



NEWS RELEASE

Exploration Update - MAY 2011

Vancouver, B.C. Canada, May 27, 2011 – **Compass Gold Corporation** (TSXV:CVB) (“Compass” or the “Company”) provides the following update regarding its exploration activities in Mali relating to four exploration gold research licenses held by Africa Mining SARL (“Africa Mining”) in which Compass is currently earning a 51% interest.

HIGHLIGHTS:

- **Drilling commences at Yanfolila**
- **Aeromagnetic survey completed**
- **Moussala Authorization to Explore Granted**

Details as follows:

1. DRILLING COMMENCES AT YANFOLILA

After some delays in securing drilling equipment, drilling has now commenced on the Solona target at the Yanfolila license. Based on the drilling equipment secured, we have varied the previously announced program.

The initial drill program will now use core diamond drilling, rather than reverse circulation drilling, and will initially focus on a 30 hole, 90m hole depth program at the known Yanfolila gold targets. The total initial drill program is expected to cover some 2,500m to 3,000m. Additional exploration activities have identified further targets that may allow for drilling to be extended beyond the current program.

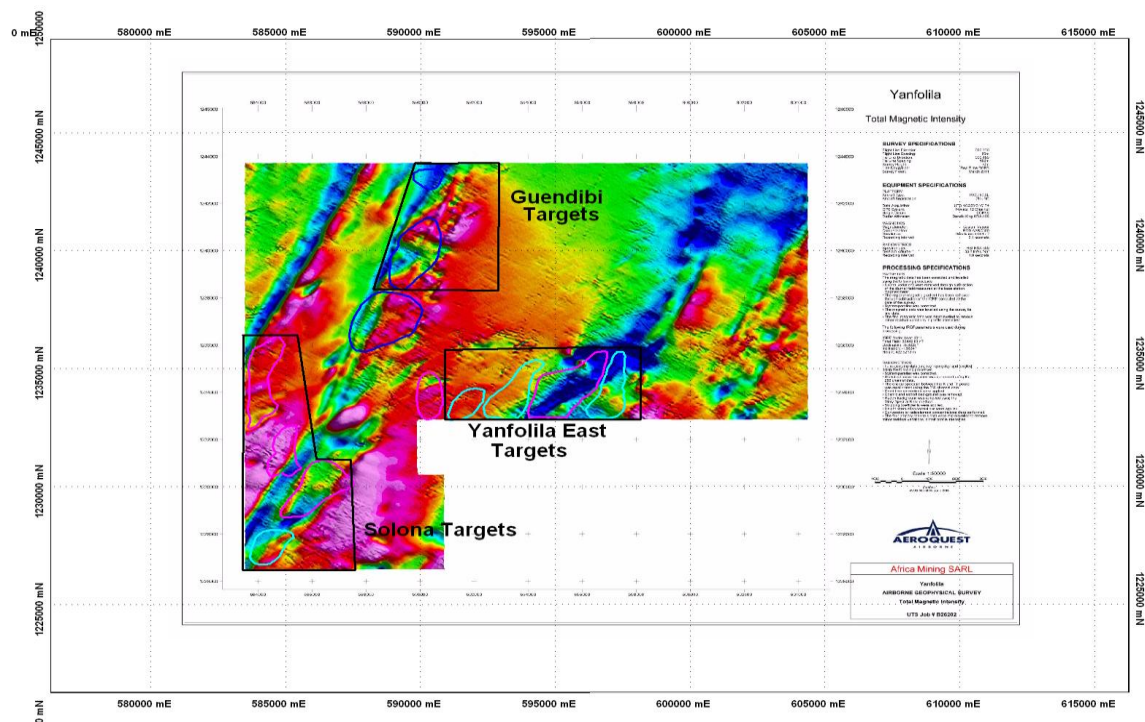
The Company intends to commence drilling at Dandoko as soon as practical.

2. AEROMAGNETIC SURVEY COMPLETED

The high-resolution airborne magnetic and radiometric survey (the "Survey") commenced in March 2011 has been completed. The Survey covered all four licenses (Yanfolila, Kolondieba, Dandoko and Solabougouda) and comprised 4,834 line km on an East-West orientation at 200m line spacing with a nominal ground clearance of 70m. Areas with identified gold targets on the Yanfolila and Dandoko licenses were flown at tighter 50m line spacing.

Preliminary results from Survey confirm the favorable structural setting of the known gold targets at Yanfolila and Dandoko. These gold targets will be the focus the current drill program. In addition the results have highlighted the existence of favorable geology to host gold mineralization. See diagrams below. Additional results will be provided in due course.

