



MANAGEMENT DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

The following management discussion and analysis (the "MD&A") of financial results is dated November 26th, 2025, and reviews the business activities of Compass Gold Corporation ("Compass" or the "Company") and its subsidiaries, for the nine months ended September 30, 2025, 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, 2025, and the notes attached thereto ("Financial Statements"), as well as the audited consolidated financial statements for the year ended December 31, 2024 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 ("\$") unless otherwise stated.

HIGHLIGHTS

- On November 11, 2025, Compass reported that report that the Ministry of Environment, Sanitation and Sustainable Development of Mali had granted the Company's Environmental Permit, clearing the way for the Ministry of Mines to issue a Small Mine Permit for the Company's Massala prospect located along the 15 km Tarabala Trend. The Company noted that receipt of the Environmental Permit was the critical last step in the Massala Small Mine Permit application process and that the issuance of the final Small Mine Permit from the Ministry of Mines should proceed quickly. Further, bulk sampling to test the main zone of the proposed Massala Small Mine permit area is ongoing.
- On September 25, 2025, the Company announced that it had issued, on a non-brokered private placement basis, 4,666,667 units of the Company ("Units"), at a price of \$0.15 per Unit, for aggregate gross proceeds of \$700,000 (the "Offering"). Each Unit consisted of one common share of the Company (a "Common Share") and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "Warrant"), with each Warrant entitling the holder thereof to purchase one additional Common Share at a price of \$0.20 for a period of two years from the date of issuance.

- On September 4, 2025, Compass provided a further update on the important advances the Company has made at the Massala Gold Project located along a 3 km section of the 14 km Tarabala Trend. The Company noted that initial gold recoveries have been achieved under Bulk Sampling Authorization and that initial mineralized rock processing recoveries and grade confirmations will provide valuable data to optimize the Massala Small Mine unit and accelerate the primary objective of recovering gold. Further, it was noted that the Malian Inter-ministerial Committee approved the Environmental and Social Impacts Study for Massala Small Mine, which clears the way for the Malian Ministry of Mines to issue a Small Mining Permit. On July 2, 2025, Compass announced that the holders of outstanding convertible debentures of the Company due September 30, 2025 (the “**Convertible Debentures**”) have agreed to convert 93% the aggregate principal amount due under such Convertible Debentures into common shares of the Company (“**Common Shares**”). Holders of Convertible Debentures have agreed to convert an aggregate principal amount of \$1,335,500 into Common Shares, in accordance with the terms and conditions of the Convertible Debentures. Pursuant to the conversion of the Convertible Debentures, the Company issued an aggregate of 11,086,111 Common Shares.
- On May 5, 2025, Compass provided a further update on its plans to produce gold at the Massala prospect within the Company's Sikasso Property in southern Mali. The Company noted that the Environmental Review process for the Massala small mine permit has been expanded to allow for the future development of a wholly-owned facility. Concurrently, the comprehensive environmental process, including full stakeholder consultation and forestry inventory, is ongoing. This is necessary to complete the required documentation required for the Small Mine Permit application. Further, the SMAT production facility has successfully completed the first production test, and final upgrades are nearly complete. Also, following the Company’s detailed review and priority ranking of its exploration permits, Compass agreed to transfer the Badogo Exploration permit to Mina Sable SARL for a total consideration of >CDN\$1.0 million (434.7 million CFA).
- On February 25, 2025, the Company provided a further update on its plans to produce gold from its first small mine at the Massala prospect, and noted that, subject to issuance of the Small Mining Permit, it was on track to start production by early Q2. Environmental and social impact studies are expected to be completed in the coming months. The Compass team is assisting with the optimization of the existing SMAT mining facility, where ore processing and gold recovery will occur under a Co-Production Agreement. Issuance of the Small Mining Permit will allow for total production of up to 160,000 ounces of gold over an initial four-year term.
- On January 6, 2025, 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. Notably, the existing SMAT Mining Facility is to be modified to allow for initial bulk sampling of Compass ore. Meanwhile, documentation for a Small Mine Permit Application at Massala was being completed, which includes a project viability study, mine closure plan, community development plan and environmental permit.
- On December 3, 2024, the Company announced the completion of its previously announced private placement offering and has issued, on a non-brokered private placement basis, 610.5

convertible debenture units of the Company at a price of \$1,000 per Debenture Unit, for aggregate gross proceeds of \$610,500. The Offering closed on December 2, 2024.

