MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2025

The following management discussion and analysis (the "MD&A") of financial results is dated April 30, 2026, and reviews the business activities of Compass Gold Corporation ("Compass" or the "Company") and its subsidiaries, for the year ended December 31, 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 audited annual consolidated financial statements for the year ended December 31, 2025, and the notes attached thereto ("Financial Statements"). 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 encouraged to read the Cautionary Note Regarding Forward Looking Information included in this MD&A and are cautioned not to put undue reliance on forward-looking statements. The Company does not assume the obligation to update any forward-looking statement in this MD&A, except as required by applicable law.

Management is responsible for the presentation and integrity of the financial statements of the Company, 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 April 2, 2026, Compass reported that it had commenced its previously announced 1,300-metre shallow diamond drill program and provided an update on the work that was underway that may be used to define an initial resource at its Massala prospect.

- On February 12, 2026, Compass announced that it had issued and sold 28,412,264 units of the Company, at a price of $0.19 per unit, for aggregate gross proceeds of approximately $5,398,330, pursuant to a brokered private placement. Each unit comprised one common share and one common share purchase warrant, with each warrant being exercisable to acquire one additional common share of the Company at a purchase price of $0.25 for a period of 36 months from the date of issuance. Canaccord Genuity Corp. acted as sole agent and bookrunner in connection with the private placement.

  On January 23, 2026, Compass reported that the Malian Ministry of Mines was expected to issue a Small Mine Permit for the Company's Massala prospect located along the 15 km Tarabala Trend. As at the date hereof, the Company is still waiting for the issuance of the Small Mine Permit. Compass has not received any indication of deficiencies in its application or requests for further requirements and remains confident that the Small Mine Permit will be issued in the near-term and in the ordinary course.

- On December 18, 2025, Compass reported that it intended to extend the expiry date of an aggregate of 7,298,668 common share purchase warrants to December 31, 2026. All other terms of the warrants, including the exercise price, remained unchanged. The warrants were originally issued pursuant to a private placement of units comprising one common share and one common share purchase warrant, with each warrant being exercisable to acquire one additional common share of the Company at a purchase price of $0.30. The warrants were originally set to expire on December 31, 2025.

- On November 11, 2025, Compass reported 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 would now be able to proceed. Further, the Company also reported that 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, at a price of $0.15 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 whole warrant entitling the holder thereof to purchase one additional common share of the Company at a price of $0.20 for a period of 24 months from the date of issuance.

- On September 8, 2025, the Company announced the addition of Stephen Eddy to the Board of Directors of the Company. Mr. Eddy is a financial executive with over two decades of experience leading capital markets transactions, risk management, and corporate development in the international mining sector, including as Senior Vice President of Business Development at IAMGOLD. He is a Chartered Professional Accountant and holds a Master of Management and Professional Accounting (MMPA) from Rotman School of Management, University of Toronto and an Honours BA in Economics from the University of Western Ontario.

- On September 4, 2025, Compass provided an update on the important advances the Company had made at the Massala prospect located along a 3 km section of the 15 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 proposed Massala Small Mine 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 represented an important step for the Malian Ministry of Mines to issue a Small Mine Permit.

- On July 2, 2025, Compass announced that the holders of outstanding convertible debentures of the Company due June 30, 2025 agreed to convert 93% the aggregate principal amount due under such convertible debentures into common shares of the Company. Specifically, holders of such convertible debentures agreed to convert an aggregate principal amount of $1,335,500, in accordance with the terms and conditions of the convertible debentures, into

11,086,111 common shares of the Company. In addition, the Company issued 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 debentures in the amount of $183,115.

- On May 5, 2025, Compass provided an 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 Small Mine Permit at Massala was expanded to allow for the future development of a wholly-owned facility. Concurrently, the comprehensive environmental process, including full stakeholder consultation and forestry inventory, was ongoing. This is necessary to complete the required documentation required for the Small Mine Permit application. Further, it was reported that the SMAT production facility had successfully completed the first production test, and final upgrades were 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 total consideration of approximately $1.0 million (434.7 million CFA), with CFA 100,000,000 paid on closing and the balance to be paid in installments subject to certain conditions being satisfied.

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 its Malian subsidiaries, Compass holds gold exploration permits located in Mali that collectively comprise the Sikasso Property. The current exploration permits held by Compass are located on three sites in southern Mali, West Africa, with a combined landholding currently consisting of 911 square kilometres (sq. km). The Company'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.Geo, 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, 11 gold exploration permits in Mali, West Africa, covering a total area of 911 sq. km in established gold producing regions of Mali (**Figure 1**

