



NEWS RELEASE

Compass Gold Exploration Update

Vancouver, B.C. Canada, December 3, 2010 – **Compass Gold Corporation** (TSXV:CVB) ("Compass" or the "Company") provides the following update regarding its exploration activities in Mali, West Africa, relating to three exploration gold research permits held by Africa Mining SARL ("Africa Mining").

Highlights:

- Fieldwork started on Dandoko license and resumed on Yanfolila license
- Scout auger drilling in progress at Yanfolila anomaly
- Field mapping in progress at Solona and Yanfolila anomalies
- 2,000m RC drilling program due to commence in March 2011 on Yanfolila and Solona targets

Following the completion of a successful first phase exploration program in early 2010 (see Compass news release dated September 30, 2010) Compass resumed fieldwork on the Africa Mining properties in early November 2010. Details of the work being undertaken are as follows:

Yanfolila License

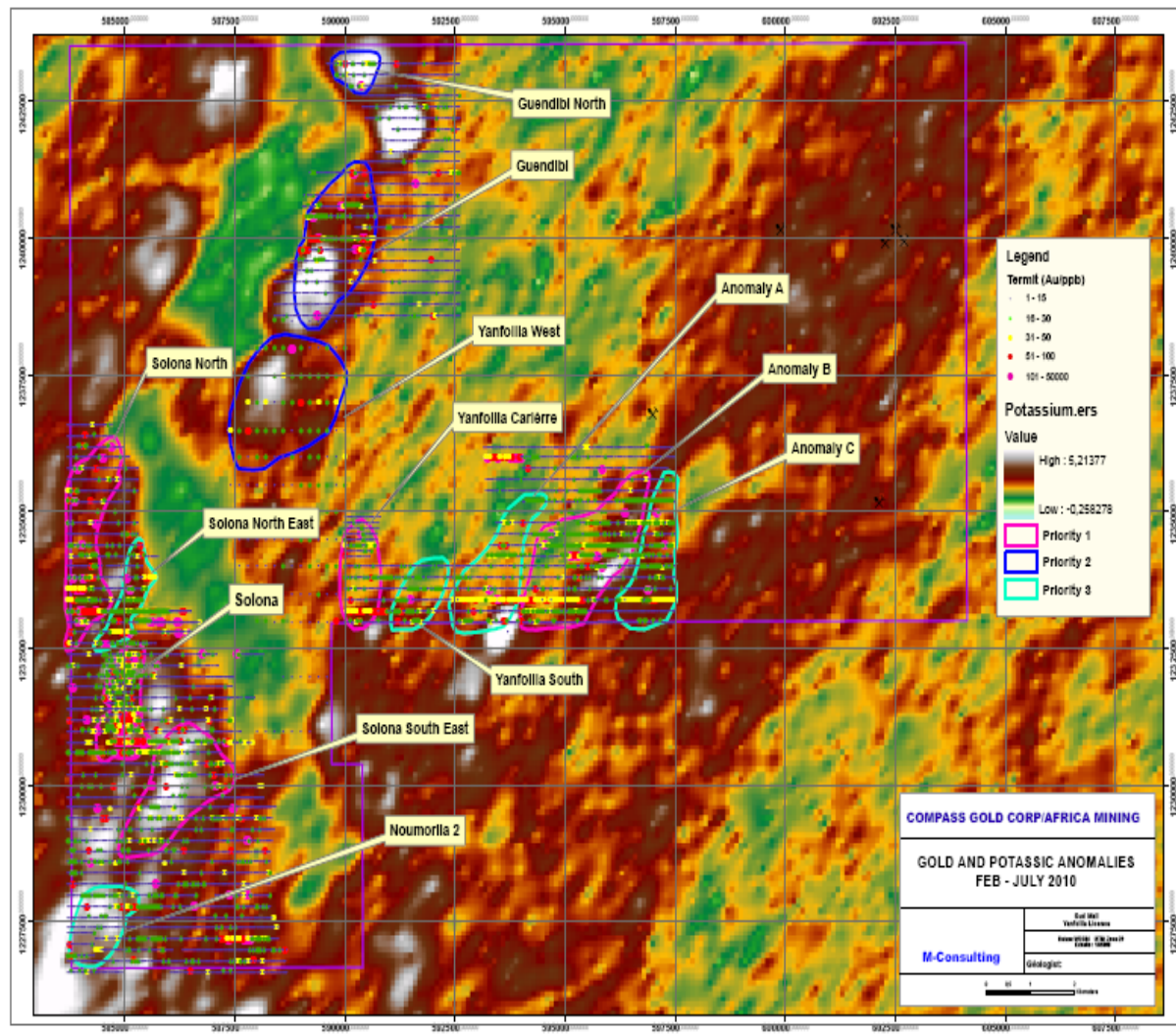
On the Yanfolila license Compass has commenced follow up exploration work on the Solona and Yanfolila gold anomalies. These anomalies, with strike lengths ranging from 2000m's to 4,000m's will be assessed by detailed field mapping and verification of location of samples with high gold values. In addition a 30-hole scout auger drilling program is being conducted on the Yanfolila gold anomaly, with the aim of defining the bedrock geochemistry to 21m at this particular anomaly.