- 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 operations 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.

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

Compass currently holds, through its 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).

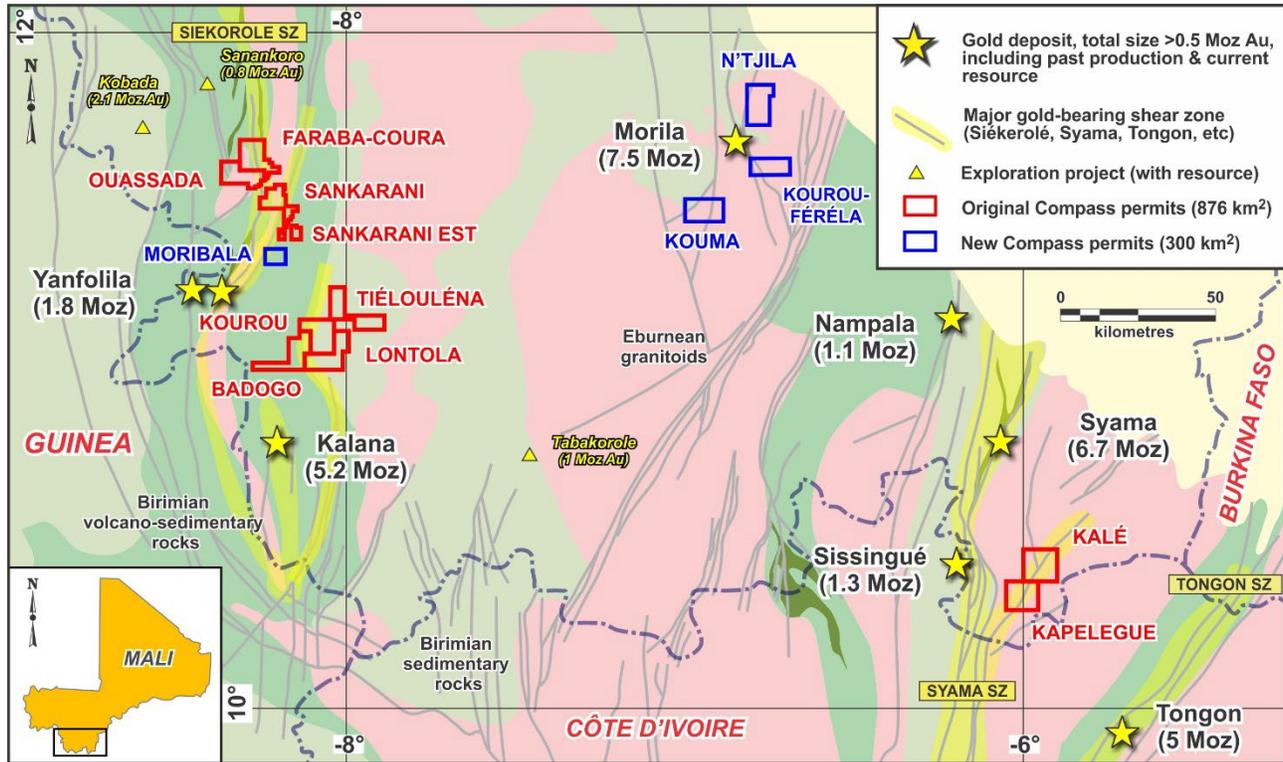


Figure 1. Location of original permit outlines (red) and additional permit added in 2021 (blue).

