STELLAR AFRICAGOLD INC.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NINE MONTHS ENDED APRIL 30, 2021 and 2020
(Expressed in Canadian Dollars)

Condensed Interim Consolidated 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 April 30, 2021 and 2020. The accompanying unaudited condensed interim consolidated financial statements of Stellar AfricaGold Inc., for the periods ended April 30, 2021 and 2020, 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	April 30, 2021		July 31, 2020 (Audited)
	$		$
ASSETS			
Current			
Cash and cash equivalents	**1,890,993**	$	315,452
Amounts receivable (Note 6)	**92,834**		1,474,440
Due from Mosaic Minerals Corp	**-**		5,250
Sales taxes receivable	**36,929**		43,854
Total Current Assets	**2,020,756**		1,838,996
Non-current			
Mosaic Minerals Corp marketable securities (Note 5)	**198,193**		198,193
Property and equipment (Note 6, 11)	**145,000**		-
Total Assets	**2,363,949**	$	2,037,189
LIABILITIES			
Current Liabilities			
Trade and other payables	**256,433**	$	309,353
Loans payable (Note 8)	**-**		188,360
Payable to related parties (Note 13)	**126,004**		347,895
Part XII.6 taxes (Note 16)	**55,950**		55,950
Total Liabilities	**438,387**		901,558
Deficiency			
Share Capital (Note 9)	**20,594,458**	$	18,826,605
Subscription Receivables (Note 9)	**(21,000)**		-
Warrants (Note 9)	**236,397**		175,517
Contributed surplus (Note 9)	**4,235,133**		4,020,082
Deficit	**(23,119,426)**		(21,886,573)
Total Deficiency	**1,925,562**		1,135,631
Total Liabilities and Deficiency	**2,363,949**	$	2,037,189

These financial statements were approved and authorized for issue by the Board of Directors on June 28, 2021.
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 condensed interim consolidated financial statements.

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

	For the three-months ended		For the nine months ended	
	April 30, 2021	April 30, 2020	**April 30, 2021**	April 30, 2020
	$	$	$	$
Expenses				
Exploration and evaluation (Note 11)	**35,942**	43,475	**98,230**	453,295
Administration fees	**-**	9,000	**18,000**	30,457
Directors fees	**-**	-	**-**	75,000
Consultant fees (Note 13)	**159,607**	-	**209,607**	215,785
Management fees (Note 13)	**165,238**	45,000	**249,628**	152,500
Professional fees	**1,695**	46,824	**7,940**	73,947
Project supervision (Note 13)	**60,000**	45,000	**150,000**	120,000
Other operational expenses	**39,432**	28,631	**43,795**	29,640
Travel	**-**	-	**(3,992)**	15,928
Registration and investor relations	**8,118**	33,511	**17,609**	69,924
Transfer agent	**13,588**	-	**21,120**	-
Foreign exchange loss	**54,105**	32,184	**182,065**	119,657
Interest on loans	**-**	4,481	**-**	90,735
Share-based compensation (Note 9)	**215,051**	-	**215,051**	-
Operating loss	**(752,776)**	(288,106)	**(1,209,053)**	(1,446,868)
Sale of Balandougou Gold Project	**-**	471,185	**-**	3,464,500
Minority interest	**-**	(5,890)	**-**	(330,190)
Finders fees	**-**	-	**(23,800)**	(43,950)
Income (Loss) before income tax	**(752,776)**	177,189	**(1,232,853)**	1,643,492
Income tax recovered	**-**	(6,882)	**(105,600)**	(99,636)
Deferred income tax	**-**	6,882	**105,600**	99,636
Net comprehensive income (loss) for the period	**(752,776)**	177,189	**(1,232,853)**	1,643,492
Basic and diluted loss per share	**(0.009)**	0.003	**(0.017)**	0.025
Weighted average number of shares outstanding	**87,717,161**	67,282,117	**73,944,091**	64,482,116

Nature of operations and going concern (Note 1)
Commitments (Note 16)

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 nine months ended April 30, 2021 and 2020
UNAUDITED - (Expressed in Canadian Dollars)

