



STELLAR AFRICAGOLD INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

SIX MONTHS ENDED JANUARY 31, 2022 and 2021
(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its independent auditor has not reviewed the unaudited condensed interim consolidated financial statements for the periods ended January 31, 2022 and 2021.

The accompanying unaudited condensed interim consolidated financial statements of Stellar AfricaGold Inc., for the periods ended January 31, 2022 and 2021, have been prepared by and are the responsibility of the Company's management.

STELLAR AFRICAGOLD INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
UNAUDITED - (Expressed in Canadian dollars)

As at	January 31, 2022	July 31, 2021 (Audited)
	\$	\$
ASSETS		
Current		
Cash	1,112,802	1,708,378
Amounts receivable	-	73,962
Due from related party (Note 12)	-	20,400
Prepaid expenses (Note 5)	28,094	-
Sales taxes receivable	22,430	3,154
Total Current Assets	1,163,326	1,805,894
Non-current		
Mosaic Minerals Corp marketable securities (Note 6)	260,000	468,000
Total Assets	1,423,326	2,273,894
LIABILITIES		
Current Liabilities		
Trade and other payables	119,734	196,525
Payable to related parties (Note 12)	136,439	70,000
Total Liabilities	256,173	266,525
Equity		
Share Capital (Note 9)	20,153,099	20,153,099
Warrants (Note 9)	692,271	692,271
Contributed surplus (Note 9)	4,235,133	4,235,133
Deficit	(23,913,350)	(23,073,134)
Total Equity	1,167,153	2,007,369
Total Liabilities and Equity	1,423,326	2,273,894

Nature of operations and going concern (Note 1)
 Commitments (Note 15)
 Subsequent events (Note 17)

These financial statements were approved and authorized for issue by the Board of Directors on March 25, 2022. They are signed on the Company's behalf by:

John Cumming
 Director

J. Francois Lalonde
 Director

The accompanying notes are an integral part of these consolidated interim financial statements.

STELLAR AFRICAGOLD INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
UNAUDITED – (Expressed in Canadian dollars)

	For the three months ended		For the six months ended	
	January 31,	January 31,	January 31,	January 31,
	2022	2021	2022	2021
	\$	\$	\$	\$
Expenses				
Administration fees	15,965	18,000	27,965	18,000
Consultant fees (Note 12)	39,425	20,000	75,254	50,000
Exploration and evaluation (Notes 11 and 12)	108,176	87,896	254,743	152,288
Foreign exchange loss (gain)	(15,819)	(18,369)	(18,470)	127,960
Management fees (Note 12)	90,000	39,390	180,000	84,390
Other operational expenses (recovery)	53,449	(2,262)	61,676	7,903
Professional fees	4,982	5,745	4,982	6,245
Registration and investor relations	27,878	(3,312)	60,709	9,491
Loss before other income (expenses)	<u>(324,056)</u>	<u>(147,088)</u>	<u>(646,859)</u>	<u>(456,277)</u>
Other income (expenses)				
Sale of Balandougou Gold Project (Note 11)	-	-	(2,017)	-
Fair value adjustment on marketable securities (Note 6)	(260,000)	-	(208,000)	-
Finder's fee	-	-	-	(23,800)
Recovery of payroll taxes	16,660	-	16,660	-
	<u>16,660</u>	<u>-</u>	<u>16,660</u>	<u>-</u>
Net loss and comprehensive loss for the period	<u>(567,396)</u>	<u>(147,088)</u>	<u>(840,216)</u>	<u>(480,077)</u>
Basic and diluted loss per share	(0.01)	(0.00)	(0.01)	(0.01)
Weighted average number of shares outstanding –				
Basic and diluted	100,305,783	68,730,310	100,305,783	67,907,117

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

STELLAR AFRICAGOLD INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIENCY)
For the six months ended January 31, 2022 and 2021
UNAUDITED - (Expressed in Canadian dollars)

	SHARE CAPITAL		WARRANTS	CONTRIBUTED SURPLUS	DEFICIT	TOTAL EQUITY
	SHARES #	AMOUNT \$				
Balance, July 31, 2020	67,282,117	18,826,605	175,517	4,020,082	(21,886,573)	1,135,631
Shares issued for property	2,500,000	125,000	-	-	-	125,000
Net loss for the period	-	-	-	-	(480,077)	(480,077)
Balance, January 31, 2021	69,782,117	18,951,605	175,517	4,020,082	(22,366,650)	780,554
Balance, July 31, 2021	100,305,783	20,153,099	692,271	4,235,133	(23,073,134)	2,007,369
Net loss for the period	-	-	-	-	(840,216)	(840,216)
Balance, January 31, 2022	100,305,783	20,153,099	692,271	4,235,133	(23,913,350)	1,167,153

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

STELLAR AFRICAGOLD INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
For the six months ended January 31, 2022 and 2021
UNAUDITED - (Expressed in Canadian dollars)