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. As of the date of this report, the Company has made all required filings to update and renew the permits for fiscal 2024 and 2025, but the filings have not been processed by the Ministry. The delay is most likely to the volume of permits and revisions made to the process.

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 \$697,143 for the nine months ended September 30, 2025 compared to \$753,083 for the year ended December 31, 2024 (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, 2025 are \$19,620,674 plus the cost of acquired machinery and equipment in the amount of \$27,974 (net of amortization). For further information, please refer to note 5 of the related financial statements for the nine months ended September 30, 2025. As of September 30, 2025, the Company had incurred \$6,172,837 (2024 -\$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, 2025:

	Nine months ended September 30, 2025 \$	Year ended December 31, 2024 \$	Year to date (since inception) September 30, 2025 \$
Project Management and administrative	233,778	293,957	3,615,002
Licensing Costs / Property	26,551	65,136	746,204
Drilling and Assay	-	237,815	8,869,953
Field work support	352,617	158,575	4,657,818
Technical studies	84,197	-	1,383,650
VAT recoverable related to expenditures	-	(2,400)	348,047
Total Expenditures	697,143	753,083	19,620,674

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.

Also, following the Company's detailed review and priority ranking of its exploration permits, Compass agreed to transfer the Badogo Exploration permit to Mina Sable SARL for a total consideration of >CDN\$1.0 million (434.7 million CFA). A deposit in the amount CFA 100,000,000 has been received upon signing the agreement but the transfer of the permit will not be completed until the Ministry of Mining approves the transfer and the Company receives the second installment for CFA 200,000,000.

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 based on the 2021 filings. This has not been updated to 2024 as the renewals for 2024 are in process as discussed above.

Year/Work Program (\$)	Phase 1	Phase 2	Future Phases	Total
First Year	1,840,674	-	-	1,840,674
Second Year	-	2,910,536	-	2,910,536
Third Year	-	-	3,789,866	3,789,866
Total	1,840,674	2,910,536	3,789,866	8,541,076

B) CURRENT ACTIVITIES

Exploration Activities Fiscal 2025

The Company continues with the process of applying for permit renewals for the complete Sikasso Project area (1,173 sq. km), which includes an application for two Small Mining Permits over the Massala and Tarabala prospects (2.5 and 2.0 sq. km, respectively).

A number of studies are required by the Malian Mining Ministry as key components of the Company's Small Mine Permitting application. The most important of these studies, the project viability study* and mine closure plan, have been completed. An environmental and social impact study, including a community development plan, has been completed. Meanwhile, community engagement negotiations to ensure cordial relations are maintained in the project area and the surrounding communities have also been completed.

Following the Company's finalization of the Environmental Social and Economic Impact Study (including Community development Plan) report to the Environmental Department, Compass was granted its Environmental Permit on November 8, 2025. Receipt of this permit has enabled the Company to formally submit its Application for a Small Mine Permit to the Mining Ministry. The package included the Viability Study report, Closure Plan and Environmental Permit. The Company expects to receive Small Mine Permit by mid- to late-Q4 2025.

(*The project viability study required by the Malian authorities is not a CIM-defined Feasibility Study outlined in NI 43-101, since no resource estimation or metallurgy study has been performed, and was prepared solely in connection with the Company's application for a Small Mine Permit at Massala.)

No exploration activities will be performed on the Company permits until the Massala Small Mine Permit is obtained.

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 was issued on July 9th, 2024. On July 26, 2024, the Government issued a “Communiqué de Presse” requesting mining title owners to provide documentation on their identities and copies of signed conventions and issued licenses, thus restarting the license 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 tonnes (t)/hr of ore and having gold reserves of less than 5 t (160,000 oz). A Small Mine mining permit is issued for 4 years, renewable until the resources are depleted.

Also, as of March 15, 2025, new permit applications for Small Mines can also be received, which should place Compass Gold near the head of the line for such a permit.