	SHARE CAPITAL SHARES #	SHARE CAPITAL AMOUNT $	SUBSCRIPTION RECEIVABLE	WARRANTS $	CONTRIBUTED SURPLUS $	DEFICIT $	TOTAL DEFICIENCY $
Balance, July 31, 2019	63,922,117	18,758,605	-	175,517	4,015,895	(24,688,493)	(1,738,476)
Shares issued for property	300,000	15,000	-	-	-	-	15,000
Shares issued for services	2,500,000	125,000	-	-	-	-	125,000
Shares for settlement of interest on convertible debenture	560,000	28,000	-	-	-	-	28,000
Net income (loss) for the period	-	-	-	-	-	1,643,492	1,643,492
Balance, April 30, 2020	**67,282,117**	**18,926,605**	-	**175,517**	**4,015,895**	**(23,045,001)**	**73,016**
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
Private placement	29,166,667	1,750,000	(21,000)	-	-	-	1,729,000
Finders' fee	1,356,999	(107,147)	-	60,880	-	-	(46,267)
Share-based compensation	-	-	-	-	215,051	-	215,051
Net income (loss) for the period	-	-	-	-	-	(1,232,853)	(1,232,853)
Balance, April 30, 2021	**100,305,783**	**20,594,458**	**(21,000)**	**236,397**	**4,235,133**	**(23,119,426)**	**1,925,562**

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 nine months ended April 30, 2021 and 2020
UNAUDITED - (Expressed in Canadian Dollars)

	April 30, 2021	April 30, 2020
	$	$
OPERATING ACTIVITIES		
Net income (loss)	(1,232,853)	1,643,492
Adjustments		
Minority interest	-	195,290
Interest	-	90,735
Foreign Exchange	5,648	-
Share-based compensation	215,051	-
Shares issued for service	-	125,000
Shares issued for exploration property	-	15,000
Change in amounts receivable	1,381,6006	-
Change in accounts payable	(52,920)	(43,876)
(Acquisition) disposal of property and equipment	-	278,045
Change in sales taxes receivable	6,925	(26,752)
Change in due from Mosaic	5,250	-
Cash flows from operating activities	328,707	2,276,934
INVESTING ACTIVITIES		
Acquisition of resource property	(5,000)	-
Cash flows from investing activities	(5,000)	-
FINANCING ACTIVITIES		
Proceeds from private placement, net	1,562,733	-
Loans payable	(89,008)	(480,802)
Deposit received in advance	-	(67,500)
Payable to related parties	(221,891)	(1,255,559)
Debentures	-	(140,000)
Cash flows from financing activities	1,251,834	(1,943,861)
Net change in cash and cash equivalents	**1,575,541**	333,073
Cash and cash equivalents, beginning of the period	315,452	4,581
Cash and cash equivalents, end of the period	**1,890,998**	337,654
Supplemental cash flow information:		
Shares issued for settlement of interest on convertible debentures	$ -	$ 28,000
Shares issued for property purchase	140,000	-
Shares issued for loan payable	105,000	-
Subscription receivable	21,000	
Fair value of broker warrants	60,880	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Stellar AfricaGold Inc. and its subsidiaries (hereinafter the "Company") specialize in exploration of gold mining sites located in Canada and in Republic of Mali and Republic of Guinea, two countries located in the West Africa region. The Company is a public company listed on the TSX Venture Exchange (the “TSX.V”), trading under the “SPX” 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.

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presume the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The recoverability of the amounts expensed for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain necessary financing to complete the evaluation and development of commercially viable reserves, and upon future profitable production or proceeds from the disposition of exploration and evaluation assets.

The Company incurred a net loss of $1,232,853 for the nine months ended April 30, 2021, incurred a loss from operations of $1,406,662, before other income, for the year ended July 31, 2020 and as at April 30, 2021 had a deficit of $23,119,426. At April 30, 2021 the Company had working capital of $1,582,369. These factors may cast significant doubt about the ability of the Company to continue as a going concern.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and in accordance with IAS 34 – Interim Financial Reporting. These condensed interim consolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the Company’s audited financial statements for the year ended July 31, 2020. These condensed interim consolidated financial statements have been prepared following the same accounting policies as the Company’s audited consolidated financial statements for the year ended July 31, 2020.

b) Basis of Measurement

These condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. In addition, these condensed interim 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 condensed interim 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 subsidiaries have a year end reporting date of July 31.