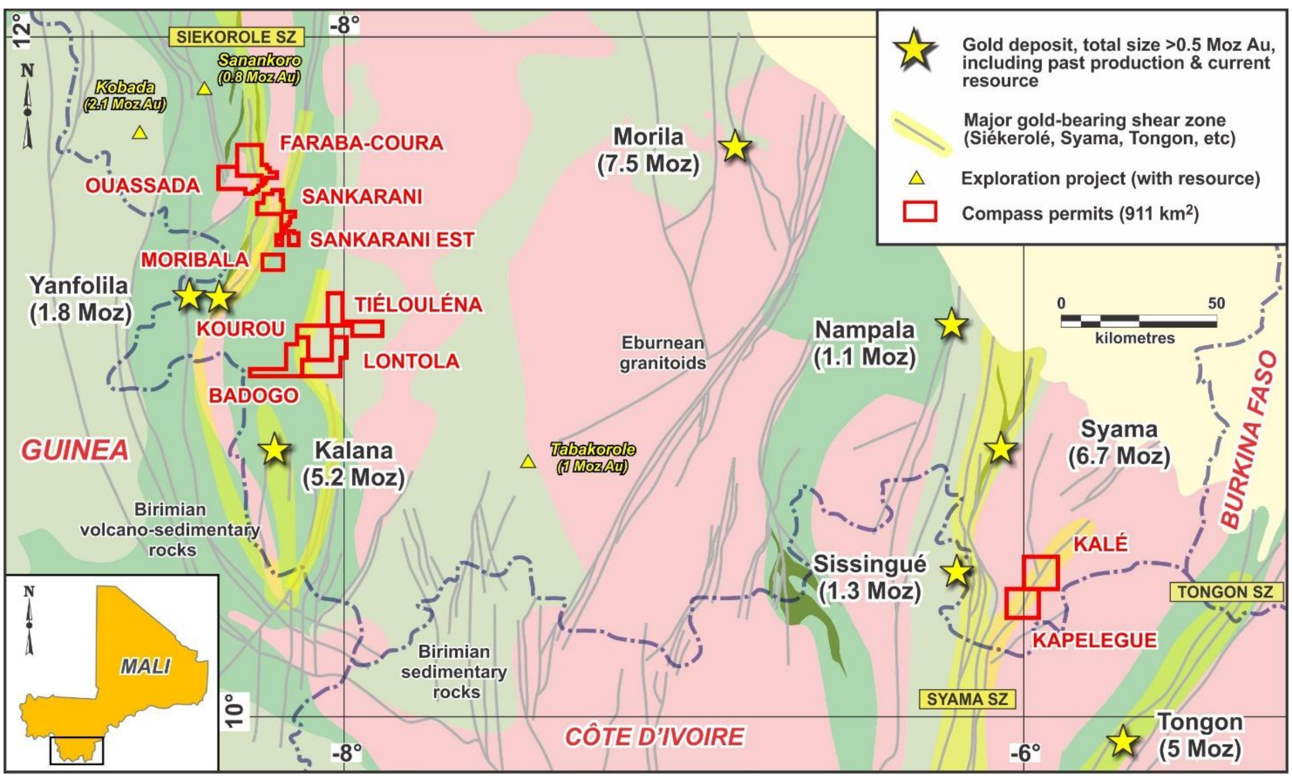

Figure 1. Location of Compass permits in southern Mali.

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 and are in process of being renewed as of the date of this report. In October 2021, the Mining Convention for Moribala, was approved for Mali Gold Exploration SARL. Mining Conventions are valid for 20 years and allow preliminary exploration activity.

In 2020 and again in 2021, a coup was staged by Mali's military, resulting in the dissolution of the Malian government. Mali is currently being governed by a transition government, which adopted a new mining code in August 2023 and suspended the issuance and renewals of permits/licenses pending its review of the Malian mining sector. On August 29, 2023, and July 9, 2024, the Government issued a new Mining Code and its Application Decree, respectively.

On March 15, 2025, the government partially lifted the moratorium to allow for the processing of applications to renew exploration permits/licenses. The ability to transfer exploration permits/licenses or obtain new exploration permits/licenses remains suspended. The Company has witnessed the completion of several agreements between the new government and other mining companies and remains optimistic that its permits/licenses will be either renewed or issued, as applicable, although the timing remains uncertain.

The Company is working through the license renewal application process. Each permit area requires the Company to keep the applicable permit in good standing, including paying all permit fees and taxes and completing the expenditure requirements. The expenditure requirements were based on mineral exploration agreements issued by the Malian government.

It was anticipated that the renewal and granting process of mining titles would resume. The Company has made all required filings to update and renew the existing permits up to the date of this report, but the filings have not been processed by the Ministry of Mines. As at the date hereof, all of the Company's permits comprising the Sikasso Property are in good standing.

In 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. At this time, the Company is unsure if these commitments are a requirement by the Ministry of Mines as a result in the political and governance issues experienced by Mali since 2021.

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**

Table 1. Sikasso Property permits

Permit	Area (sq. km)	New Permit Name	Area (sq. km)	Arrêté / Convention Date	Renewal date	Compass Subsidiary
Ouassada	179	Faraba-Coura	94	2018-09-04	September 2024	SERM SARL
		Ouassada	86	2018-10-17	October 2024	SERM SARL
Sankarani	250	Sankarani	74	2018-10-05	October 2024	SERM SARL
		Sankarani Est	13	2018-12-18	December 2024	MGE SARL
Kourou	250	Kourou	100	2018-07-31	July 2024	REM SARL
		Badogo	100	2018-07-31	July 2024	REM SARL
		Lontola (partial)	100	2018-10-30	October 2024	ML Commodities Mali SARL
Tiélouléna	250	Tiélouléna	100	2018-07-31	July 2024	REM SARL
		Lontola (partial)	100	2018-10-30	October 2024	ML Commodities Mali SARL
Kalé	250	Kalé	114	2018-09-04	See Expenditures Kale write down	ML Commodities Mali SARL
		Kapélégué	96	2018-10-03	See Expenditures Kale write down	ML Commodities Mali SARL
Moribala	34	Moribala	33	2021-10-19	October 2025	Mali Gold Exploration (MGE) SARL

The Company completed a detailed review of the permits and licenses during fiscal 2025. Given the extensive holdings held by the Company, the Company's management is focusing on maintaining the existing permits held and the completion of a Small Mine Permit at its Massala prospect. The following permits are affected by the review

- The permits held under binding MOUs with La Société GT-Mining and Geology Services SARL (the permit areas N'Tjila, Kouroufféréla, and Kouma), will not be pursed. As a result, the capitalized exploration costs of $545,3700 related to these permit areas have been written down and expensed in the year ended December 31, 2025.

