



STELLAR AFRICAGOLD UPDATE ON BALANDOUGOU BULK SAMPLE PROGRAM

Montreal, June 28, 2017 – John Cumming, President and Chief Executive Officer of **Stellar AfricaGold Inc.**, (TSX-V: SPX) ("Stellar" or the "Company") is pleased to announce that the advance work for Stellar's bulk sample program remain on schedule and within the planned budgets.

UPDATE

The Company completed digging five new intermediate trenches across the sheared mineralized B3 structure and cleaned up all old trenches across the bulk sample area to clearly outline the high-grade structure to be bulk tested. Then the surface stripping of shallow overburden (less than one metre) was completed. The extraction crew traced a high-grade vein system extracting gold mineralization from a trench approximately 5 metres wide and 5 meters deep. The extraction of approximately 15,000 tonnes of mill feed is now complete and the stockpile is ready for the arrival of the mill.

The site preparation and extraction of the 15,000 tons of material was done with the help of a D8 Caterpillar bulldozer, a Komatsu 290 excavator and 2 dump trucks. The preparation and extraction cost was approximately US\$3.50 per tonne which is well under the budgeted estimate of US\$ 4.50 per tonnes.

The extraction crew also completed two reservoirs to hold an estimated 1,500,000 litres of water for the milling operation. The reservoirs will be filled during the rainy season from a flowing creek near the mill site and the water will be recovered and reused.

The pilot plant was shipped on May 31st from the Port of Qingdao, China inside three 40 foot containers. The expected arrival in Conakry is mid-July.

As announced January 4, 2017, in preparation for the 15,000-ton bulk sample Stellar AfricaGold Inc. retained the services of SGS Metallurgy and Mineralogy Division of SGS South Africa to perform a 4 stages gravity recovery test work on a 72-kilogram representative sample collected from the mineralized sections of trenches F, G and H across the B3 gold structure of the Balandougou Project in Guinea. This provided primary laboratory confirmation of the gold recovery from the B3 oxide mineralization by gravity.

For the purpose of the test, a 50 kg sub-sample grading 3.5gAu/T was subjected to a four stage gravity concentration process using four consecutive milling sizes. The overall gold recovery from these four consecutive stages was 66.2%, which was considered a very good result for a gravity only process.

ABOUT THE BULK SAMPLE PROGRAM

As previously announced (*news release March 1, 2017*), the bulk sample program will process 15,000 tons of surface oxide mineralization from the B3 Zone of Stellar's 100% owned 52 km² Balandougou Project in Guinea where a 72 kg composite sample used for metallurgical testing returned an average grade of **3.5 g/t Au**. The primary objective of the program is to investigate the suitability of the B3 oxide mineralization to gold extraction and recovery using gravity separation as the sole or primary method of gold recovery. Gravity

separation is the most environmentally friendly gold extraction method because no chemicals are used in the gold extraction process. It is also the most economical solution for processing surface oxide deposits.

ABOUT STELLAR AFRICAGOLD INC.

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

The Company is currently developing the promising gold potential of the Balandougou project in Guinea, which is at an advanced exploration stage, as well as of the Namarana project in Mali.

In Quebec, the Company owns 100% of the Opawica Project in the Chibougamau mining camp.

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

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On Behalf of the Board

**John Cumming, LLM,
President & CEO**

Forward Looking Statement

This news release contains forward-looking statements. All statements, other than of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding expected, estimated or planned gold and niobium production, cash costs, margin expansion, capital expenditures and exploration expenditures and statements regarding the estimation of mineral resources, exploration results, potential mineralization, potential mineral resources and mineral reserves) are forward-looking statements. Forward-looking statements are generally identifiable by use of the words "may", "will", "should", "continue", "expect", "anticipate", "outlook", "guidance", "estimate", "believe", "intend", "plan" or "project" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's ability to control or predict, that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, without limitation: changes in the global prices for gold, niobium, copper, silver or certain other commodities (such as diesel, aluminum and electricity); changes in U.S. dollar and other currency exchange rates, interest rates or gold lease rates; risks arising from holding derivative instruments; the level of liquidity and capital resources; access to capital markets, financing and interest rates; mining tax regimes; ability to successfully integrate acquired assets; legislative, political or economic developments in the jurisdictions in which the Company carries on business; operating or technical difficulties in connection with mining or development activities; laws and regulations governing the protection of the environment; employee relations; availability and increasing costs associated with mining inputs and labour; the speculative nature of exploration and development; contests over title to properties, particularly title to undeveloped properties; and the risks involved in the exploration, development and mining business. Risks and unknowns inherent in all projects include the inaccuracy of estimated reserves and resources, metallurgical recoveries, capital and operating costs of

such projects, and the future prices for the relevant minerals. Development projects have no operating history upon which to base estimates of future cash flows. The capital expenditures and time required to develop new mines or other projects are considerable, and changes in costs or construction schedules can affect project economics. Actual costs and economic returns may differ materially from estimates and the Company could fail to obtain the governmental approvals necessary for the operation of a project; in either case, the project may not proceed, either on its original timing or at all.

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