



## STELLAR AFRICAGOLD SIGNS MOU FOR ACQUISITION OF 770 KM<sup>2</sup> GOLD PERMITS IN CÔTE D'IVOIRE

**Vancouver, June 29, 2020** John Cumming, President and CEO of Stellar AfricaGold Inc., (TSX-V: SPX) ("Stellar" or the "Company") announces:

Stellar has signed a non-binding memorandum of understanding ("MOU") with Altus Strategies PLC outlining the commercial terms for the acquisition of two gold permits, the fully issued Priko permit and the pending Zenoula permit, totaling approximately 770 km<sup>2</sup> in Côte d'Ivoire. The MOU provides a thirty-day exclusivity period for Stellar to conduct a technical due diligence review and site inspection, and for the parties to complete a binding agreement (the "Agreement") for the acquisition.

### The Priko Project

The Priko permit comprises a single 369.5 km<sup>2</sup> exploration permit in the Priko and Koun-Fao Departments in eastern Côte d'Ivoire, approximately 240km northeast of the capital of Abidjan. The permit is located 40km north-west of the town of Agnibilekrou and 25km west of the town of Koun-Fao, both of which can be accessed by asphalt roads from Abidjan. The permit has historically reported gold occurrences, prospective geology, and nearby artisanal workings including along strike of a major NE-SW trending shear zone which is interpreted to traverse the permit area. Birimian-age greenstone rocks reportedly crop out extensively across the Priko permit and represent Paleoproterozoic meta-sedimentary units, with associated granite to diorite intrusives, which are the dominant host setting for gold deposits across West Africa.

### The Zenoula Project

The Zenoula permit comprises a single 400km<sup>2</sup> permit application which is currently pending grant in the Marahoue Department in central Côte d'Ivoire, approximately 300km north of Abidjan. The permit is located 100km north of the town of Yamoussoukro which can be accessed by asphalt roads from Abidjan. Zenoula is centred within a NNE trending Birimian age granite greenstone belt, 65km along strike from the Abujar project of ASX listed Tietto Minerals Limited. Zenoula targets a 22 km long oblique ENE trending structure, interpreted by historic air magnetic data. Geologically, the project reportedly comprises metasediments, metabasalts and syntectonic granitoid intrusives.

### Commercial Terms of the Acquisition

The commercial terms provide for the acquisition by Stellar of a 100% interest in Aeos Resources Ltd., a Seychelles company, which owns a 100% interest in Aucrest SARL, a Cote D'Ivoire company. Aucrest SARL owns a 100% interest the Priko gold permit and the pending Zenoula gold permit application.

### *Consideration*

The consideration for the acquisition will be 2,500,000 units of Stellar, each unit consisting of one common share and one share purchase warrant exercisable for two years at C\$0.07 per share.

## *Milestone Payments*

Contingent upon reaching exploration milestones on each permit Stellar will also make two further share payments per permit of shares equal to US\$250,000 in value: a) upon completion of a NI43-101 resource estimate of not less than 500,000 ounces of gold with not less than 250,000 ounces in the Inferred category, and b) upon completion of a definitive feasibility study.

## *Royalty and Buy-back*

Altus will retain a 2.5% Net Smelter Return ("NSR") royalty on each permit. Stellar may repurchase up to 1.0% of each NSR for US\$500,000 for each 0.5%.

The Agreement will be subject to required regulatory approvals on behalf of both parties.

Although Covid-19 international travel restrictions have impeded foreign acquisitions and exploration activity for many international companies, Stellar is fortunate to have access to qualified and experienced African professionals to manage the legal and technical requirements of this acquisition. The acquisition and technical teams in Africa will be directly managed by Stellar's Moroccan director Yassine Belkabir, managing director of African Bureau of Mining Consultants and a Qualified Person as defined in NI 43-101.

## **ABOUT STELLAR AFRICAGOLD INC.**

Stellar AfricaGold Inc. is a Canadian gold company with head office in Vancouver, BC and technical office in Montreal, QC. Stellar President John Cumming can be contacted at 604-618-4262 or by email at [cumming@stellarafricagold.com](mailto:cumming@stellarafricagold.com).

The technical content of this press release has been reviewed and approved by Yassine Belkabir, MScDIC, CEng, MIMMM, a Stellar director and a Qualified Person as defined in NI 43-101.

## **On Behalf of the Board**



**John Cumming,  
President & CEO**

*This release contains certain "forward-looking information" under applicable Canadian securities laws concerning the Arrangement. Forward-looking information reflects the Company's current internal expectations or beliefs and is based on information currently available to the Company. In some cases forward-looking information can be identified by terminology such as "may", "will", "should", "expect", "intend", "plan", "anticipate", "believe", "estimate", "projects", "potential", "scheduled", "forecast", "budget" or the negative of those terms or other comparable terminology. Assumptions upon which such forward-looking information is based includes, among others, that the conditions to closing of the Arrangement will be satisfied and that the Arrangement will be completed on the terms set out in the definitive agreement. Many of these assumptions are based on factors and events that are not within the control of the Company, and there is no assurance they will prove to be correct or accurate. Risk factors that could cause actual results to differ materially from those predicted herein include, without limitation: that the remaining conditions to the Arrangement will not be satisfied; that the business prospects and opportunities of the Company will not proceed as anticipated; changes in the global prices for gold or certain other commodities (such as diesel, aluminum and electricity); changes in U.S. dollar and other currency exchange rates, interest rates or gold lease rates; risks arising from holding derivative instruments; the level of liquidity and capital resources; access to capital markets, financing and interest rates; mining tax regimes; ability to successfully integrate acquired assets; legislative, political or economic developments in the jurisdictions in which the Company carries on business; operating or technical difficulties in connection with mining or development activities; laws and regulations governing the protection of the environment; employee relations; availability and increasing costs associated with mining inputs and labour; the speculative nature of exploration and development; contests over title to properties, particularly title to undeveloped properties; and the risks involved in the exploration, development and mining business. Risks and unknowns inherent in all projects include the inaccuracy of estimated reserves and resources, metallurgical recoveries, capital and operating costs of such projects, and the future prices for the relevant minerals.*

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*