



STELLAR AFRICAGOLD ANNOUNCES SPIN-OUT TRANSACTION

Vancouver, November 9, 2018 – John Cumming, President and Chief Executive Officer of Stellar AfricaGold Inc., (TSX-V: SPX) ("Stellar" or the "Company") is pleased to announce the Company has signed an arrangement agreement with Mosaic Minerals Corp. ("Mosaic") in connection with the previously announced sale of the Opawica gold project in Quebec (the "Opawica Sale") to Mosaic.

On September 8, 2018, Stellar closed the Opawica Sale in escrow subject to the receipt of shareholder approval in exchange for 7,200,000 shares of Mosaic (the "Mosaic Shares") plus a 2-per-cent net smelter return royalty.

On November 7, 2018, Stellar signed an arrangement agreement with Mosaic pursuant to which Stellar will spin out 2,000,000 of the Mosaic Shares (the "Spin-Out Shares") to Stellar shareholders under a statutory plan of arrangement (the "Arrangement") with each Stellar shareholder receiving 0.0312 of a Mosaic Share for each Stellar common share held.

The Arrangement requires the approval of the Stellar shareholders and the British Columbia Supreme Court. Details of the Arrangement will be provided in a management information circular for the Stellar shareholder meeting scheduled December 11, 2018. Stellar shareholders are urged to read the management information circular carefully and in its entirety.

Mosaic will apply to list its common shares on the Canadian Stock Exchange. To qualify for listing Mosaic must meet the minimum requirements of the Canadian Stock Exchange; there is no assurance that a listing application will be successful.

As the Arrangement is conditional on the completion of the Opawica Sale and the Company is a party to both transactions, the Arrangement and the Opawica Sale are "connected transactions" under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). Further, the Opawica Sale involves "related parties" to the Company. As such, the Arrangement is considered a "business combination" under MI 61-101 as it is an arrangement as a consequence of which the interest of a holder of an equity security of the Company may be terminated without the holder's consent in which a "related party" is a party to a "connected transaction." The Company relied upon exemptions from the formal valuation requirements of MI 61-101 contained in sections 4.4(1)(a) of MI 61-101, as the Company is not listed on a specified market. The Arrangement will be subject to minority approval.

ABOUT STELLAR AFRICAGOLD INC.

Stellar AfricaGold Inc. is a Canadian gold exploration company with offices in Vancouver, BC and Montreal, QC, and operations concentrated in West Africa and in Quebec.

In addition to developing its Balandougou Gold Project in Guinea including construction of a 150 tonnes per day gravity mill to test process a 15,000 tonnes bulk sample by gravity extraction only, the Company also owns 100% of the Opawica project in the Chibougamau mining camp, Quebec. As announced on September 8, 2018, Stellar closed the Opawica Sale in escrow subject to the receipt of shareholder approval.

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.



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Additional information is available on the Company's website at www.stellarafricagold.com.

On Behalf of the Board

John Cumming, LLM
President & CEO

This release contains certain "forward-looking information" under applicable Canadian securities laws. 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. Forward looking information contained in this news release includes, without limitation, statements relating to: the completion of the Opawica Sale, completion of the proposed Arrangement, receipt of required shareholder, court, stock exchange and regulatory approvals for the Arrangement, the potential listing of Mosaic on the CSE and the exploration and development potential of the Balandougou II permit. Forward looking information are based on assumptions made by the Company. 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: the failure of Stellar to obtain required shareholder, court, stock exchange and regulatory approvals for the Arrangement, the failure of Mosaic to meet listing requirements on the CSE 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. Readers should not place undue reliance on the forward-looking statements and information contained in this news release concerning these times. Except as required by law, Stellar does not assume any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

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.