Company's operations and delays in the Company's operations. Where required, obtaining necessary permits can be a complex, time-consuming process and the Company cannot assure that any necessary permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with certain exploration or development activities. There can be no guarantee that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities and or to maintain continued operations that economically justify the cost.

Operating Hazards and Risks

Mineral exploration involves many risks. The operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, any of which could result in work stoppages and damage to persons or property or the environment and possible legal liability for any and all damage. Fires, power outages, labour disruptions, flooding, landslides, and the inability to obtain suitable or adequate machinery, equipment or labour are some of the risks involved in the conduct of exploration programs.

Environmental Compliance

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to permitting, property reclamation, discharge of hazardous material and other matters. These laws and regulations may change at any time prior to the granting of necessary approvals. The support of local politicians and/or communities may be required to obtain necessary permits and approvals and such support cannot be assured.

Conflicts of Interest of Directors

Certain of the directors of the Company are associated with other companies involved in the mining industry. These associations may give rise to conflicts of interest from time to time. The Company's policy on conflicts of interest complies with the procedures established in the *Business Companies Act* (Ontario), which sets out the necessity of full disclosure of any conflict of interest prior to the Board dealing with the subject matter giving rise to the conflict of interest and the interested party

refraining from voting on such matter. The directors are further required to act honestly and in good faith with a view to the best interests of the Company and its shareholders.

The Company is Dependent on Key Officers and Employees

The Company is dependent on the efforts of key officers, including its Chief Executive Officer and Exploration Manager. The loss of the services of any of the Company's key officers and employees could have an adverse effect on the Company, which could have a material adverse effect on the Company's future business, cash flows, earnings, results of operations, financial condition, and/or the value of its securities. The Company does not have and currently has no plans to obtain key man insurance with respect to any of its key employees. In addition, the Company may need to recruit and retain other qualified managerial and technical employees to build and maintain its operations. If the Company requires such persons and is unable to successfully recruit and retain them, its development and growth could be significantly curtailed.

Limited Operating History

An investment in securities of the Company should be considered highly speculative due to the nature of the Company's business. The Company has no history of earnings, it has not paid any dividends and it is unlikely to enjoy earnings or pay dividends in the immediate future. None of the Company's properties have commenced commercial production and the Company has no history of earnings or cash flow from its operations. As a result of the foregoing, there can be no assurance that the Company will be able to develop any of its properties profitably or that its activities will generate positive cash flow.

Competition

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities in its search for, and the acquisition of, mineral properties as well as the recruitment and retention of qualified personnel with technical skills and experience in the mining industry (including with experience in Mali or in West Africa generally).

There can be no assurance that the Company will be able to compete successfully with others in acquiring mineral properties, obtaining adequate financing and continuing to attract and retain skilled and qualified personnel. Existing or future competition in the mining industry could materially adversely affect the Company's business and prospects for mineral exploration and success in the future.

Infrastructure Risks

Exploration and development activities depend, to some degree, on adequate infrastructure. Reliable roads, bridges, power sources, and water supply are important determinants, which affect capital and operating costs. The Company's inability to access reliable transportation routes, including during the rainy season, or secure adequate water and power resources, as well as other events such as unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could have a material adverse effect on the Company's business, results of operations, financial condition and/or the value of its securities.

13. ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR+ at www.sedarplus.ca. For further detail, see the Company's Financial Statements. Additional information about the Company can also be found on the company's website (www.compassgoldcorp.com) and www.sedar.com.

COMPASS GOLD CORPORATION CORPORATE DIRECTORY

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Officers and Directors

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Larry Phillips (CEO and Director)

Madani Diallo, (Director)

Joseph Conway (Board Chairman and Director)

Louis Nagy (CFO and Corporate Secretary)

Members of the Audit Committee

James Henderson (Chairman of Audit Committee)

Joseph Conway

Larry Phillips (CEO and Director)

Members of the Compensation Committee

James Henderson

Joseph Conway (Chairman of Compensation
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