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NEWS RELEASE

Compass Gold to Acquire Interest in Mali Gold Projects

Vancouver, B.C., December 4, 2009 – **Compass Gold Corporation (NEX: CVB.H)** (the “**Company**” or “Compass”), a Vancouver based company listed on the NEX board of the TSX Venture Exchange (the “**Exchange**”) is pleased to announce that it has entered into an Option Agreement dated effective December 3, 2009 with Africa Mining SARL (“**Africa Mining**”) a Mali, West Africa private company, pursuant to which the Company has been granted the option (the “**Option**”), subject to certain conditions, to acquire up to 51% of the issued shares in the capital of Africa Mining (the “**Acquisition**”).

Africa Mining owns a 100% interest in 3 gold exploration research permits in Mali covering an aggregate area of 688 sq km’s (the “**Permits**”).

Proposed Acquisition

Pursuant to the terms of the Option Agreement:

- (a) Compass has the right to acquire, from treasury, such number of common shares as will result in Compass owning 20% of the issued common shares of Africa Mining upon the Option being partially exercised (the “**First Share Purchase**”) and may exercise the Option to acquire such shares by funding and completing C\$500,000 of verifiable exploration work on the Permits, including a Phase 1 exploration program on Africa Mining’s principal property being the Yanfolila Permit, within seven months of the date of receipt by Compass of the acceptance of the Exchange to the Acquisition, concurrent Acquisition Financing (as discussed below) and the reactivation of Compass as a Tier 2 mining issuer on the Exchange (the “**Approval Date**”).
- (b) in the event the First Share Purchase is completed, Compass will have the right to acquire, from treasury, additional common shares of Africa Mining such that Compass will be the registered holder of an aggregate of 51% of the issued common shares of Africa Mining following the issuance of the shares to Compass (the “**Second Share Purchase**”) and may exercise the Option to acquire such additional shares by:
 - (i) making a payment of C\$500,000 to Africa Mining or its nominees, either in cash or, at the election of Africa Mining, in Units on the same terms as the Acquisition Financing; and
 - (ii) funding and completing an additional C\$1,500,000 of verifiable exploration work on the Licenses, on terms mutually agreed upon by the parties, acting reasonably, including a Phase 2 exploration program on the Yanfolila Permit, within 24 months of the Approval Date.

Effective on the Approval Date, Dr. Madani Diallo will be appointed a consultant to Compass and the General Manager of Africa Mining. Additionally, Africa Mining's management committee shall consist of a majority of the representatives of Compass.

Upon its acceptance by the Exchange, the Acquisition will constitute a reactivation of the Company as a Tier 2 mining issuer under the Exchange's policies.

Proposed Financing

The Company proposes to complete (conditional upon and concurrently with the completion of the acceptance by the Exchange of the Acquisition) a non-brokered private placement (the "**Acquisition Financing**") of at least C\$1,500,000 through the issuance of units at a price of C\$0.15 per unit. Each unit will consist of one common shares and one common share purchase warrant of the Company. Each whole warrant will entitle the holder to acquire one additional share of the Company at an expected price of C\$0.20 per share for a period of two years subject to the Company's right to accelerate the exercise of the warrants if the daily volume weighted average trading price of the common shares of the Company on the Exchange is equal to or exceeds C\$0.30 per common share for a period of 10 consecutive trading days between during the term of the warrant, commencing 4 months after the date the warrants are issued.

These funds will be allocated to the proposed exploration program on Africa Mining's Yanfolila Permit (as discussed below) and for general working capital.

Conditions Precedent

The parties' obligations are subject to the satisfaction of the usual conditions precedent including:

- (a) the receipt of all necessary approvals of the Exchange and all other regulatory authorities and third parties to the Acquisition and the Acquisition Financing;
- (b) the completion of a Acquisition Financing to raise gross proceeds of at least C\$1,500,000;
- (c) the receipt of satisfactory legal opinions on title to the Permits and corporate matters in relation to Africa Mining; and
- (d) there being no adverse material change having occurred in the business, affairs, financial condition assets or operations of the Company, Africa Mining or the Permits prior to the Approval Date.

Securities Issued and Closing

On the Approval Date, following the acceptance by the Exchange of the Acquisition and the completion of the Acquisition Financing on the proposed terms, the Company will be classified as a TSX Venture Exchange Tier 2 mining issuer and will have approximately 22,332,010 issued common shares and 14,518,333 warrants and 1,200,000 stock options to acquire common shares outstanding, not inclusive of new options to be granted on the Approval Date.

