



STELLAR AFRICAGOLD – CONDITIONAL APPROVAL AND FIRST TRANCHE CLOSING ON PRIVATE PLACEMENT

Montreal, May 16, 2017 – John Cumming, President and Chief Executive Officer of **Stellar AfricaGold Inc.**, (TSX-V: SPX) ("Stellar" or the "Company") announces:

CLOSING OF FIRST TRANCHE OF PRIVATE PLACEMENT

Further to Stellar's news release of April 25, 2017 The Company has received Conditional Approval for its non-brokered private placement offering (the "Offering") of 15,210,000 units at a price of \$ 0.05 per unit for gross proceeds of \$ 760,500.

The Company has closed the first tranche of the Offering issuing 9,010,000 units at a price of five cents per unit for aggregate gross proceeds of \$ 450,500. The Company will close one or more additional tranches in the coming days to complete the Offering.

Each unit is comprised of one common share and one share purchase warrant entitling the holder to purchase one additional common share at an exercise price of ten cents for a period 12 months .

The net proceeds from the offering for will be used to advance the Company's bulk sampling program at Zone B3 Balandougou and for general working capital.

ABOUT STELLAR AFRICAGOLD INC.

Stellar AfricaGold Inc. is a Canadian gold exploration Company based in Montreal, Quebec, with operations concentrated mainly in West Africa and in Quebec.

The Company is currently developing the promising gold potential of the advanced exploration stage Balandougou project in Guinea, including a 15,000-tonne bulk sample program. (*see News Release March 1, 2017*) The Company also owns the Namarana project in neighbouring Mali. In Quebec, the Company owns 100% of the Opawica Project in the Chibougamau mining camp.

The technical content of this press release has been reviewed and approved by independent consultant Greg Isenor, P. Geo, a Qualified Person as defined in NI 43-101.

For further information please contact Maurice Giroux, VP Exploration, **Stellar AfricaGold Inc.**, 410 St-Nicolas, Suite 236, Montréal (Québec) H2Y-2P5. Tel.: 514-866-6299 Email: mgiroux.stellar@gmail.com or access the Company's website at www.stellarafricagold.com.

On Behalf of the Board

John Cumming, LLM,

President & CEO

Forward Looking Statement

This news release contains forward-looking statements. All statements, other than of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding expected, estimated or planned gold and niobium production, cash costs, margin expansion, capital expenditures and exploration expenditures and statements regarding the estimation of mineral resources, exploration results, potential mineralization, potential mineral resources and mineral reserves) are forward-looking statements. Forward-looking statements are generally identifiable by use of the words "may", "will", "should", "continue", "expect", "anticipate", "outlook", "guidance", "estimate", "believe", "intend", "plan" or "project" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's ability to control or predict, that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, without limitation: changes in the global prices for gold, niobium, copper, silver 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. Development projects have no operating history upon which to base estimates of future cash flows. The capital expenditures and time required to develop new mines or other projects are considerable, and changes in costs or construction schedules can affect project economics. Actual costs and economic returns may differ materially from estimates and the Company could fail to obtain the governmental approvals necessary for the operation of a project; in either case, the project may not proceed, either on its original timing or at all.

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.