	January 31, 2022 \$	January 31, 2021 \$
OPERATING ACTIVITIES		
Net loss for the period	(840,216)	(480,077)
Items not involving cash:		
Fair value adjustment on marketable securities	208,000	-
Minority interest	-	58,290
Change in non-cash operating working capital:		
Change in trades and other payables	(76,791)	(53,584)
Change in sales taxes receivable	(19,276)	1,833
Change in prepaid expenses	(28,094)	-
Change in amounts receivable	73,962	832,031
Cash flows from (used in) operating activities	<u>(682,415)</u>	<u>358,493</u>
 INVESTING ACTIVITY		
Acquisition of resource property	-	(20,000)
Cash flows used in investing activity	<u>-</u>	<u>(20,000)</u>
 FINANCING ACTIVITIES		
Repayment of loans payable	-	(77,712)
Repayment of amount due from related party	20,400	-
Payable to related parties	66,439	25,841
Cash flows from (used in) financing activities	<u>86,839</u>	<u>(51,871)</u>
 Net change in cash	 (595,576)	 286,622
Cash, beginning of the period	<u>1,708,378</u>	<u>315,452</u>
Cash, end of the period	<u><u>1,112,802</u></u>	<u><u>602,074</u></u>

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

STELLAR AFRICAGOLD INC.
NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JANUARY 31, 2022 AND 2021
Unaudited - (Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Stellar AfricaGold Inc. and its subsidiaries (hereinafter the "Company" or "Stellar") specialize in exploration of gold mining sites located in Canada, Republic of Mali, Republic of Guinea, and the Kingdom of Morocco. The Company is a public company listed on the TSX Venture Exchange (the "TSX.V"), trading under the "SPX" symbol, on the OTCQB Venture Market under the "STLXF" symbol, and on the Frankfurt Stock Exchange under the "6YPI" symbol. The Company was incorporated under the Company's Act of British Columbia in April 2006, was prorogued under the Canada Business Corporations Act and in January 2019 was continued back into British Columbia. The Company's registered office and its principal place of business is 4908 Pine Crescent, Vancouver, British Columbia, V6M 3P6.

Going Concern

The Company incurred a net loss of \$840,216 (2021 – \$480,077) during the six-month period ended January 31, 2021 and as at that date had an accumulated deficit of \$23,913,350 (July 31, 2021 - \$23,073,134). These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. The Company has incurred losses since inception and the ability of the Company to continue as a going concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing through alliances with financial entities or other business and financial transactions which would assure continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. These circumstances comprise a material uncertainty which may cast significant doubt as to the ability of the Company to continue as a going concern.

There can be no assurance that the Company will be able to continue to raise funds, in which case the Company may be unable to meet its obligations. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded in these financial statements. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

In March 2020, the World Health Organization declared the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", a pandemic. This has resulted in governments worldwide enacting emergency measures to limit the spread of the virus, including closure of non-essential businesses. As of the date of these consolidated financial statements, the Company has been able to continue operating with no material impact to operations.

There have been no material revisions to the nature and number of estimates and judgments made in respect of the Company's financial statements of prior periods. However, the effects of COVID-19 have required significant judgments and estimates to be made in the preparation of the Company's consolidated financial statements. Additionally, the effects of COVID-19 may require revisions to estimates. To date no revisions to managements' estimates and judgments used in the preparation of the Company's consolidated financial statements have been necessary.

Due to rapid developments and uncertainty surrounding COVID-19 or the possible ending of COVID-19, it is not possible to predict the impact that COVID-19 will have on the Company's operations or financial results in the future. Additionally, it is possible the Company's operations and consolidated financial results will change in the near term as a result of COVID-19 or the ending of COVID-19.

STELLAR AFRICAGOLD INC.
NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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2. BASIS OF PRESENTATION

a) Statement of Compliance

These unaudited condensed interim consolidated financial statements, including comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”) and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting. The policies applied in these condensed interim consolidated financial statements are based on IFRS issued and outstanding as of January 31, 2022.

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the condensed interim unaudited financial statements as at January 31, 2022. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s audited financial statements for the year ended July 31, 2021.

b) Basis of Measurement

These consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. In addition, these consolidated financial statements have been prepared on the historical-cost basis, except for the revaluation of certain financial assets and financial liabilities to fair value.

c) Basis of Consolidation

The Company's consolidated financial statements include the accounts of the parent Company and its subsidiaries. Subsidiaries are entities in which the Company is exposed or has rights to variable returns from its involvement with the subsidiary and that it has the ability to affect those returns through the power it holds in the subsidiary.

All transactions and balances between companies are eliminated upon consolidation, including unrealized gains and losses on transactions between group companies. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Company.