It is worth noting that the Malian Mining Ministry is not yet accepting applications for new Exploration Permits. It is not clear when that might change, but with the Malian Mining Ministry open, Compass expects its Exploration Permit Renewals, which have been lodged with the Malian Mining Ministry for more than a year, to be reviewed and processed in the near future. In the meantime, as the holder of one of the largest packages of highly prospective, drilled, and mapped exploration ground, Compass became one of the only means for new players to gain entry into the historical gold districts of Mali through a joint venture.

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, including 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. 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.

In December 2024, the results of the remaining 872 channel samples were received from the assay laboratory. The results were from samples collected in the five trenches at Massala at depths of 3 m and 5 m, and were in overall agreement with the assay results announced in August 2024, from depths of 2 and 4 m. Trenches MATR004 and MATR005 had the best correlations between the mineralized zone at different depths. In MATR004 the previously reported 4 m @ 13.14 g/t Au (2 m depth) correlated with the new results, 2 m @ 5.08 g/t Au (3 m depth) and 3 m @ 33.00 g/t Au (5 m depth). In MATR005, the previously reported 21 m @ 3.51 g/t Au (2 m depth) correlated with the new results from 5 m depth, 3 m @ 27.34 g/t Au.

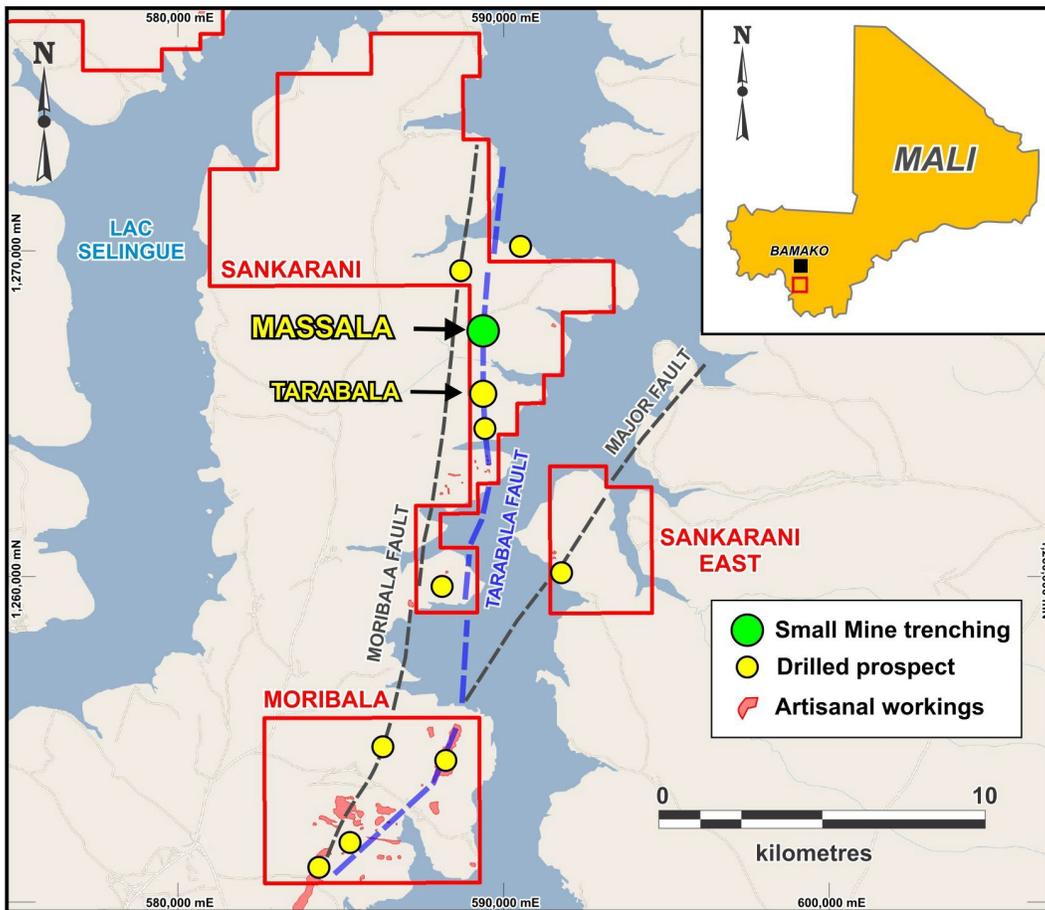


Figure 2: Location of Tarabala and Massala prospects where trenching was completed. Additional artisanal workings along the Tarabala and Moribala faults are also displayed.