- Compass agreed to transfer the Badogo exploration permit to Mina Sable SARL for total consideration of approximately $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 Mines approves the transfer, and the Company receives the second installment of CFA 200,000,000 The balance of the purchase price will be paid in installments, subject to certain conditions being satisfied.

During fiscal 2022, the Company relinquished the Kale permit area. From now until the Kale permit renewal review is completed by the Ministry of Mines, the Company will not renew the Kale permit or incur any more expenditures on this 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.

Expenditures

The Company has incurred exploration and development expenditures of $1,034,7913 for the year ended December 31, 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 December 31, 2025 are $19,958,322 plus the cost of acquired machinery and equipment in the amount of $21,502 (net of amortization). For further information, please refer to note 5 of the related Financial Statements for the year ended December 31, 2025. As of December 31, 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 include the following items as of December 31, 2025:

	Year ended December 31, 2025 $	**Year ended December 31, 2024 $**	**Year to date (since inception) December 31, 2025 $**
Project Management and Administrative	352,691	293,957	3,733,916
Licensing Costs / Property	148,165	65,136	867,817
Drilling and Assay	-	237,815	8,870,346
Field work support	452,193	158,575	4,757,002
Technical studies	81,742	-	1,381,194
VAT recoverable related to expenditures	-	(2,400)	348,047
Total Expenditures	1,034,791	753,083	19,958,322

B) CURRENT ACTIVITIES

Exploration Activities Fiscal 2026 - January 2026 to April 2026-

Drill Program 2026

Compass has initiated a two-phase diamond drilling program totaling 2,200 metres at the Massala prospect (see **Figure 2**) for resource definition. The first phase consists of 41 shallow, inclined drill holes (1,300 metres total), averaging 32 metres in depth, followed by a 900-metre infill phase designed to establish an initial resource estimate. Drilling began on March 30th, 2026, after the completion of site preparation. Technisol (Bamako, Mali) is conducting the drilling operations under the geological supervision of Dr. Madani Diallo (Director and Country Manager, Compass). All activities adhere to industry best practices, including rigorous QA/QC protocols with blanks, duplicates, and standards.

The objective of the initial phase is to evaluate the grade and continuity of mineralized structures previously identified through trenching and prior drilling campaigns. The two-phase program is scheduled over three months. Phase one (1,305 meters) has an estimated budget of €410,000 (C$665,000), while phase two (932 meters) is budgeted at €290,000 (C$470,000). Drill hole locations, outlined in **Figure 2**, target a 340-metre zone, aiming to reduce average fenceline spacing from 30 metres to 15 metres; collar spacing is set at 10 metres. The overarching goal of this 2,200-metre program is to assess whether the grade and continuity of gold mineralization are sufficient for establishing an initial resource within the target area.

Currently, exploration at Massala has been insufficient to define a mineral resource, and it remains uncertain whether ongoing or planned drilling will delineate such a resource. The primary purpose of this drilling campaign is to obtain additional information and data to support the Company's small mine strategy. Consequently, whether a mineral resource is ultimately delineated is not expected to have a material effect on the execution of the Company's strategic objectives, including its small mine strategy.