Subsidiaries

Details of the Company's subsidiaries at January 31, 2022 and July 31, 2021 are as follows:

Golden Frank Resources Inc.	Mineral exploration in Guinea - inactive	Canada	100%
Aeos Resources Ltd.	Holding company	Republic of Seychelles	100%
Aucrest SARL	Mineral exploration in Cote d’Ivoire	Republic of Côte d’Ivoire	100%
Stellar Pacific Mali SARL	Mineral Exploration in Mali	Republic of Mali	100%
MGWA Golden Frank, SARL	Mineral exploration in Guinea	Republic of Guinea	80%

During the year ended July 31, 2020, the Company sold its 80% interest in two subsidiaries, Manding Gold SARL and Stellar Guinee SARL, in connection with the sale of the Balandougou Gold Project (Note 11).

d) Functional and presentation currency

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the parent Company and its subsidiaries.

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NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JANUARY 31, 2022 AND 2021
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3. SIGNIFICANT ACCOUNTING POLICIES

a) Impairment of Long-lived Assets

Impairment tests on non-financial assets are undertaken whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

The Company assesses long-lived assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets. An impairment loss is charged to profit or loss, except to the extent it reverses gains previously recognized in profit or loss.

b) Provisions and Contingent Liabilities

Provisions are recognized when present obligations resulting from past events will likely result in an outflow of economic resources from the Company and that the amounts can be reliably estimated. The timing or amount of outflow may be uncertain.

The measurement of provisions corresponds to the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including risks and uncertainties relating to the present obligation. Provisions are discounted when the time value of money is significant.

Provisions are reviewed at each reporting date and adjusted to reflect current best estimates. When possible outflow of economic resources arising from present obligations is considered improbable or remote, no liability is recognized unless it has been taken on the occasion of a business combination.

The Company's operations are governed by government environment protection legislation. Environmental consequences are difficult to identify in terms of amounts, timetable and impact. As of the reporting date, management believes that the Company's operations are in compliance with current laws and regulations.

Site restoration costs currently incurred are negligible. When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated, a restoration provision will be recognized in the cost of the mining property when there is constructive commitment that has resulted from past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be measured with sufficient reliability.

c) Newly adopted accounting standards

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or not expected to have a significant impact on the Company's condensed interim consolidated financial statements.

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4. ESTIMATES AND JUDGMENTS

In preparing the condensed interim consolidated financial statements, management poses a number of judgments, estimates and assumptions regarding the recognition and valuation of assets, liabilities, income and expenses.

a) Significant Management Judgment

The following are significant management judgments in applying the accounting policies of the Company that have the most significant effect on the financial statements:

Recovery of receivables

Management reviews receivables on a regular basis, reviewing the history of payments to determine their collectability. As at January 31, 2022, management is of the opinion that the Company's sales tax receivable balance is collectible.

Determination of functional currency

The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which the respective entity operates; the functional currency the parent and its subsidiaries is determined to be the Canadian dollar. Such determination involves certain judgments to identify the primary economic environment. The Company reconsiders the functional currency of its subsidiary if there is a change in events and/or conditions which determine the primary economic environment.

Control and significant influence

The Company consolidates all entities which are determined that the Company controls. Control is evaluated on the ability of the Company to direct the activities of an entity to derive variable returns and management uses judgment in determining whether control exists. Judgment is exercised in the evaluation of the variable returns and in determining the extent to which the Company has the ability to exercise its power to generate variable returns. The Company applies the equity method to account for its investments when the Company determines that it has significant influence in the investees. Significant influence is the power to participate in the financial and operating policy decision of the investee but not control of those policies and management uses judgment in determining whether significant influence exists. Judgment is exercised in the evaluation of its voting power and potential voting rights by examining all facts and circumstance in determining its powers to participate in the financial and operating policy decisions of an investee.

b) Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Share-based payments

To estimate expenses for share-based payments, it is necessary to select an appropriate valuation model and obtain the inputs necessary for the valuation model chosen. The Company estimated the volatility of its own shares and the expected life and the exercise period of options and warrants granted.

The model used by the Company is the Black-Scholes valuation model.

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4. ESTIMATES AND JUDGMENTS (CONTINUED)

Provisions and contingent liabilities

Judgments and estimates may be used to determine whether a past event has created a liability that should be recognized in the consolidated financial statements or disclosed as a contingent liability. Factors, such as the nature of the claim or dispute, the potential amount to be paid and the probability of the realization of a loss. These factors are sources of uncertainty in estimates.

5. PREPAID EXPENSES

	January 31, 2022	July 31, 2021
OTC annual sustaining fees	14,661	-
Software license	11,433	-
Administrative (accounting and corporate fees)	2,000	-
	28,094	-

6. MOSAIC MINERALS CORP. MARKETABLE SECURITIES

During the year ended July 31, 2019, the Company sold its rights, title and interest in the Opawica property located in Quebec to Mosaic Minerals Corp. (“Mosaic”), a Company with directors in common, in exchange for 7,200,000 common shares of Mosaic Minerals Corp. with a fair value of \$0.05 per share (\$360,000), plus a 2% Net Smelter Return royalty (“NSR”), one half of which may be purchased by Mosaic for \$1,000,000. The Company then entered an Arrangement Agreement with Mosaic pursuant to which the Company would distribute 2,000,000 of the 7,200,000 common shares received from the sale of the Opawica property to the Company’s shareholders. The 2,000,000 common shares distributed had a fair value of \$100,000 and the distributions were paid in the form of a return of capital.