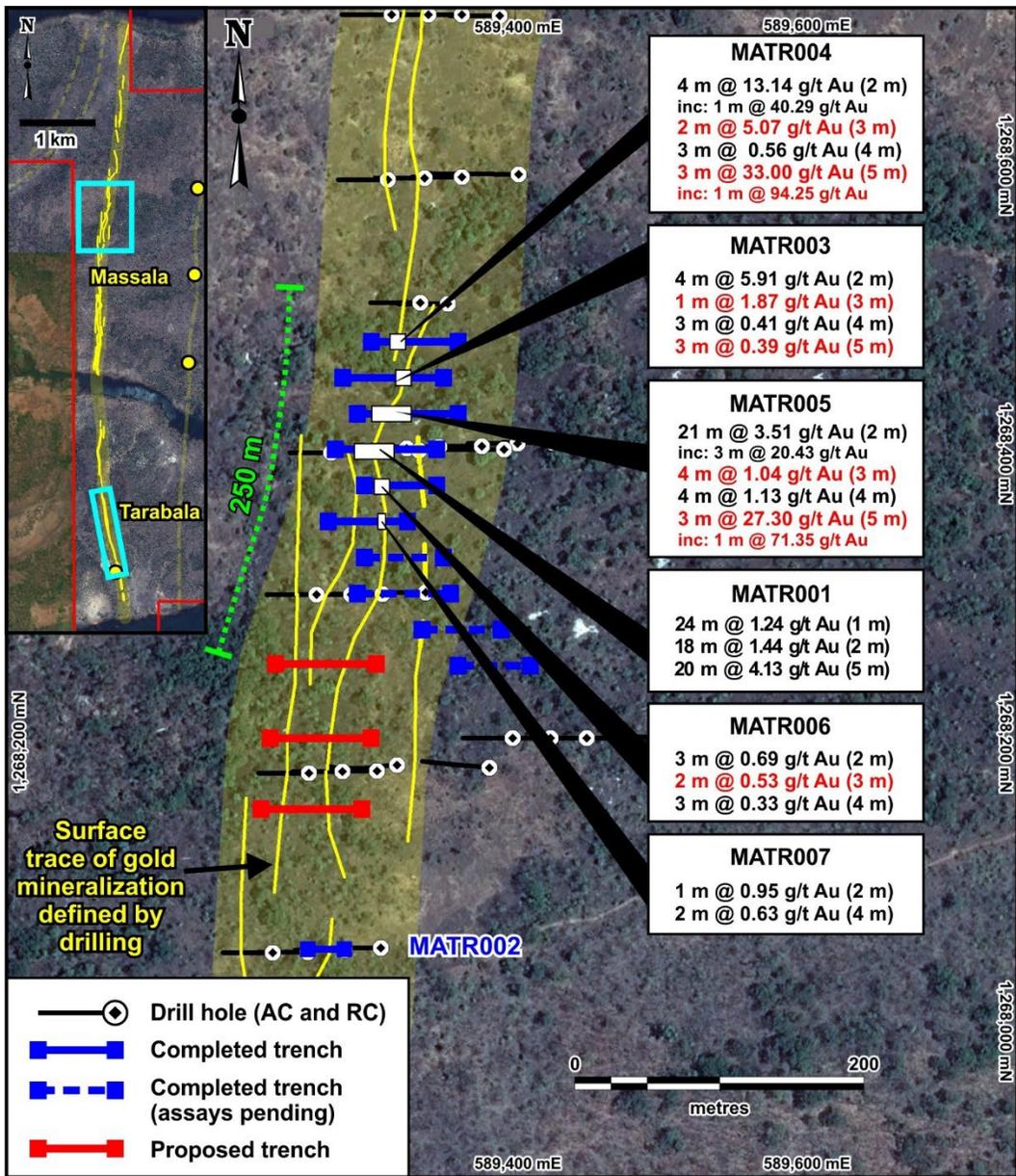


Figure 3: Map showing the location and results of the completed trenches at the Tarabala and Massala prospects.



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

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 and Q2 2025. Free cash flow generated by operations 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.

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.

C) FUTURE ACTIVITIES

The Company will continue with completing the necessary studies and filings required for the Small Mine Permit as outlined in the **Section B – Activities Fiscal 2025- Corporate Development**.

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

Management is considering the following steps to support the development of the Small Mine Permit: (i) A shallow 1500 m resource definition drilling program for the highest-grade gold mineralization at Massala (initial site for the small mine operation) and could include assays on several new trenches, and (ii) a metallurgical study to determine gold recovery.

Expenditures for the above-noted studies and work site programs are estimated to be approximately \$450,000. 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 completing the required financing to fund the expenditures.

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

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, 2025.

Revenues

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

Expenses

The operating expense for the nine months ended Sept 30, 2025, increased to \$981,233 from \$574,041 in the same period 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 Sept 30, 2025 was the increase in share-based payments and the change in interest and accretion expenditures. The increase in the interest and accretion expenses are directly related to the increase convertible debentures balance of \$785,500 during fiscal 2024.

1. Management fees for the nine months ended Sept 30, 2025 were \$302,800 compared to \$293,000 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 \$297,255 for the nine months ended Sept 30, 2025. For the year ended December 31, 2024, the expense was Nil. 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 Sept 30, 2025, 4,180,000 options were granted with a three-year vesting term. No options were granted during the year ended December 31, 2024.