2. BASIS OF PRESENTATION (CONTINUED)

d) Basis of Consolidation (Continued)

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 April 30, 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).

e) Functional and presentation currency

The condensed interim consolidated financial statements are presented In Canadian dollars, which is the functional currency of the parent Company.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments with maturities within three months held for the purpose of meeting short-term cash commitments rather than for investing purposes. The Company did not have cash equivalents as at April 30, 2021.

b) Available-for-Sale Investments

Investments in public companies have been designated as available-for-sale investments. The investments are reported at fair value based on quoted market prices with unrealized gains or losses excluded from operations and reported as other comprehensive income or loss.

c) Exploration and Evaluation Expenses

Exploration and evaluation expenses are costs incurred in the course of the initial search of mineral resources before the technical feasibility and commercial viability of extracting mineral resources are demonstrable. The costs directly related to the acquisition of the mineral property rights and the exploration expenditures incurred during the exploration and evaluation phase are expensed.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Exploration and Evaluation Expenses (Continued)

The Company will capitalize mineral property development expenditures under property and equipment once technical feasibility and commercial viability of extracting mineral resources are demonstrated. Depletion and amortization of mineral deposits and mine development costs are recorded as the minerals are extracted, based on units of production and engineering estimates of mineable resources or reserves. To date, neither the technical feasibility nor the commercial viability of extracting a mineral resource has been demonstrated.

Although the Company has taken steps to verify title to the mining properties in which it holds an interest, in accordance with industry practices for the current stage of exploration of such properties, these procedures do not guarantee the validity of the Company's titles. Property titles may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Disposal of interest in connection with mineral option agreements

On the disposal of interest in connection with option agreements, the Company does not recognize expenses related to the exploration and evaluation performed on the property by the optionee. In addition, cash or share considerations received directly from the optionee are credited as a gain on disposal of mining rights in profit or loss.

d) Property and Equipment

Property and equipment are held at cost less accumulated depreciation and accumulated impairment losses. Cost includes all costs incurred initially to acquire or construct an item of property and equipment. Costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and costs incurred subsequently to add to or replace part thereof.

Depreciation is recognized using the declining balance method, to write down the cost to its estimated residual value. The rates generally applicable are as follows:

Rates	
20%	Office furniture
30%	Computer equipment
20%	Rolling stock
20%	Mining camp

The depreciation expense for each period is recognized in profit or loss.

The residual value, depreciation method and useful life of each asset are reviewed at least at each financial year-end. The carrying amount of an item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the non recognition of an item of property and equipment is included in profit or loss when the item is derecognized.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Impairment of Long-lived Assets

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at a cash-generating unit level.

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable an asset or cash-generating unit is reviewed for impairment.

An impairment loss is recognized in profit or loss for the amount by which the assets or cash-generating units carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

An impairment charge is reversed if the assets or cash-generating unit's recoverable amount exceeds its carrying amount.

f) Tax Credits Receivable

The Company is entitled to a refundable tax credit on qualified Quebec exploration expenditures incurred and refundable credit on duties for losses under the Mining Tax Act. Such credits are recognized as a reduction of the exploration expenses. The Company records these tax credits when there is reasonable assurance with regards to collections and assessments and that the Company will comply with the conditions associated to them.

g) 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 data, 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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Basic and Diluted Earnings (Loss) Per Share

Basic earnings (loss) per share is calculated by dividing the earnings (loss) attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is calculated by adjusting the earnings (loss) attributable to ordinary equity holders of the Company and the weighted average number of common shares outstanding, the effects of all dilutive potential ordinary shares which include options and warrants.

It is assumed that the dilutive potential ordinary shares were converted into ordinary shares at the average market price at the beginning of period or the date of issue of potential ordinary shares, if later.

i) Share Capital

Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit recognized from these issuance costs. When shares are issued on the exercise of options and warrants, the share capital account also comprises the costs previously recorded as contributed surplus and warrants. When shares are issued as consideration for the acquisition of a mineral property they are measured at their fair value according to the quoted price on the date of issue.

j) Unit placements

Proceeds from unit placements are allocated between shares and warrants issued on a pro rata basis. Proceeds are allocated to shares and warrants according to their relative weighted fair value. The unit's fair value is determined using the quoted price of the shares on the stock exchange and the warrant's fair value is estimated using the Black - Scholes pricing model.