Directors, Officers and other Insiders

On the Approval Date, the directors, senior officers and insiders of the Company are anticipated to be:

Marshall Auerback (President and CEO)

Mr. Auerback is an independent businessman with extensive international experience as an emerging markets fund manager, having worked several years in Hong Kong, Tokyo, New York and London. More recently, he worked in the U.S. as a fund manager at Prudent Bear. Mr Marshall is an independent economics consultant for a variety of large funds, notably RAB Capital, Pinetree Capital and PIMCO, and also a fellow at the Japan Policy Research Institute in California.

Dr. Madani Diallo, (Director & General Manager Africa Mining)

Dr. Diallo is Professional Geochemist with over 25 years of experience in mineral exploration in Africa, with a focus on developing gold and base metals exploration programs in Africa, Eastern Europe and the Middle East. Dr. Diallo has held many senior roles including country manager, exploration manager, geochemist and project manager, having contributed to the discovery of several world-class gold mines in Mali, several deposits in Cote d'Ivoire, and numerous gold occurrences in Mali, Cote d'Ivoire, Burkina Faso and Ghana.

Dr. Diallo received a Master of Science in Geochemistry and Mineralogy (1976) and a PHD in Geochemistry (1979) from the University of Tashkent, Uzbekistan.

Dr. Diallo is recognized as one of the founders of the mining industry in Mali and his achievements have been recognized in him being awarded the second highest distinction in Mali, being the "Chevalier de l'Ordre National ("Knight of the National Order").

Lara Iacusso (CFO and Director)

Ms. Iacusso is a director of the Transocean Group a Sydney, Australia based corporate finance and advisory group. Prior to joining the Transocean Group, Ms. Iacusso was a corporate finance partner at Deloitte and holds a Chartered Accountancy accreditation and is a Senior Fellow of the Financial Services Institute of Australasia.

Malcolm Carson (Director)

Mr. Carson is an exploration geologist and the President of Mineral Resource Consultants based in Australia. Mr. Carson's has broad qualifications and experience in the mining and resources sector over 35 years in Australia, Africa and Asia, including; exploration, commercial evaluation of mineral resource projects, mining, environmental and government approvals, banking and finance.

Darren Devine (Corporate Secretary)

Mr. Devine is the principal of Chelmer Consulting Corp. which provides corporate finance and securities law related consulting services to private and public companies. Mr. Devine is qualified as a barrister and solicitor in British Columbia and in England & Wales and prior to forming Chelmer Consulting, practiced exclusively in the areas of corporate finance and securities law.

Mr. Devine is an insider or advisor to a number of public and private companies in the junior resource sector, including being the Chairman of Centric Energy Corp. (TSXV: CTE), the Executive Vice President and a director of Petro Vista Energy Corp. (TSXV: PTV).

Mr. Devine holds a Bachelor of Sciences and Economics degree from the University of Northumbria, England and a Bachelor of Law degree from the Royal College of Law, York, England.

Summary of the Yanfolila Project

The following is a brief summary of the Yanfolila Permit based upon a technical report prepared in accordance with National Instrument 43-101 ("NI 43-101") by Paul Dunbar P. Geo, Senior Associate Geologist at Watts, Griffis and McQuat Limited (a Qualified Person as defined under applicable securities laws), which will be available for review under the Company's profile at www.sedar.com.

The Yanfolila Permit constitutes the Company's listing property and will be the subject of the Company's initial work program. The Yanfolila Permit covers a total area of 250 km² and is located in south-east Mali, approximately 234 km's from the capital city of Bamako. The Permit was granted to Africa Mining on July 29, 2008 for an initial three-year period.

Gold is the only known mineral of economic interest on the Permit. The principal deposit-type being explored for is a combination of epigenetic lode gold vein deposit(s) within the bedrock as well as eluvial and alluvial placer gold deposits of significant size and economic grade to support an open pit and/or underground mining operation.

The Yanfolila Permit is located within a similar geological setting to that of the Kalana Gold Mine and Kodieran gold deposit located approximately 35 km south. Kalana is the oldest commercial gold mine in Mali and was in production from 1983-1991 and re-opened in 2004 with a resource reported of 1.14 million oz of gold (886,000 oz mineral resource and 257,000 oz inferred resource average grade 5.1 g/t (*source: Direction Nationale de la Geologie et des Mines or DNGM, 2008*). Mine construction is currently underway at Kodieran with a reported gold resource estimate of 2.56 million oz at an average grade of 2.24 g/t, resource classification unknown (*source: Presentation aux Journees Minières et Pétrolières du Mali, April 2009; www.avnelgold.com*).

