

For Immediate Release

Trading Symbol: TSX-V: CVB.H

COMPASS GOLD TO UNDERTAKE SHARES FOR DEBT SETTLEMENT

Vancouver, British Columbia, October 29, 2009: (TSX-V:CVB.H) Compass Gold Corporation (the "Company") announces that, subject to the acceptance for filing by the TSX Venture Exchange, the Company has agreed to issue a total of 3,840,555 units at the price of \$0.09 per unit in satisfaction of debts owing to various third party creditors in the aggregate amount of C\$345,650. Each unit will consist of one common share in the capital of the Company and one common share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share in the capital of the Company at price of C\$0.12 per common share for a period of two years from the date of issue of the units. None of the units will be issued to insiders of the Company or their associates. The Company expects that the proposed debt settlement will enable the Company to continue to fund its on going general and administrative expenses without the need for additional financing.

On completion of the proposed debt settlement, it is expected that one of the lenders, Transocean Finance Pty Ltd. ("Transocean"), will beneficially own or control a total of 1,670,555 common shares of the Company and 1,555,555 share purchase warrants, representing approximately 14.3% of the Company's then issued and outstanding shares on a non-diluted basis or 27.7% of the Company's issued shares calculated on a partially diluted basis assuming the exercise of Transocean's warrants.

In addition, on completion of the proposed debt settlement, it is expected that one of the lenders, Tisia Nominees Pty Ltd. ("Tisia"), will beneficially own or control a total of 1,396,111 common shares of the Company and 1,396,111 share purchase warrants, representing approximately 12.0% of the Company's issued and outstanding shares on a non-diluted basis or 24.0% of the Company's issued shares calculated on a partially diluted basis assuming the exercise of Tisia's warrants.

**ON BEHALF OF THE BOARD OF DIRECTORS
COMPASS GOLD CORPORATION**

"Marshall Auerback"

Marshall Auerback, President and CEO

COMPASS GOLD CORPORATION
608-1199 West Pender St.
Vancouver, BC V6E 2R1

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:

Compass Gold Corporation
Tel: 604-638-8067