k) Flow-through placements

Issuance of flow-through units represents in substance an issue of ordinary shares, warrants and the sale of the right to tax deductions to the investors. When the flow-through units are issued, the sale of the right to tax deductions is deferred and presented as other liabilities in the statement of financial position. The proceeds received from flow-through units are allocated between share capital, warrants and the liability using the residual method. The liability component recorded initially on the issuance of shares is reversed on renouncement of the right to tax deductions to the investors and when eligible expenses are incurred and recognized in profit or loss as a recovery of deferred income assets.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

l) Share-based Compensation

The share option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as an employee or consultant expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value is measured at grant date, and each tranche is recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of operations and comprehensive loss over the remaining vesting period.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured indirectly at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

m) Foreign exchange

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognized in profit or loss. Non-monetary items are not re-translated at year-end and are measured at historical cost (translated using the exchange rates at the date of the transaction). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined.

n) Convertible Debentures

The Company classifies convertible debentures into debt and equity components based on the residual method. The liability component is calculated as the present value of the principal and interest, discounted at a rate approximating the estimated interest rate that was estimated would have been applicable to non-convertible debenture at the time the debenture was issued. This portion of the convertible debenture is accreted over its term to the full principal value using the effective interest rate method. The equity element of the convertible debenture comprises the value of the conversion option, being the difference between the face value of the convertible debt and the liability component. Upon maturity, the equity component is reclassified to reserves.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

o) Financial Instruments and Risk Management

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss ("FVTPL") - This category comprises derivatives, or financial assets acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statements of financial position at fair value with changes in fair value recognized in the statements of operations and comprehensive loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost less any provision for impairment. Significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest rate method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statements of operations and comprehensive loss.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in other comprehensive income (loss). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the statements of operations and accumulated other comprehensive income (loss).

Transaction costs associated with fair value through profit or loss (FVTPL) financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

o) Financial Instruments and Risk Management (Continued)

Financial Liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of operations and comprehensive loss.

Other financial liabilities - This category includes amounts due to related parties and accounts payables and accrued liabilities, all of which are recognized at amortized cost.

Disclosures about the inputs to financial instrument fair value measurements are made within a hierarchy that prioritizes the inputs to fair value measurement.

The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

Financial instruments are exposed to credit, liquidity and market risks. 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. Liquidity risks is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Market risk is that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of price risk: currency risk, interest rate risk and other price risk.

Liquidity risk is significant to the Company’s statement of financial position. The Company manages these risks by actively pursuing additional share capital issuances to settle its obligations in the normal course of its operating, investing and financing activities. The Company’s ability to raise share capital is indirectly related to changing metal and mineral prices and in particular, the price of gold. To mitigate this market risk, management of the Company actively pursues a diversification strategy with its property holdings.

h) Segment Reporting

The Company presents and discloses segmental information based on information that is regularly reviewed by the chief operating decision- maker (i.e. the Chairman and the Board of Directors). The Company has determined that there was only one operating segment being the sector of exploration and evaluation of mineral resources.

i) Future Accounting Pronouncements Not Yet Adopted

The Company has not applied the new and revised IFRSs that have been issued but are not yet effective. Management expects that all pronouncements will be adopted during the annual period beginning after the effective dates of the standards but they are not expected to have a significant impact on the consolidated financial statements of the Company.

4. ESTIMATES AND JUDGEMENTS

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

a) Significant Management Judgement

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

Recognition of deferred income tax assets and measurement of income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exit in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgement. To date, Management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carry-forward period.

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meets its liabilities for the ensuing year, and to fund planned and contractual exploration programs, involves significant judgement based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

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.

Provisions and contingent liabilities

Judgements 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. AVAILABLE-FOR-SALE INVESTMENTS - MOSAIC MINERALS CORP MARKETABLE SECURITIES

On December 20, 2018 the Company sold the Opawica property located in Quebec to Mosaic Minerals Corp and received 7,200,000 shares of common stock of Mosaic Minerals Corp. at a deemed price of $0.05 per share. On November 7, 2018, Stellar signed an arrangement agreement with Mosaic to distribute to Stellar shareholders 2,000,000 of the 7,200,000 Mosaic shares with each Stellar shareholder receiving 0.0312 of a Mosaic share for each Stellar share held and on February 12, 2020 Stellar distributed the 2,000,000 Mosaic shares retaining 5,200,000 Mosaic shares. Because of the substantial percentage of its Mosaic shareholding Stellar values the 5,200,000 Mosaic shares based upon the valuation of the Mosaic as a company and not on the market value of the shares.