3. Interest and accretion expense are generated from the Convertible Debenture. These interest charges and accretion charges for the nine months ended Sept 30, 2025 were \$70,759 (2024 - \$53,203) and \$83,724 (2024 – \$50,192), respectively. Interest charges have been accrued and reflected in the balance of the convertible debenture.
4. Foreign exchange reported a loss of \$55,523 for the nine months ended Sept 30, 2025 compared to a loss of \$25,293 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.:

	<u>September 30, 2025</u>
Common shares outstanding	125,256,690
Warrants	12,294,502
Options outstanding	5,621,000

Basic common shares outstanding as of September 30, 2025 were 108,305,446 Fully diluted shares outstanding, which includes all issued common shares, warrants, broker warrants and options, as of September 30, 2025 was 143,172,192. 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			2024				2023
	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	-	-	-	-	-	-	-	-
Loss for the period excluding write down	(253)	(373)	(355)	(185)	(189)	(195)	(190)	(94)
Loss per share	0.00	(0.005)	(0.005)	(0.005)	(0.00)	(0.005)	(0.00)	(0.00)

Overall, the expenditure pattern, excluding the impact from share-based payments, has remained consistent between the quarters reported for fiscal 2023 through to September 30, 2025. 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, 2025, the Company had a working capital deficit of \$1,100,251 (working capital deficit as at December 31, 2024 - \$889,694). Cash as at September 30, 2025 was \$650,110 compared to \$255,977 as at December 31, 2024.

On September 24, 2025, the Company issued on a non-brokered private placement basis, 4,666,667 units of the Company, at a price of 15 cents per unit, for aggregate gross proceeds of \$700,000. Each unit consisted of one common share of the company and one-half of one common share purchase warrant, with each warrant entitling the holder thereof to purchase one additional common share at a price of 20 cents for a period of two years from the date of issuance. As a result of investor demand, the final gross proceeds of the offering exceeded the company's previously announced unit purchase commitments by \$100,000 (see Compass's news release dated Sept. 16, 2025).