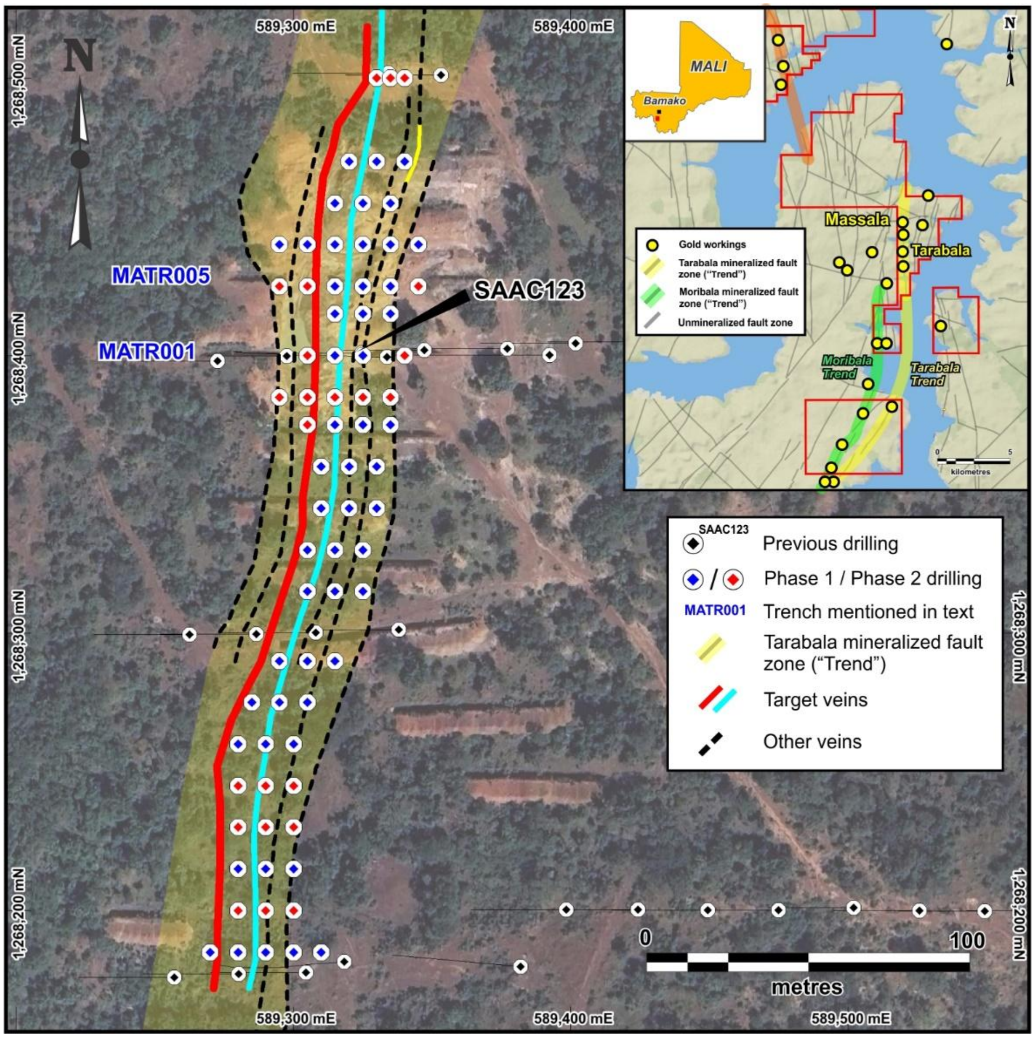

Figure 2: Planned drill hole locations

Bulk Sampling

The Company successfully conducted two bulk sampling programs to evaluate the primary zone within the proposed Massala Small Mine permit area. Compass extracted over 200 tonnes of mineralized material for testing purposes. Final results and corresponding data from these tests are expected to be reported in the second quarter of 2026.

Bulk Sample Using SMAT Facilities

The Compass technical team, which has been overseeing operations at the adjacent testing facility owned by SMAT, a Malian business group, completed modifications and upgrades to the site, situated approximately 5 km from the main Massala gold zone. Initial processing of the mineralization confirmed that the SMAT plant could operate at a throughput of 10 to 30 tonnes per hour. Eight bulk samples totaling 100 tonnes were processed, yielding variable amounts of gold. Recovery outcomes were promising but underscored that the SMAT facilities were not optimally designed for Compass's mineralization, as effective liberation of gold during gravity separation was not achieved.

Consequently, additional bulk testing at the Bagama facility was initiated at various points along the 6 to 10 metre wide, 150 metre long exposed mineralized zone, and results from these tests are pending.

<u>Bulk Sampling - Bagama</u>

Samples were sent to Bagama Mining, a mid-sized Malian mining company, to assess whether crushing and grinding oxidized material would enhance gold yield. The material was processed using a small-scale plant (5 tonnes per hour) to determine the optimal ore size for recovery. Preliminary results are encouraging.

Final results and corresponding data from these tests are expected to be reported in the second quarter of 2026.

<u>Metallurgical Testing</u>

Concurrent with the Bulk Sampling work, metallurgical testing is being completed by Blue Coast Research (British Columbia, Canada) on two samples of Massala mineralization and one sample from the nearby Tarabala mineralized zone. The aim of this work is to independently test the samples for gold recoveries and the optimal processing method

Compass also initiated a comprehensive metallurgical testing program in early January, when two representative mineralized samples totaling 100 kg were sent to Blue Coast Research. The testing was performed to evaluate gold recovery characteristics from mineralized material at Massala. Initial testing focused on Extended Gravity Recoverable Gold (E-GRG), and an additional 50 kg sample of mineralized material arrived at the Blue Coast facility on March 27 for E-GRG testing and cyanide leach testing. Results for all three samples are expected in the second quarter of 2026.

Exploration Activities Fiscal 2025

Throughout fiscal 2025, the Company focused on completing the requirements to apply for a Small Mining Permits over the Massala and Tarabala prospect.

A number of studies were required by the Malian Ministry of Mines as key components of the Company's Small Mine Permit application. The most important of these studies, the project viability study* and mine closure plan, have been completed.

A significant amount of time was spent by Compass's technical team on completing all environmental reviews and consultations with the relevant Malian Ministries and local communities on completing the environmental and social impact study, which included a community development plan.

The Environmental Social and Economic Impact Study (including Community development Plan) report to the Environmental Department was submitted in September 2025. 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 Ministry of Mines. The submission package included the Viability Study report, Closure Plan and Environmental Permit.

Compass has regularly communicated with the Malian administration about obtaining the Company's Small Mine Permit. With decades of experience in Mali, Compass expected our application would have been processed well before now. Currently, there is no definitive timeline for when the permit will be granted. Compass has not received any indication of deficiencies in its application or requests for further requirements.

(*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.)

The only exploration activities performed by the Company in Fiscal 2025 were the collection of the bulk samples for testing at SMAT, and the samples for metallurgical testing at Blue Coast Research.

Malian Mining Code – Small Mine Permit

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 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.