As at the transaction closing date, the Company held 42% of Mosaic’s issued and outstanding common shares. The Company’s judgment is that it had significant influence, but not control, of Mosaic because it held a minority position on the board of directors and did not have the power to govern the strategic operating and financing decisions of Mosaic.

During the year ended July 31, 2020, the Company completed the Arrangement Agreement thereby reducing its holdings of Mosaic to 5,200,000 common shares. It is management’s judgment that the Company retained significant influence over Mosaic after the distribution.

During the year ended July 31, 2021, the Company’s ownership was further diluted, and common directors resigned from the board of Mosaic. Therefore, management assessed that the Company lost significant influence and the investment in Mosaic was reclassified as an investment carried at FVTPL.

As Mosaic is a publicly traded entity, the fair value of the Company’s investment was determined by the closing market price of Mosaic’s common shares on the CSE as at January 31, 2022 which was \$260,000 (July 31, 2021- \$468,000). Fair value was determined in accordance with Level 1 of the fair value hierarchy.

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Unaudited - (Expressed in Canadian dollars)

6. MOSAIC MINERALS CORP. MARKETABLE SECURITIES (CONTINUED)

A summary of the Company's investment in Mosaic is as follows:

	Number of shares	Amount
Balance, July 31, 2019	7,200,000	\$ 256,799
Shares distributed to the Company's shareholders	(2,000,000)	(100,000)
Equity loss in associate	-	(4,289)
Dilution gain on investment	-	45,683
Balance, July 31, 2020	5,200,000	198,193
Equity loss in associate	-	(41,865)
Dilution loss on investment	-	(21,961)
Fair value adjustment	-	333,633
Balance, July 31, 2021	5,200,000	\$ 468,000
Fair value adjustment	-	(208,000)
Balance, January 31, 2022	5,200,000	\$ 260,000

7. PROPERTY AND EQUIPMENT

Disposal of Mill, Camp and Equipment

On August 22, 2019, the Company and its minority partners reached a definitive agreement for the sale of 100% of the Balandougou Gold Project including the 7 km² Balandougou semi-industrial exploitation permit together with all related property and equipment, and two Guinea subsidiary companies holding contiguous exploration permits totalling approximately 150 km². The Company and the minority partners owned 80% and 20% respectively of the Balandougou Gold Project. The transaction completed on October 28, 2019. As at the completion date, the property and equipment transferred to the purchaser had a carrying value of \$298,045, see Note 11.

8. LOANS PAYABLE

On November 10, 2017, a subsidiary of the Company received an unsecured loan in the amount of US\$400,000 bearing interest at the rate of 10% per annum. Interest was capitalized until June 30, 2018 and thereafter repayable in blended payments (principal and interest) over 16 months. The loan was collaterally guaranteed by the Company.

The Company also granted to the lender a loan bonus in the form of a share purchase warrant to acquire 1,000,000 shares at \$0.05 until November 10, 2019. The warrant expired unexercised.

On October 31, 2019, in connection with the sale of the Balandougou Gold Project, the loan agreement was amended to freeze accrual of interest and to schedule the repayment of principal and interest. As at the date of the amendment, US\$86,268 had been accrued as interest payable. The scheduled repayments of principal and interest were as follows:

- i. US\$228,546 upon closing of the sale; paid
- ii. US\$87,528 payable on January 15, 2020; paid
- iii. US\$87,528 payable on July 15, 2020; paid
- iv. US \$82,666 payable on January 15, 2021; paid.

During the year ended July 31, 2021, the Company issued 1,750,000 units at \$0.06 per unit for gross proceeds of \$105,000 with each unit comprised of one common share and one share purchase warrant exercisable at \$0.15 for 24 months in connection with the final payment of US\$82,666 owing on January 15, 2021.