Unaudited - (Expressed in Canadian Dollars)

6. 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 km^2 Balandougou semi-industrial exploitation permit together with all related plant and equipment, and two Guinea subsidiary companies holding contiguous exploration permits totalling approximately 150 km^2. The Company and the minority partners own 80% and 20% respectively of the Balandougou Gold Project. The transaction price is US$3,850,000 (C$5,130,000) paid in instalments, US$1,800,000 (C$2,460,000) on closing with the balance in three instalments. At April 30, 2021 the Company had received US$3,790,650 (CDN$5,037,166) of which US$59,350 (CDN$92,834) was receivable.

7. CONVERTIBLE DEBENTURES

On September 22, 2016, the Company closed convertible debentures in the amount of $150,000. The debentures bear interest at the rate of 10% per annum, payable semi-annually, by the issuance of common shares of the Company and matures 36 months from the date of issue. During the first 12 months, the debentures are convertible, at the option of the holder, into common share units at a price of $0.05 per unit; each unit comprised of one share and one-half common share purchase warrant. One full warrant allows the holder thereof to acquire one additional common share of the Company at a price of $0.10 for a 2-year period.

The convertible debentures were allocated as follows:

Liability portion of convertible debentures	$	120,000
Equity portion of convertible debentures (recorded as contributed surplus)		30,000
Total convertible debentures issued	$	150,000

Convertible Debentures as of April 30, 2021:

Balance at July 31, 2019	$	163,806
Accrued Interest		4,194
Settlement through share issuance		(28,000)
Repayment		(140,000)
Balance April 30, 2021 and July 31, 2020	$	-

During the year ended July 31, 2020, the Company made cash payments of $140,000 to settle the loan principal balance and issued 560,000 common shares to settle accrued interest of $280,000 (Note 9).

8. LOAN 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 is capitalized until June 30, 2018 and thereafter repayable in blended payments (principal and interest) over 16 months. The loan is 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 are 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.

During the period ended April 30, 2021, the Company issued 1,750,000 units at $0.06 per unit for gross proceeds of C$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.

9. SHARE CAPITAL

i) Authorized

Unlimited number of shares without par value and issued capital of 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 Stellar AfricaGold Inc.

ii) Issued During the Nine Months Ended April 30, 2020

The Company issued 300,000 common shares fairly valued at $15,000 for the purchase of the L-K properties.

The Company issued 2,500,000 common shares to settle $125,000 in fees owing.

The Company issued 560,000 common shares fairly valued at $28,000 in full settlement of the debenture interest payable.

Unaudited - (Expressed in Canadian Dollars)

9. SHARE CAPITAL (CONTINUED)

iii) Issued During the Nine Months Ended April 30, 2021

During the period ended April 30, 2021, the Company issued 2,500,000 common shares fairly valued at $125,000 to acquire the Priko and Zenoula licenses.

The Company completed a private placement financing comprised of 29,166,667 units at $0.06 per unit for gross proceeds of C$1,750,000 with each unit comprised of one common share and one share purchase warrant exercisable (a "Warrant") at $0.15 for 24 months. Finder's fees were paid to arm's length parties in respect of this private placement in the total amount of $46,267. In addition an aggregate of 1,356,999 common shares and 2,178,108 share purchase warrants (Finders' Warrants) have been issued to finders. The terms of the Finders' Warrants are the same as the Warrants. The fair value of the Broker Warrants was determined to be $60,880 calculated using the Black-Scholes Option Pricing Model with the following assumptions: expected life of warrants – 2 years; expected volatility – 110.81%; expected dividend yield – 0%; and risk-free rate – 0.26%. As at April 30, 2021, proceeds of $21,000 have not been received. Subsequent to the period ended April 30, 2021, the Company received the balance of the subscription receivable.

One Director of the Company subscribed for a total of 400,000 units of the private placement. Participation of the Director of Stellar in the private placement is considered a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The transactions are exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the securities to be distributed in the private placement nor the consideration to be received for those securities, in so far as the private placement involves the Insiders, exceeds 25% of the Company's market capitalization.

iv) Warrants

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

	April 30, 2021			July 31, 2020		
	Number of warrants		**Average exercise price**	Number of warrants		Average exercise price
Balance, beginning of the period	**-**	**$**	**-**	1,300,000	$	0.05
Granted	**33,844,775**	**$**	**0.14**	-	$	-
Expired	**-**	**$**	**-**	(1,300,000)	$	0.05
Balance, end of the period	**33,844,775**	**$**	**0.14**	-	$	-

The table below summarizes the information related to warrants as at April 30, 2021:

Expiration date	**Number**	**Exercise price**		**Average remaining contractual life (Years)**
November 27, 2022	2,500,000	$	0.07	2.57
February 26, 2023	11,391,667	$	0.15	1.83
March 19, 2023	19,953,108	$	0.15	1.88
	33,844,775	$	0.14	1.92

Unaudited - (Expressed in Canadian Dollars)

9. SHARE CAPITAL (CONTINUED)

v) Stock 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 at April 30, 2021:

	2021		July 31, 2020	
	Number of options	**Average exercise price**	Number of options	Average exercise price
Balance, beginning of the period	**5,292,000**	$ 0.05	5,042,000	$ 0.05
Granted	**4,000,000**	$ 0.07	250,000	$ 0.05
Expired/forfeited	**-**	$ -	-	$ -
Balance, end of the period	**9,292,000**	$ 0.06	5,292,000	$ 0.05
Exercisable options	**9,292,000**	$ 0.06	5,292,000	$ 0.05

The table below summarizes the information related to share options as at April 30, 2021:

Expiry Date	Number of Options Outstanding	Number of Options Vested	Number of Options Unvested	Exercise Price	Weighted Average Remaining Life
January 18, 2022	1,250,000	1,250,000	-	$ 0.05	0.72
March 1, 2022	100,000	100,000	-	$ 0.05	0.84
March 15, 2022	200,000	200,000	-	$ 0.05	0.87
November 14, 2022	3,492,000	3,492,000	-	$ 0.05	1.54
November 29, 2024	250,000	250,000	-	$ 0.05	3.59
March 22, 2026	4,000,000	4,000,000	-	$ 0.07	4.90
	9,292,000	9,292,000	-	$ 0.06	2.91

On November 29, 2019, the Company granted 250,000 options to certain directors of the Company exercisable at $0.05 for a period of five years. The fair value of the options granted was determined using the Black-Scholes option pricing model. The assumptions used to calculate the fair value of the options were based on risk free rate of 1.49%, expected volatility of 143%, expected life of 5 years and a dividend yield of 0%. The options vest immediately on grant.

On March 22, 2021, the Company granted 4,000,000 options to certain directors and consultants of the Company exercisable at $0.07 for a period of five years. The fair value of the options granted was determined using the Black-Scholes option pricing model. The assumptions used to calculate the fair value of the options were based on risk free rate of 0.99%, expected volatility of 105.59%, expected life of 5 years and a dividend yield of 0%. The options vest immediately on grant.

Unaudited - (Expressed in Canadian Dollars)

10. EARNINGS (LOSS) PER SHARE

During the period, in calculating the diluted loss per share for the nine months ended April 30, 2021, 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.

	April 30, 2021	April 30, 2020
Net income (loss) from operations for the period	**$ (1,232,853)**	$ 1,6434,92
Weighted average number of shares in circulation	**73,944,091**	63,922,117
Basic and diluted income (loss) per share	**$ (0.017)**	$ 0.025

11. EXPLORATION AND EVALUATION EXPENDITURES

	April 30, 2021	April 30, 2020
EXPLORATION EXPENDITURES		
Mill and equipment	**$ -**	$ 216,312
Geology	**-**	-
Geophysics, milling and sampling	**-**	-
Geologist and professional fees	**42,896**	105,000
General exploration and campsite expenses	**55,334**	131,983
TOTAL EXPLORATION EXPENSES	**$ 98,230**	$ 453,295
Morocco properties	**$ 42,906**	$ -
Quebec property	**1,722**	60,000
Guinea property	**53,602**	274,200
	$ 98,230	$ 334,200

Opawika Gold Property

Pursuant to a June 28, 2018 sale agreement and July 27, 2018 modification agreement the Company agreed to sell its Opawica mineral property to Mosaic Minerals Corp. for $360,000 payable by the issuance of 7,200,000 shares of Mosaic Minerals Corp. at $0.05 per share. On February 12, 2020 the Company distributed 2,000,000 of the 7,200,000 shares of Mosaic Minerals Corp. to the company’s shareholders.

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.

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 km^2 Balandougou semi-industrial exploitation permit together with all related property and equipment, and two Guinea subsidiary companies holding contiguous exploration permits totalling approximately 150 km^2. 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.