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 (subject to a processing limit of 50 tonnes per hour). 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 3, 4**, and **5**), 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.

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.

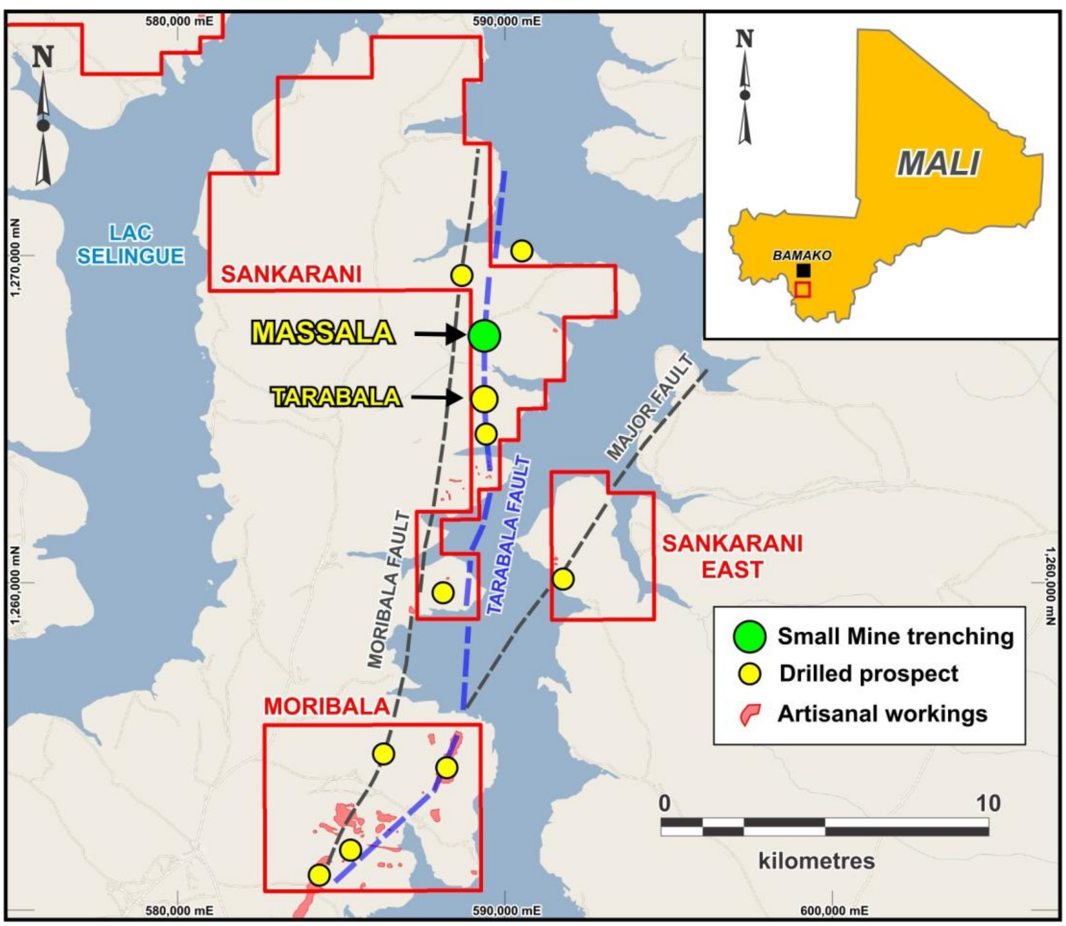

Figure 3: Location of Tarabala and Massala prospects where trenching was completed. Additional artisanal workings along the Tarabala and Moribala faults are also displayed.