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9. SHARE CAPITAL

i) Authorized

Unlimited number of shares without par value and issued capital of 100,305,783 (July 31, 2021 – 100,305,783) common shares. All shares are equally eligible to receive dividends and the repayment of capital, and represent one vote each at the shareholders' meetings of the Company.

ii) Issued During the Six Months Ended January 31, 2022

There were nil share issuances during the six months ended January 31, 2022.

iii) Issued During the Six Months Ended January 31, 2021

During the six months ended January 31, 2021 the Company issued 2,500,000 common shares fairly valued at \$125,000 to acquire the Prikro and Zenoula licenses.

iv) Warrants

Outstanding warrants entitle their holders to subscribe to an equivalent number of ordinary shares, as follows:

	January 31, 2022		July 31, 2021	
	Number of warrants	Average exercise price	Number of warrants	Average exercise price
Balance, beginning of the period	33,844,775	\$ 0.14	-	\$ -
Granted	-	\$ -	33,844,775	\$ 0.14
Balance, end of the period	33,844,775	\$ 0.14	33,844,775	\$ 0.14

The table below summarizes the information related to warrants as at January 31, 2022:

Expiration date	Number of warrants	Exercise price	Average remaining contractual life (Years)
November 25, 2022	2,500,000	\$ 0.07	0.82
February 26, 2023	11,391,667	\$ 0.15	1.07
March 19, 2023	19,953,108	\$ 0.15	1.13
	33,844,775	\$ 0.14	1.09

v) Share Options

The Company has a rolling stock option plan under which options to acquire common shares of the Company are granted to directors, officers, employees and consultants of the Company. The maximum number of options permitted is limited to ten percent (10%) of the issued capital of the Company from time to time.

The Company's share purchase options are as follows:

	January 31, 2022		July 31, 2021	
	Number of options	Average exercise price	Number of options	Average exercise price
Balance, beginning of the period	9,292,000	\$ 0.06	5,292,000	\$ 0.05
Granted	-	-	4,000,000	\$ 0.07
Expired	(1,250,000)	0.05	-	\$ -
Balance, end of the period	8,042,000	\$ 0.06	9,292,000	\$ 0.06
Exercisable options	8,042,000	\$ 0.06	9,292,000	\$ 0.06

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9. SHARE CAPITAL (CONTINUED)

v) Share Options (continued)

On January 18, 2022, 1,250,000 share options exercisable at \$0.05 per share expired unexercised.

The table below summarizes the information related to share options as at January 31, 2022:

Expiry Date	Number of Options Outstanding	Number of Options Vested	Number of Options Unvested	Exercise Price	Weighted Average Remaining Life
March 1, 2022	100,000	100,000	-	\$ 0.05	0.08
March 15, 2022	200,000	200,000	-	\$ 0.05	0.12
November 14, 2022	3,492,000	3,492,000	-	\$ 0.05	0.79
November 29, 2024	250,000	250,000	-	\$ 0.05	2.83
March 22, 2026	4,000,000	4,000,000	-	\$ 0.07	4.14
	8,042,000	8,042,000	-	\$ 0.06	2.49

In estimating the fair value of options issued using the Black-Scholes option pricing model, the Company is required to make assumptions. The expected volatility assumption is based on the historical volatility of the Company's common share price on the TSX-V. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The Company has historically not paid dividends on its common stock.

The Company did not grant any options during the six-month period ended January 31, 2022.

See Note 17.

10. EARNINGS (LOSS) PER SHARE

While calculating the diluted loss per share for the period ended January 31, 2022, dilutive potential ordinary shares such as share options and warrants have not been included as they would have the effect of decreasing the loss per share. Decreasing the earnings per share would be antidilutive.

The basic and diluted loss per share has been calculated as follows.

	January 31, 2022	January 31, 2021
Net loss for the period	\$ (840,216)	\$ (480,077)
Weighted average number of shares in circulation	100,305,783	67,907,117
Basic and diluted (loss) earnings per share	\$ (0.01)	\$ (0.01)

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11. EXPLORATION AND EVALUATION EXPENDITURES

	Balandougou, Guinea	Lullwitz- Kaepelli, Quebec	Imiter Nord, Morocco	Namarana, Mali	Prikro and Zenoula, Côte d'Ivoire	Tichka Est, Morocco	Total expenditures
General exploration and expenses	\$ 18,092	\$ -	\$ -	\$ 1,300	\$ -	\$ -	\$ 19,392
Geological	27,896	-	-	15,000	-	-	42,896
Project supervision	35,000	-	-	5,000	10,000	40,000	90,000
Total exploration and evaluation expenditures at January 31, 2021	\$ 80,988	\$ -	\$ -	\$ 21,300	\$ 10,000	\$ 40,000	\$ 152,288
Assays	-	-	-	237	-	-	237
Demobilization	-	-	-	868	-	-	868
Environmental	-	-	-	3,255	-	-	3,255
Equipment rental	-	-	-	7,595	-	-	7,595
General exploration and expenses	-	-	-	999	2,731	149	3,879
Geological	-	6,449	-	814	-	604	7,867
Mobilization	-	-	-	868	-	-	868
Permitting	-	-	-	47,129	-	-	47,129
Property investigation	-	-	14,829	-	-	-	14,829
Project supervision	-	-	-	30,500	2,000	57,500	90,000
Road construction	-	-	-	-	-	2,508	2,508
Supplies	-	-	-	215	-	-	215
Travel and related	-	-	-	456	-	-	456
Trenching	-	-	-	1,748	-	73,289	75,037
Total exploration and evaluation expenditures at January 31, 2022	\$ -	\$ 6,449	\$ 14,829	\$ 94,684	\$ 4,731	\$ 134,050	\$ 254,743

Lullwitz-Kaepelli Gold Property

During the year ended July 31, 2020, the Company acquired the Lullwitz-Kaepelli gold property comprised of four contiguous mineral claims totalling 231.4 hectares located in the Lacoste and DeSales townships in the Charlevoix area of Quebec (the "L-K Property") for \$5,000 cash and the issuance of 300,000 shares of common stock fair valued at \$15,000. The property is subject to a 1.5% net smelter return royalty which can be purchased for \$500,000. The cash payment was made and the shares were issued.