Yanfolila license

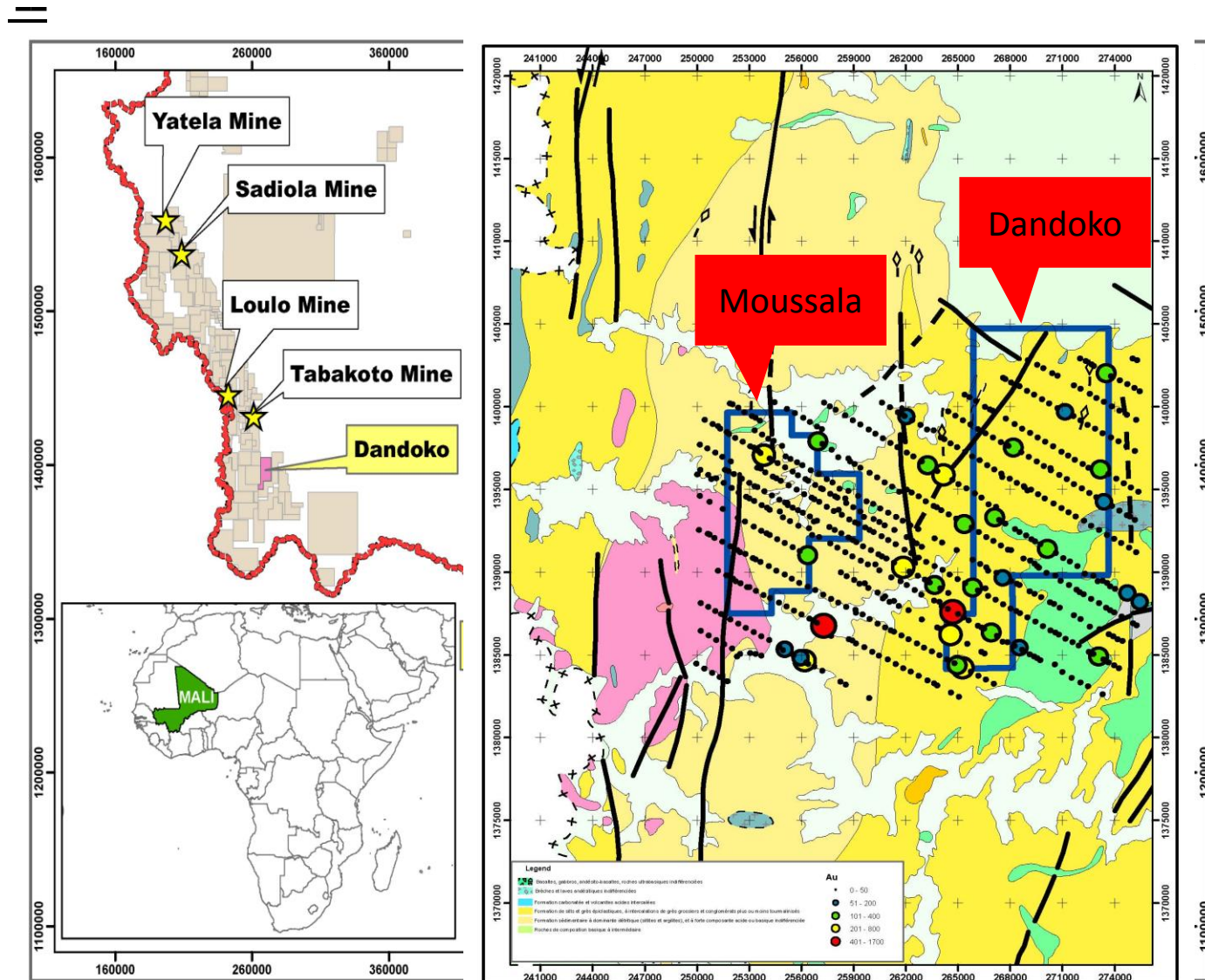


3. MOUSSALA AUTHORIZATION TO EXPLORE LICENSE

A new Authorization to Explore (“ATE”) was granted to Africa Mining in April 21, 2011 for an area known as Moussala. An ATE is an exclusive mining title valid for three months, renewable once, and which gives its owner the right to convert it into a research exploration license within the exclusivity period. The ATE allows Africa Mining to satisfy itself of the prospectivity of the area before committing to a three year exploration program.

The Moussala ATE covers some 58 sq. km and is located 10km west of the Dandoko exploration license. Two gold targets have been identified at Dandoko, Disse and Bemballa, and the ATE is located adjacent to these targets. Africa Mining expects the ATE to have a similar prospectivity as the Dandoko license.

Below is a figure showing the location of the Dandoko license and the Moussala ATE.



A regional geochemical sampling program will be completed on the ATE in the next two months that will allow Africa Mining to make a decision whether or not to proceed to a full exploration license.

Mr Henderson, the President of Compass said *"I am extremely satisfied with the quality of the Survey and its results. The results support our understanding of the geological structures and will enhance scope of our drill programs.*

The ATE also allows Africa Mining to expand its asset-base in a strategically important gold producing area in Western Mali."

Dr. Madani Diallo, a director of the Company and a Qualified Person pursuant to National Instrument 43-101, takes responsibility for the technical information contained in this release.

Further information is available at www.compassgoldcorp.com.

COMPASS GOLD CORPORATION

"James Henderson"

James Henderson, President

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For further information please contact:

Compass Gold Corporation

Tel: 604-638-8067