The holders of outstanding convertible debentures of the Company due June 30, 2025, agreed to convert 93% of the aggregate principal amount due under such Convertible Debentures into common shares of the Company. This conversion represented an aggregate principal amount of \$1,335,500 into Common Shares, in accordance with the terms and conditions of the Convertible Debentures. Pursuant to the conversion of the Convertible Debentures, the Company issued an aggregate of 11,086,111 Common Shares. The conversion of the Convertible Debentures was completed effective as of June 30, 2025 (the maturity date of the Convertible Debentures).

In addition, the Company elected to pay all accrued and unpaid interest on the Convertible Debentures to June 30, 2025, the maturity date of the Convertible Debentures, in Common Shares, in accordance with the terms and conditions of the Convertible Debentures. Specifically, the Company will issue an aggregate of 1,077,132 Common Shares, at an issue price of \$0.17 per Common Share, in satisfaction of aggregate accrued and unpaid interest on the Convertible Debenture in the amount of \$183,114. The issue price of the Common Shares was determined based on the market price of the Common Shares (in accordance with the applicable policies of the TSX Venture Exchange) on June

30, 2025. The issuance of such Common Shares remains subject to the final approval of the TSX Venture Exchange.

During the first few months of fiscal 2025, warrant holders exercised a total of 4,335,000 share purchase warrants for gross proceeds of \$450,300. The Company has issued 4,335,000 common shares as a result of these warrant exercises.

On December 2, 2024, the Company completed a third tranche of the convertible debenture financing for gross proceeds of \$610,500 accompanied by the issuance of 3,052,500 common share purchase warrants. The terms of the convertible debentures allow for a conversion at \$0.18 per share at the option of the holder with an annual interest rate of 10% and with a maturity date of June 30, 2025. Each common share purchase warrants is exercisable by the holder to acquire one common share at a price of \$0.18 for a period of 12 months.

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.

Review of Statement of Cash flows

Cash Used in Operating Activities

Cash used in operating activities during the nine months ended September 30, 2025 was \$379,539 compared with \$94,516 in the same period last year. Cash was used to fund management and director fees, professional fees, listing and registration fees, and administrative costs. The lower amount in the prior period is the result of a significant portion of operating expenses are financed by accounts payable.

Cash Used in Investing Activities

Total project expenditures on a cash flow basis for the nine months ended September 30, 2025 were \$583,331 compared to \$525,934 for the year ended December 31, 2024. 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 \$334,681 (2024 - \$370,771) for the nine months ended September 30, 2025 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 (2024 – \$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 (2024 – \$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 \$70,348 (2024 – \$109,771). 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 \$70,833 (2024 – \$67,500), 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, 2025 and year ended December 31, 2024, 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 expired at various times during 2024 and 2025. As discussed in Section 2 with the Company has made the required filings with the Malian Mining Ministry to renew the permits and remain in good standing, despite the Malian Mining Ministry has been closed for a few years.

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 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), Stephen Eddy (Director and member of the Audit Committee), 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 formerly an 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. Eddy is a strategic financial executive with over two decades of experience leading capital markets transactions, risk management, and corporate development in the international mining sector. As Senior Vice President of Business Development at IAMGOLD, he spearheaded \$900M in acquisitions and \$2.4B in divestitures, including landmark deals such as the \$500M sale of Niobec and a \$195M strategic investment by Sumitomo. Known for his sharp financial acumen, collaborative leadership, and ability to unlock value in complex, high-stakes environments, Stephen has guided transformative projects such as the turnaround of the Côté Gold project in Ontario.
- 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 and 2025. 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.

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Stephen Eddy (Director)

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James Henderson (Chairman of Audit Committee)

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