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11. EXPLORATION AND EVALUATION EXPENDITURES (CONTINUED)

Balandougou Gold Project

On August 22, 2019, the Company and its minority partners reached a definitive agreement for the sale of 100% of the Balandougou Gold Project including the 7 km² Balandougou semi-industrial exploitation permit together with all related plant and equipment, and two Guinea subsidiary companies holding contiguous exploration permits totalling approximately 150 km². The Company and the minority partners own 80% and 20% respectively of the Balandougou Gold Project. The transaction price is US\$3,850,000 paid in instalments, US\$1,800,000 on closing with the balance in three instalments.

At July 31, 2021 the Company had received US\$3,790,650 (CDN\$5,037,166) and therefore US\$59,350 (CDN\$73,962) was receivable. As of January 31, 2022, the Company had received the full US\$59,350 (CAD\$73,962) and therefore \$nil was receivable.

On February 27, 2020, the Company reached an agreement with the former minority partners in the project, whereby the Company would pay US\$243,845 (\$330,396) of the consideration received from the purchaser, when the Company received payments from the purchaser. As at January 31, 2022 and July 31, 2021, accounts payable and accrued liabilities included US \$Nil payable to the former minority partners.

In connection with the sale, the Company agreed to pay finder's fees equal to 2.5% of the proceeds received from the sale to a director of the Company. The fees were payable upon receipt of proceeds from the purchaser. The Company paid the finder's fees during the year ended July 31, 2021.

During the year ended July 31, 2020, the Company recognized \$4,270,389 in costs recovered on sale of mineral properties as follows:

Revenue from sale of mineral properties (US\$3,850,000)	\$	5,026,560
Less: Costs paid and accrued to former minority partners (US\$243,845)		(330,396)
Less: Disposal of property and equipment		(298,045)
Less: Finder's fees		(127,730)
<hr/>		
Costs recovered on sale of mineral properties	\$	4,270,389

Birimian Geology Exploration "BGE"

The Company has an option to purchase the shares of Birimian Geology Exploration ("BGE"), a Cote d'Ivoire company. BGE holds two gold exploration permits pending (the Bocanda permit and the Djekanou permit) covering approximately 471 square kilometers. The Company will acquire an 80% interest for US\$20,000 and the expenditure of US\$3,000,000 on exploration over the next two years and may acquire the remaining 20% at any time for US\$1,500,000. The property is subject to a 1.25% net smelter royalty. The option remains subject to closing conditions including TSX Venture Exchange approval.

Prikro Exploration Licence and Zenoula Exploration Licence, Côte d'Ivoire

Stellar closed the September 16, 2020 acquisition agreement with Altus Strategies PLC ("Altus") to buy a 100% interest in Aeos Resources Ltd ("Aeos"), which in turn owns 100% of Aucrest SARL, an Ivoirian subsidiary that owns the Prikro Exploration Licence and the Zenoula Exploration Licence (pending) both totalling 770 km² in Côte d'Ivoire. The acquisition closed on November 27, 2020. For accounting purposes, the acquisition has been recorded as an asset acquisition as Altus did not meet the definition of a business as defined in IFRS 3.

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11. EXPLORATION AND EVALUATION EXPENDITURES (CONTINUED)

Prikro Exploration Licence and Zenoula Exploration Licence, Côte d'Ivoire (continued)

The consideration for the acquisition was 2,500,000 units, each unit consisting of one common share and one common share purchase warrant exercisable within two years at \$0.07 per share. The common shares were fairly valued using the grant date share price of \$0.05 per share, the fair value of the common share purchase warrants was determined to be \$14,510 calculated using the Black-Scholes option pricing model with the following assumptions: expected life of warrants – 2 years; expected volatility – 117.50%; expected dividend yield – 0%; and risk-free rate – 0.27%.

Contingent upon reaching exploration milestones on each permit Stellar will issue additional 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. Due to uncertainty regarding the likelihood and timing of meeting each milestone payment a reliable estimate of the contingent consideration was not possible to determine and therefore no provision has been made. 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 Prikro Exploration licence covers 369.5 km² in the Prikro and Koun-Fao Departments in eastern Côte d'Ivoire, approximately 240 km northeast of Abidjan. The Zenoula project is a 400km² licence (application pending) in the Marahoue Department in central Côte d'Ivoire, approximately 300km north of Abidjan.