Gold mineralization has been reported at the following five showings on the Permit:

- **Solona:** gold in hydrothermal stockwork veins in metasedimentary rocks;
- **Yanfolila:** gold in hydrothermal stockwork veins hosted in mafic volcanic rocks;
- **Yanfolila East:** Eluvial gold hosted in laterized material (all gravels);
- **Noumorilako 2:** Alluvial placer gold (all gravels); and
- **Guendibi:** Eluvial-type placer gold deposit.

Placer gold mineralization occurs at each of these locations.

Regional geological mapping and sampling programs were undertaken by the government from 1963 to 1982. A regional soil geochemical survey covering the property was completed in 1990. The highest gold soil value of 1,220 ppb Au was identified at a site located between the Yanfolila and Yanfolila East gold showings. Thirty soil anomalies greater than 50 ppb Au and as high as 370 were identified on the Permit. A threshold value of 30 ppb is seen as a potentially significant gold soil anomaly. Two of these anomalies coincide with the Guendibi and Noumorilako 2 placer gold showings.

In 2001, Système Minier completed a 1:200,000 scale airborne geophysical survey (radiometric and magnetic) over the entire region. A follow-up electromagnetic survey was completed in 2002 covering an area of 2,610 km² which included the Yanfolila Permit area.

Two soil geochemical surveys were completed covering the southern and south eastern portion of the Yanfolila Permit. The best soil assays were 58 ppb Au sited just north of the Yanfolila gold showing from the 2005 program and 198 ppb Au from the 2006 soil survey. In 2005, eleven rock grab samples were collected from the Yanfolila gold showing artisanal pits returning between 0.04 to 2.72 g Au/t. Two samples of tailings material collected from a local eluvial placer deposit returned 6.23 g Au/t and 6.29 g Au/t. Then, in July 2009 ten more grab samples were collected of pit float material (waste rock) at the same location. The best assay return was 0.92 g Au/t.

In July, 2009, forty-two soil samples were collected from over the Solona gold showing. Three samples returned over 1.0 g Au/t; the best sample returning 1.74 g Au/t which is very high for a soil value. Thirty rock grab samples were also collected from the artisanal pit waste material. One third of the sample returned over 1.0 g Au/t, the highest value being 7.11 g Au/t.

Summary of Proposed Work Program

The Phase I program, at a cost of US\$320,000 as recommended in the technical report on the Yanfolila Permit is designed to initially focus exploration work at Solona gold showing through geological mapping, ground geophysical surveys and trenching and sampling programs. Exploration work would then be extended to the evaluation of remaining gold showings and gold soil anomalies located elsewhere on the property. The program includes a property-wide geological mapping and sampling program, the re-sampling and evaluating of all historical gold showings and soil anomalies, 100 line-km of ground magnetic survey, 25 line-km of Induced Polarization (IP) surveying focusing on the 100-300 m depth range (below the oxidized zone), a limited trenching and channel sampling program and a detailed structural interpretation of the property using airborne and LandSat imagery data focussing along the "Yanfolila Zone". Ultimately, the purpose of this program would be to define targets for possible drill testing (if warranted) for a Phase II work program.

Sponsorship

Union Securities Ltd. has agreed, subject to completion of a satisfactory due diligence review, to act as sponsor of the Company in connection with the Acquisition. Union Securities Ltd. is at arm's length to Compass and Africa Mining.

Union Securities Ltd. will receive a sponsorship fee and reimbursement of expenses. An agreement to sponsor should not be construed as any assurance with respect to the merits of the transaction or the likelihood of completion.

General

Completion of this transaction is subject to a number of conditions, including but not limited to Exchange acceptance. The transaction cannot close until the required Exchange approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Filing Statement to be prepared in connection with the Acquisition and any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon.

Trading in the Company's common shares on the Exchange will be halted pending the acceptance of the Acquisition and the completion of related transactions.

ON BEHALF OF COMPASS GOLD CORPORATION

"Marshall Auerback"

**Marshall Auerback
President and Chief Executive Officer**

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

This press release includes "forward-looking statements" including forecasts, estimates, expectations and objectives for future operations that are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of Compass Gold Corporation. Statements regarding future fund raising and capital expenditures are subject to all of the risks and uncertainties normally incident with the raising of capital including, but are not limited to, financing risks, inflation and costs of goods and services. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. Such forward-looking information represents management's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Compass Gold Corporation does not assume the obligation to update any forward-looking statement, except as required by applicable law.

For further information please contact:

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