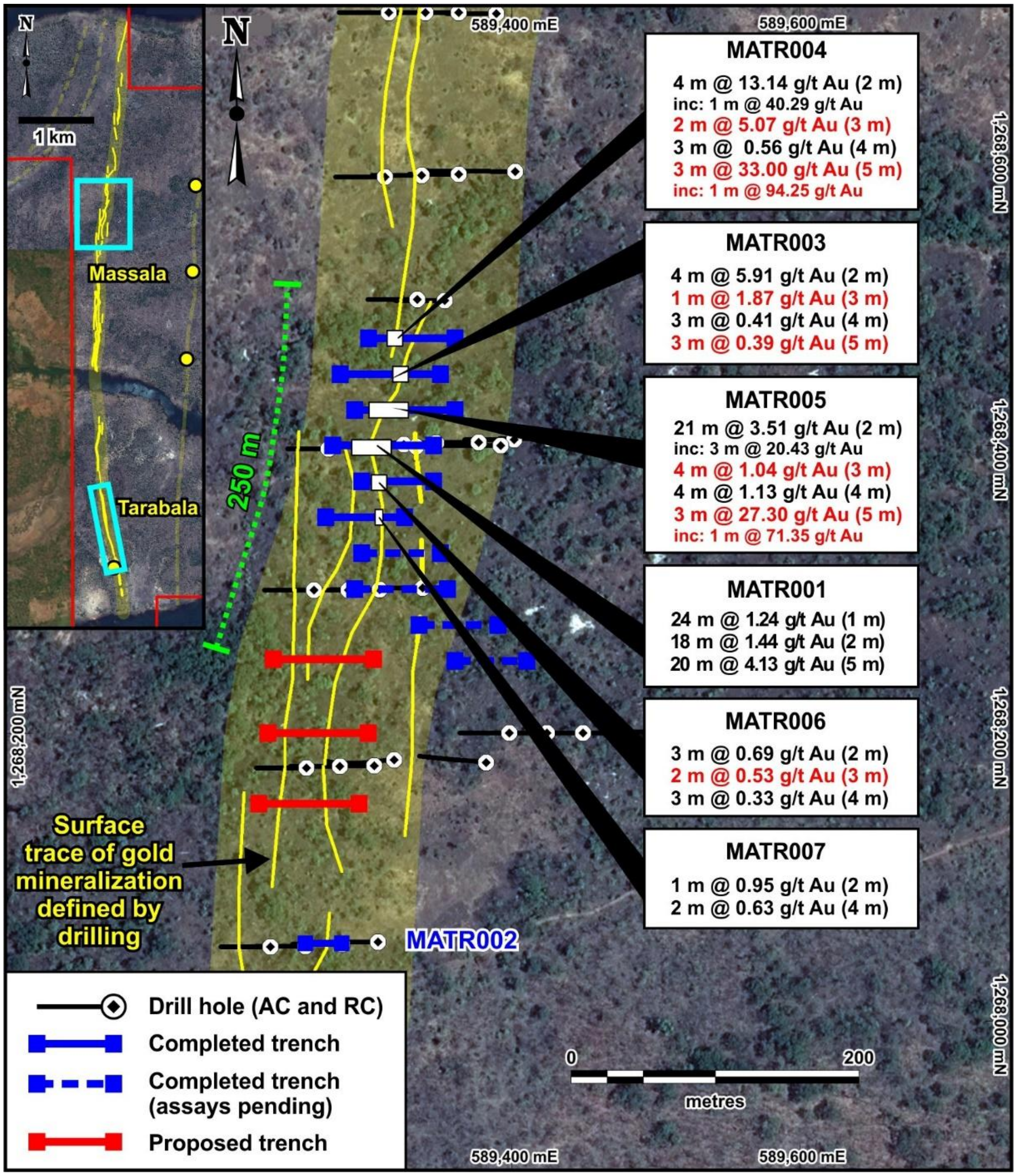

Figure 4: Map showing the location and results of the completed trenches at the Tarabala and Massala prospects.

Figure 5: Sampling at a depth of 4 m at Massala.

C) FUTURE ACTIVITIES

The results of the current drilling program, in conjunction with the independent metallurgical study, are anticipated to be used in a initial resource estimation at the Massala prospect. Upon the anticipated receipt of the Small Mine Permit, and assuming satisfactory resource estimation and metallurgical test results, the Company plans to commence mining operations at Massala within the permitted area. The decision to begin production at Massala will not be based on a feasibility study of mineral reserves demonstrating economic and technical viability. This approach carries additional economic and technical risks because the Company will have less comprehensive data for operational decisions, including data on economic analysis, risk mitigation, and logistics or infrastructure constraints. Nevertheless, the Company considers starting production without a feasibility study, and accepting any related risks, appropriate and reasonable due to the relatively low costs associated with initiating and continuing mining activities at Massala compared to larger-scale operations.

All mining activities under the Small Mine Permit will be near-surface, using a mobile mining infrastructure. The Company intends to explore various target areas within Massala and, depending on exploration results, shift mining operations to areas that show the greatest economic potential. Decisions on where to mine will rely on management's knowledge and expertise, with input from relevant experts as needed.

The Company has sufficient working capital for the 2,200-metre diamond drilling program at Massala prospect, metallurgical tests, and overhead expenses for the next year. Further development of gold mining and recovery after obtaining the Small Mine Permit may need more resources.

A Small Mine Permit would allow the Company to commence near-surface, open-pit mining operations at low capital and operating costs and enable the Company to start generating cash flow in the near term. Until such time as the Small Mine Permit at the Massala prospect is obtained and the Company is in production at Massala, assuming satisfactory resource estimation and metallurgical test results, the Company does not anticipate conducting any material exploration activities on other prospects within the Sikasso Property.

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 MD&A 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 Financial Statements for the year ended December 31, 2025.

Revenues

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

Expenses

The operating expense for the year ended December 31, 2025, increased to $1,584,675 from $758,831 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 year ended December 31, 2025 was the increase in share-based payments (2025 – $720,063, 2024 - NIL) and change in foreign exchange loss.

1. Management fees for the year ended December 31, 2025 were $411,800 compared to $398,713 last year. These costs are for the management and director fees. One additional Board member was added in fiscal 2025.
2. Share based payments, as explained in note 10 to the Financial Statements, were $720,063 for the year ended December 31, 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 year ended December 31, 2025, 8,330,000 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 year ended December 31, 2025 were $70,759 (2024 - $79,855) and $83,724 (2024 – $81,969), respectively. Interest charges wereaccrued and reflected in the balance of the convertible debenture.
4. Foreign exchange reported a loss of $65,969 for the year ended December 31, 2025 compared to a loss of $21,852 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

The permits held under binding MOUs with La Société GT-Mining and Geology Services SARL the permit areas (N'Tjila, Kouroufééla, and Kouma), will not be pursued. As a result, the capitalized exploration costs of $545,370 related to these permit areas have been written down and expensed for the year ended December 31, 2025

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. SELECTED ANNUAL FINANCIAL INFORMATION

The following tables provide a brief summary of the Company's financial operations. For more detailed information, refer to the Financial Statements for the year ended December 31, 2025.