See Note 17.

Tichka Est Gold Project

Stellar and the Moroccan National Office of Hydrocarbons and Mines (“ONHYM”) signed a definitive Exploration Agreement for the acquisition, exploration and development of the gold and multi-elements potential of the Tichka Est property in the Occidental High Atlas region of Morocco pursuant to which Stellar may earn a 90% interest in the Tichka Est project by spending 19,200,000 Moroccan dirhams, approximately US\$2,070,000, on exploration of the property over three years. Following the first three-year term or the completion of the proposed agreed exploration program, whichever comes first, a decision either to proceed to a feasibility study or continue exploration will be made by a joint management committee and, if advisable additional exploration may be required prior to proceeding with a feasibility study. All exploration work, including the feasibility study, is at Stellar’s expense. Upon completion of a positive feasibility study, the permits will be transferred at no additional charge from ONHYM to a new mining company that will be jointly owned by Stellar as to 90% and by ONHYM as to 10%. Following the commissioning of the mining operation ONHYM will receive the greater of a 2.5% Net Smelter Return royalty or a lump sum payment of 100,000 Moroccan dirhams, approximately US\$10,750. Other than the exploration expenditure requirements there are no additional fees payable.

On January 11, 2022, the Company and ONHYM signed an addendum to the August 18, 2020 Tichka Est exploration agreement whereby four new exploration permits were added bringing the total to seven exploration permits covering 82 square kilometers.

Namarana Gold Project

The Company, through its 100% subsidiary Stellar Pacific Mali SARL, has secured a 50.2 km² Autorisation de Prospection Gold Permit in southwest Mali. The Namarana Authorization is located near the village of Namarana, Circle of Kangaba, region of Koulikoro, near the boarder with Guinea approximately 100 km W-SW west of Bamako, the capital.

On December 14, 2021, the Company announced that it received final approval for exploration of the Namarana Gold Project.

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12. RELATED PARTY TRANSACTIONS

The Company's related parties include key management officers and companies held by key management officers. Unless otherwise stated none of the transactions incorporated special terms and conditions and no guarantees were given or received. These amounts for the six months ended January 31, 2022 are unsecured, bear no interest, and are due on demand. Key management personnel of the Company are members of the Board of Directors and the management.

Key management short-term benefits	January 31, 2022	January 31, 2021
Management fees	\$ 180,000	\$ 84,390
Consulting fees	63,000	50,000
Exploration and evaluation – project supervision	90,000	90,000
Finder's fee	2,017	23,800
Total compensation	\$ 335,017	\$ 248,190

Due to related parties	January 31, 2022	July 31, 2021
Due to the President and CEO	\$ 105,033	\$ 45,000
Due to a company controlled by the COO and Director	30,906	15,000
Due to a company controlled by a Director	-	10,000
Due to a company controlled by the CFO	500	-
Total	\$ 136,439	\$ 70,000

During the fiscal year ended July 31, 2021, a director owed the Company \$20,400 for an overpayment of payroll withholding taxes related to management fees. The director repaid the debt to the Company on November 26, 2021.

As at January 31, 2022 and July 31, 2021, the amounts owing to related parties are without interest, unsecured and are due on demand.

13. CAPITAL MANAGEMENT

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern;
- to increase the value of the assets of the business; and
- to provide an adequate return to shareholders of the parent company.

These objectives will be achieved by identifying the right exploration projects, adding value to these projects and ultimately taking them through to production or sale and cash flow, either with partners or by the Company's own means. The Company monitors capital on the basis of the carrying amount of equity.

The Company is not exposed to any externally imposed capital requirements except when the Company issues flow-through shares for which proceeds are committed for exploration work. The Company finances its exploration and evaluation activities principally by raising additional capital either through private placements or public offerings. When financing conditions are not optimal the Company may enter into option agreements or other solutions to continue its activities or may slow its activities until conditions improve.

No changes were made in the objectives, policies and processes for managing capital during the six month period ended January 31, 2022.

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14. FINANCIAL INSTRUMENT RISK DISCLOSURES

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities are summarized below. The Company focuses on actively securing short to medium-term cash flows by minimizing the exposure to financial markets. The Company does not actively engage in the trading of financial instruments for speculative purposes.

The most significant financial risks to which the Company is exposed to are described below.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company considers interest rate risk related to cash and cash equivalents to be low because of their short-term nature.

Currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's functional currency is the Canadian dollar. Major capital purchases are made internationally and are transacted in US dollars. A significant portion of the Company's exploration expenditures are transacted in US dollars, Moroccan dirham and West African (CFA) Francs and the Company is thus exposed to risk of major changes in these currencies relative to the Canadian dollar.