Fieldwork being conducted on Yanfolila targets will lead to a 2,000m RC drilling program expected to start in March 2011. The commencement date will depend on the availability of a drill rig and the Company is in the process of securing this. The cost of this initial drill program is included in the current C\$1,500,000 exploration program. The aim of this drill program is to intersect gold mineralization at depth, in hard rock. Depending on the results, it is likely further drilling and exploration work will need to be conducted before the Company will be able to define a resource.

The above work will be completed in combination with license wide geological and geomorphological mapping. This mapping program will allow a definition of gold target for future systematic geochemical sampling.

The Yanfolila and Solona gold anomalies are identified in the diagrams below.

Figure 1. Summary of Gold Anomalies identified at Yanfolila from Phase 1 Exploration Program



Kolondieba License

Work on the Kolondieba license has been delayed due to poor accessibility after the rainy season. Field work will resume in January 2011 and a program including trenching and auger drilling should lead to an RC drilling program in late 2011.

Dandoko License

Field work on the Dandoko license has started with geological/geomorphologic mapping and assessment of previous work being conducted on the area. The objective of this field work is to assess known gold occurrences and define potential gold targets for future systematic geochemical sampling. The Company expects this program will define targets to enable a scouting drilling program to be completed during 2011.

2010-11 Phase 2 Exploration Program

The 2010-11 phase 2 exploration program on Africa Mining's mineral exploration permits will have three main objectives:

- Bring the Solona and Yanfolila gold anomalies on the Yanfolila license to a drilling stage and commence an initial 2,000m RC drill program during the first quarter 2011.
- Conduct regional and semi-regional work on the Kolondieba and Dandoko licenses in order to define targets that can be drilled in late 2011.

This program will include geological mapping and geochemical surveys at different scale, reinterpretation of all available data and its integration with newly collected and to be collected data, trenching and drilling. It is anticipated that a total budget of C\$4m to C\$5m will be necessary to define mineral resources on the best targets. Neither Africa Mining nor Compass Gold has committed this expenditure and future expenditure requirements will depend on the results of the current exploration program.

Compass expects the balance of any required funding for the current C\$1,500,000 exploration program to come from available loan facilities and a future private placement.

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.

Compass also confirms the formalities associated with the exercise of the option for Compass Gold to acquire an initial 20% interest in Africa Mining have now been completed.

General exploration activities in Mali

Mali is the third largest gold producer in Africa with five producing gold mines. The Birimian gold belt in west and south Mali is a highly prospective gold exploration area which is experiencing growing exploration activity. Mali continues to be a targeted gold exploration location attracting increasing investment from Canadian, Australian and South African companies. Chinese and Indian companies are also increasing their activity directly through license applications and the acquisition of Malian companies. Most companies resumed exploration activities during October and November 2010, after the rainy season. Competition for prospective ground is increasing and the Malian Government is supporting these activities with approximately 40 new exploration licenses approved during November.

About Compass Gold Corporation

Compass Gold Corporation is a Tier 2 mining issuer listed on the TSX Venture Exchange and focused on gold exploration in Mali, Africa's 3rd largest producer of gold. Compass holds an exclusive option to acquire a 51% interest in Africa Mining, which holds an interest in three gold exploration permits (Yanfolila, Dandoko and Kolondieba) covering 634 sq km's (156,664 acres) in key gold producing regions in south west Mali, West Africa. As of the date of this release Compass has earned and holds the rights to a 20% interest in Africa Mining.

Further information is available at www.compassgoldcorp.com.

COMPASS GOLD CORPORATION

"James Henderson"

James Henderson, President

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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 expectations of results, including defining strike lengths on old mineralization at the Solona, Yanfolila and Guendibi targets and the definition of the Solona gold mineralized body are subject to all of the risks and uncertainties normally incident with undertaking mineral exploration in Africa, including but are not limited to technical, operational and environmental risks associated with gold exploration including but not limited to final sampling results and accuracy of technical evaluation and cannot be relied upon until final verified independent results are reviewed by Compass. 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.