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 km^2 Balandougou semi-industrial exploitation permit together with all related plant and equipment, and two Guinea subsidiary companies holding contiguous exploration permits totalling approximately 150 km^2. The Company and the minority partners own 80% and 20% respectively of the Balandougou Gold Project. The transaction price is US$3,850,000 (C$5,130,000) paid in instalments, US$1,800,000 (C$2,460,000) on closing with the balance in three instalments.

At April 30, 2021 the Company had received US$3,790,650 (CDN$5,037,166) of which US$59,350 (CDN$92,834) was receivable (Note 6).

Birimian Geology Exploration "BGE"

The Company entered into an option to purchase the shares of Birimian Geology Exploration ("BGE"), a Cote d'Ivoire company. BGE holds two gold exploration permits (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 km^2 in Côte d'Ivoire. The acquisition closed on November 27, 2020.

The consideration for the acquisition was 2,500,000 units of Stellar fairly valued at $125,000cdn ($0.05 per share), each unit consisting of one common share and one share purchase warrant exercisable within two years at C$0.07 per share. 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. 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 km^2 in the Prikro and Koun-Fao Departments in eastern Côte d'Ivoire, approximately 240 km northeast of Abidjan. The Zenoula project is a 400km^2 licence (application pending) in the Marahoue Department in central Côte d'Ivoire, approximately 300km north of Abidjan.

11. EXPLORATION AND EVALUATION EXPENDITURES (CONTINUED)

Titchka 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.

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.

12. INCOME TAXES

The Company has not recorded deferred income tax assets based on the extent to which it is more likely than not that sufficient taxable income will not be realized during the carry-forward period to utilize these net deferred income tax assets. The Company has available non-capital losses for Canadian income tax purposes of approximately $4,030,000 which may be carried forward to reduce taxable income in future years, if not utilized, expiring in years from 2026 to 2037.

Unaudited - (Expressed in Canadian Dollars)

13. 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 period ended April 30, 2021 are unsecured, bare 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		April 30, 2021		April 30, 2020
Management fees	$	**249,628**	$	152,500
Management bonus		**-**		348,054
Consulting fees		**106,007**		20,000
Project supervision fees		**150,000**		120,000
Directors fees		**-**		75,000
Share-based compensation		**198,922**		-
Total compensation	$	**704,557**	$	715,554

Due to related parties		April 30, 2021		July 31, 2020
Due to a company controlled by the COO and Director	$	**-**	$	17,349
Due to a company controlled by a Director		**-**		10,000
Due to a Director of the Company		**-**		3,993
Reimbursement of expenses		**-**		5,250
Related party loan principal		**-**		29,559
Related party loans principal and interest	$	**126,004**	$	281,446
Total	$	**126,004**	$	347,597

As at April 30, 2021, the amount owing to related parties is without interest, unsecured and is due on demand.

14. 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 owners of the parent.

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 nine months ended April 30, 2021.

15. 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 Central Africa (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 in Côte d’Ivore are transacted primarily in US dollars and Central African (CFA) Francs. Foreign currency invoices are paid primarily in U.S. dollars.

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.

Unaudited - (Expressed in Canadian Dollars)

15. FINANCIAL INSTRUMENT RISK DISCLOSURES (CONTINUED)

Liquidity risk (Continued)

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

	April 30, 2021		July 31, 2020	
	Carrying amount	**Fair value**	Carrying amount	Fair value
	$	**$**	$	$
FINANCIAL ASSETS				
Cash and cash equivalents	**1,890,993**	**1,890,993**	315,452	315,452
Amounts receivable	**92,834**	**92,834**	1,474,440	1,474,440
Mosaic Minerals marketable securities	**198,193**	**198,193**	198,193	198,193
Sales taxes receivable	**36,929**	**36,929**	43,854	43,854
FINANCIAL LIABILITIES				
Trade and other payables	**256,433**	**256,433**	309,353	309,353
Payable to related parties	**126,004**	**126,004**	347,895	347,895
Loans payable	**-**	**-**	188,360	188,360
Part XII.6 taxes	**55,950**	**55,950**	55,950	55,950

16. 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. As at April 30, 2021, $55,950 is accrued for Part XII.6 taxes.

b) During the year ended July 31, 2017 the Company issued flow-though 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, 2019.

   Following an audit which concluded after the quarter end, 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. It is not possible to determine the negative tax consequences for the investors or the related amount for which the Company may be liable, if any.

17. SEGMENTED INFORMATION

The Company has one operating segment, the exploration and evaluation of mineral properties. The Company's principal operations are carried out in Canada and Western Africa.