Summary of Annual results	**Year Ended December 31**		
	2025	**2024**	**2023**
Net Sales or total revenues	-	-	-
Net loss	2,103,045	758,831	684,327
Write down of exploration expenditures and acquisition costs	545,370	-	-
Loss per share – basic and diluted (based on the weighted average of common shares outstanding for the year)	(0.02)	(0.01)	(0.01)
Total assets	23,723,789	23,181,347	22,354,792
Total current liabilities, excluding debentures	1,917,530	1,192,884	533,126
Total current liabilities, excluding borrowings due to related party	734,933	339,112	185,849
Total convertible debentures	-	1,464,130	581,692
Cash dividends declared per-share for each class of share.	Nil	Nil	Nil

For the year ended December 31, 2025, the significant increase in the net loss was due to the write-down of $545,370 of exploration expenditures and acquisition costs.

Immediately after the completion of its acquisition of MGE in November 2017, including the indirect acquisition of the gold exploration permits located in Mali that collectively comprise the Sikasso Property, the Company implemented its initial exploration program. This increased activity in support of the Company's exploration efforts has resulted in increases in management fees, professional fees and other administrative expenses, which have continued since inception. The Company had the working capital to fund exploration and overhead expenditures from convertible debenture financings completed in June 2023, June 2024 and December 2024, as well as the September 2025 private placement (for gross proceeds of $700,000).

5. DISCLOSURE OF OUTSTANDING SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares, issuable in series. As at the dates below, the number of outstanding common shares, warrants (each exercisable for one common share) and options (each exercisable for one common share) were as follows:

	December 31, 2025	April 30, 2026
Common shares outstanding	125,506,690	154,235,621
Warrants	9,632,002	38,839,286
Options outstanding	9,771,000	8,263,333

Basic common shares outstanding as of December 31, 2025 were 125,506,690. Fully diluted shares outstanding, which includes all issued common shares, warrants, broker warrants, and options, as of December 31, 2025 was 144,909,692. 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).

6. 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 Q4 $000's	Q3 $000's	Q2 $000's	Q1 $000's	**2024** Q4 $000's	Q3 $000's	Q2 $000's	Q1 $000's
Revenues	-	-	-	-	-	-	-	-
Write down of mineral assets	(545)	-	-	-	-	-	-	-
Loss for the period excluding write down	(603)	(253)	(373)	(355)	(185)	(189)	(195)	(190)
Loss per share	(0.01)	0.00	(0.005)	(0.005)	(0.005)	(0.00)	(0.005)	(0.00)

Overall, the expenditure pattern, excluding the impact from share-based payments, has remained consistent between the quarters reported for fiscal 2024 through to December 31, 2025. The biggest change in quarterly losses is in the fourth quarter of 2025, which the increase is from the share-based payment from the granting of options in that quarter.

7. LIQUIDITY AND CAPITAL RESOURCES

As at December 31,2025, the Company had a working capital deficit of $1,568,032 (working capital deficit as at December 31, 2024 - $889,694). Cash as at December 31, 2025 was $333,531 compared to $255,977 as at December 31, 2024.

On February 12, 2026, the Company completed a brokered private placement, pursuant to which it issued 28,412,264 units of the Company at a price of $0.19 per unit, for aggregate gross proceeds of $5,398,330. Each unit consisted of one common share of the Company and one common share purchase warrant, with each warrant entitling the holder thereof to purchase one additional common share at a purchase price of $0.25 on or before February 12, 2029.

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 $0.15 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 of the Company at a price of $0.20 cents for a period of 24 months from date of issuance.

Effective as of June 30, 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. Specifically, holders of such convertible debentures agreed to convert an aggregate principal amount of $1,335,500, in accordance with the terms and conditions of the convertible debentures, into 11,086,111 common shares of the Company. In addition, the Company issued an aggregate of 1,077,132 common shares, at an issue price of $0.17 per common share (being the market price of the common shares at the time of the interest payment), in satisfaction of aggregate accrued and unpaid interest on the convertible debentures in the amount of $183,115.

During fiscal 2025, warrant holders exercised a total of 4,585,000 share purchase warrants for gross proceeds of $495,300. The Company has issued 4,585,000 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. This debenture was converted to common shares on June 30, 2025.

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. This debenture was converted to common shares on June 30, 2025.

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. This debenture was converted to common shares on June 30, 2025.

Review of Statement of Cash flows

Cash Used in Operating Activities

Cash used in operating activities during the year ended December 31, 2025 was $523,945 compared with $107,793 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 were financed by accounts payable.

Cash Used in Investing Activities

Total project expenditures on a cash flow basis for the year ended December 31, 2025 were $795,079, compared to $525,934 for the year ended December 31, 2024. For more detail, see Section 2.

8. 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 $517,574 (2024 - $494,698) for the year ended December 31, 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 $180,000 (2024– $180,000). 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 $78,000 (2024 – $78,000). Such consideration was paid to a management company pursuant to which Mr. Nagy provides the CFO services.

- The Exploration Manager of the Company, Dr. Madani Diallo, who is a non-executive director of the Company, was paid $156,241 (2024 – $146,698). 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 $103,333 (2024 – $90,000), such fees are usually paid on a quarterly basis. In the current period, they have been accrued.

9. OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

10. 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 year ended December 31, 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.

11. CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This MD&A contains "forward-looking information" within the meaning of applicable securities legislation. Forward looking statements in this MD&A include, but are not limited to, statements regarding the Company's anticipated business plans or strategies, including with respect to exploration activities and work programs, the Company's application for a Small Mine Permit for the Company's Massala prospect and the timing for the issuance of such Small Mine Permit, and statements that describe the Company's preparations for the commencement of proposed Small Mine operations. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "will", "proposes", "expects", "estimates", "intends", "anticipates" or "believes", or variations (including negative and grammatical variations) of such words and phrases or state that certain actions, events or results "may" "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Material assumptions used to develop the forward-looking statements contained in this MD&A include, without limitation, assumptions relating to: the future prices of gold and other metals; the price of other commodities, such as fuel and electricity; currency exchange rates and interest rates; favourable operating conditions; political stability; receipt of required governmental approvals, licences and permits (and renewals thereof), including those necessary for the receipt of the Small Mine Permit at the Massala prospect, and the timing thereof; the acceptance of the Company's application for the Small Mine Permit and a positive decision by the Ministry of Mines to issue such permit; market conditions in general; the availability of equipment and labour; accurate estimates of costs, expenditures and timing to complete the Company's programs and goals; no adverse changes in laws; the Company's ability to raise sufficient capital to fund planned activities when necessary and on terms and conditions acceptable to it; stability in financial and capital markets; and there being no significant disruptions affecting the exploration, development or operations at the Sikasso Property.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the Company's actual results, performance or developments to be materially different from any future results, performance or developments expressed or implied by the forward-looking statements. Certain factors that could cause actual results, performance or developments to differ materially from those expressed or implied by the forward-looking statements in this MD&A are set out in this MD&A under the headings “Emerging Market Disclosure” and “Risks and Uncertainties”.

Forward-looking statements contained in this MD&A are made as of the hereof and, except as required by applicable law, the Company disclaims any obligation to conform such statements to actual results or to update such statements as a result of new information, results, events or circumstances, or if management’s assumptions, estimates, analysis or opinions change, or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results, performance or developments could differ materially from those expressed or implied by such statements. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

12. EMERGING MARKET DISCLOSURE

The Company’s principal property interests are located in Mali, an emerging market, and are held indirectly through subsidiaries existing under the laws of Mali 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.

Mining Rights / Asset Verification

The Company’s principal property interests include 11 exploration permits, referred to as: Ouassada, Faraba-Coura, Sankarani, Sankarani Est, Moribala, Kourou, Tiéouléna, Badogo, Kapélégué, Lontola and Kalé, 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**").

Each fiscal year, in connection with the preparation of the Company’s annual financial statements, the Company requests and receives updated legal opinions from reputable legal counsel 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.

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 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

In August 2023, Mali adopted a new Mining Code. Mali has an established regime with respect to mining rights and, as a result, the Company and other foreign mining companies are generally able to operate predictably in that country. 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 permitted areas comprising the Sikasso Property. The permits comprising the Sikasso Property allow the Company to conduct exploration activities on the lands subject thereto. The Company has made all required filings with the Ministry of Mines to renew all permits and to keep such permits in good standing.

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 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 legal right of the Company and its subsidiaries 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 and consultant of the Company, is 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 Dr. Sandy Archibald (PGeo), the author of the Technical Report, serves as a technical consultant to the Company 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), Larry Phillips (Director and Chief Executive Officer), Dr. Madani Diallo (Director), Stephen Eddy (Director) and Joseph Conway (Director), 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, including as Senior Vice President, Business Development at IAMGOLD.

- 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.

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.

13. 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.

Lack of Feasibility Study

Upon receipt of the Small Mine Permit, and satisfactory resource estimation and metallurgical test results, the Company intends to commence mining operations at Massala within the permitted area. The decision of the Company to commence production at Massala will not be based on a feasibility study of mineral reserves demonstrating economic and technical viability. This presents additional economic and technical risks to the Company as the Company will have less complete data on which to base its operational decisions, including data with respect to economic analysis, risk mitigation, and logistic and infrastructure constraints.

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 11 exploration permits which collectively comprise the Sikasso Property. The Company has made all required filings with the Ministry of Mines to renew all permits and to keep such permits in good standing. However, there can be no assurance in that in the future 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.

Mali has experienced prolonged political instability and security challenges. In March 2012, elements of the Malian military carried out a coup d'état that resulted in the suspension of the constitution, closure of national borders, and significant disruption to governmental and economic activity. Since that time, Mali has experienced recurring periods of political and security volatility.

Following legislative elections held in April 2020, Mali entered a period of significant socio-political unrest, marked by widespread protests led by the M5-RFP coalition and episodes of civil disorder. In August 2020, members of the Malian armed forces seized power in a coup d'état, and a subsequent coup occurred in May 2021, resulting in the removal of the transitional civilian leadership. Since May

2021, Mali has been governed by a military-led transitional government headed by President Assimi Goïta. The duration, structure and outcome of the transition process remain uncertain, and national elections have been repeatedly postponed.

Mali has also been affected by ongoing armed conflict involving terrorist and insurgent groups, inter-communal violence, and criminal activity. While historically concentrated in northern and central regions of the country, security incidents have increasingly occurred across broader geographic areas, including regions closer to the capital, Bamako, and certain southern areas. The gold mining regions of Mali are principally located in the southern regions of Mali. To date, the operations of the Company have 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.

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. 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 CFA 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 case 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.

14. 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 at www.compassgoldcorp.com. .

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