The Company's exploration expenditures for its Moroccan project are in US dollars and Moroccan dirhams and the Company's exploration expenditures Mali are transacted primarily in US dollars and West African (CFA) Francs. Foreign currency invoices are paid primarily in US dollars.

As at January 31, 2022, cash totalling \$336,960 (July 31, 2021 - \$595,240) was held in US Dollars and cash totalling \$26,896 (July 31, 2021 - \$5,043) was held in West African (CFA) Francs; amounts receivable totalling \$Nil (July 31, 2021 - \$73,962) was held in US dollars; and accounts payable and accrued liabilities totalling \$Nil (July 31, 2021 - \$Nil) was payable in US dollars and \$35,441 (July 31, 2021 - \$5,179) was payable in West African (CFA) Francs. Based on forecast exchange rate movements for the next twelve months, assuming all other variables remain constant, the Company considers its financial performance and cash flows would not be materially affected by a weakening or strengthening US dollar or West African (CFA) Franc. The Company does not manage currency risks through hedging or other currency management tools.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's primary exposure to credit risk is on its cash which is held in bank accounts. This risk is low and is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The maximum exposure to credit risk is the carrying amount of the Company's financial instruments.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has financing sources such as private and public investments for a sufficient amount. Over the past period, the Company has financed its exploration and evaluation programs, its working capital requirements and acquisitions of mining properties through private and flow-through financings.

The Company's trade and other payables all contractually mature within three months, except for amounts due to related parties which are payable on demand.

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14. FINANCIAL INSTRUMENT RISK DISCLOSURES (CONTINUED)

The carrying amounts and fair value of financial Instruments presented in the consolidated statement of financial position are as follows:

	January 31, 2022		July 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
FINANCIAL ASSETS				
Cash	1,112,802	1,112,802	1,708,378	1,708,378
Amounts receivable	-	-	73,962	73,962
Mosaic Minerals marketable securities	260,000	260,000	468,000	468,000
Due from related party	-	-	20,400	20,400
Sales taxes receivable	22,430	15,828	3,154	3,154
FINANCIAL LIABILITIES				
Trade and other payables	119,734	119,734	196,525	196,525
Payable to related parties	136,439	109,721	70,000	70,000

15. CONTINGENCIES AND COMMITMENTS

- a) The Company may be liable for unpaid Part XII.6 tax on unspent flow-through renunciations related to financings obtained in 2007. The amount of estimated interest and penalties is not determinable and management has concluded that outflow of economic resources is remote. During the year ended July 31, 2021 the provision for Part XII.6 taxes was reversed and the Company recognized a gain of \$55,950 in the statement of comprehensive loss.
- b) During the year ended July 31, 2017, the Company issued flow-through shares in the amount of \$335,750. The Company was committed to spend this money on exploration work on its Quebec mineral properties by December 31, 2017 before incurring Part XII.6 tax and extending the deadline to December 31, 2018.

Following an audit, the CRA determined that the required qualifying expenditures were not made by the prescribed deadline and that the amount renounced be reduced to \$59,295 and assessed a penalty of \$69,114 (included within accounts payable). On January 17, 2022, the Company paid a total of \$89,768 to settle the flow-through share penalty of \$69,114 plus \$20,654 for interest and additional penalties.

16. SEGMENTED INFORMATION

The Company has one operating segment, the exploration and evaluation of mineral properties. Geographic information is as follows:

January 31, 2022	Canada	Western Africa	Total
Current Assets	\$ 1,130,993	\$ 32,333	\$ 1,163,326
Long-term assets	260,000	-	260,000
Total Assets	\$ 1,390,993	\$ 32,333	\$ 1,423,326
July 31, 2021	Canada	Western Africa	Total
Current Assets	\$ 1,800,851	\$ 5,043	\$ 1,805,894
Long-term assets	468,000	-	468,000
Total Assets	\$ 2,268,851	\$ 5,043	\$ 2,273,894

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16. SEGMENTED INFORMATION (CONTINUED)

Segmented comprehensive losses by geographical location are as follows:

January 31, 2022	Canada	Western Africa	Total
Comprehensive loss	\$ (743,820)	\$ (96,396)	\$ (840,216)
January 31, 2021	Canada	Western Africa	Total
Comprehensive loss	\$ (360,058)	\$ (120,019)	\$ (480,077)

17. SUBSEQUENT EVENTS

Expired Prikro permit

On March 8, 2022, the Company's management decided not to seek renewal of the Prikro permit due to a lack of encouraging exploration results.

Expired share options

In March 2022, 300,000 share options exercisable at \$0.05 per share expired unexercised.

Granted share options

On March 9, 2022, the Company granted 500,000 share options exercisable at \$0.05 per share to two consultants. The first 400,000 share options are exercisable until March 9, 2025 and the remaining 100,000 options will expire on March 9, 2027.

On March 14, 2022, the Company granted 1,250,000 share options exercisable at \$0.05 per share to two directors. The share options are exercisable until March 14, 2027.