



## **STELLAR ANNOUNCES CLOSING OF THE FIRST TRANCHE OF CONVERTIBLE DEBENTURE FINANCING**

**Montreal, September 22, 2016 - Stellar AfricaGold Inc. (TSX-V: SPX)** ("Stellar" or the "Company") is pleased to announce the closing of the first tranche of a convertible debenture in the amount of \$ 150,000 of a total of \$ 1,000,000. The Debenture will bear interest at an annual rate of 10% and will have a maturity date of 36 months from the date of issue.

The debentures will mature on the date that is three (3) years from the closing date and accrue interest of 10% per annum, payable semi-annually on a date that is every six (6) months from the closing date until the maturity date, subject to prior repayment or conversion of such debentures, in accordance with the terms and conditions of the debentures. The Company may elect, at its sole discretion, to issue common shares in the capital of the Company in payment of the principal amount of the debentures on maturity date. The interest due semi-annually, will be paid by issuing common shares of the Company at a price based on the average weighted trading price of the common shares over the course of the previous twenty (20) business days preceding the date the payment is due;

During the first 12 months, the debentures are convertible, at any time prior to the maturity date, at the option of the holder, in whole or in part, into common shares at a price of \$ 0.05 per common 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. Between the 13th month and the 36th month from the date of the closing of the private placement, the debentures are convertible, at any time prior to the maturity date, at the option of the holder, in whole or in part, into common shares at a price of \$ 0.10 per common 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 \$ 0.15, for a 2 year period. Company shall be entitled to redeem the debentures, at any time prior to the maturity date, in whole or in part, for the principal amount and any outstanding interest. The Company shall also have the option to convert the debentures at any time, in whole or in part, if the closing price of the common shares reaches \$ 0.10 or more for at least ten (10) consecutive trading days.

The convertible debenture is subject to regulatory approval. The debenture, warrants, underlying common shares issued will be subject to a mandatory 4 months and 1 day holding period.

### **ABOUT STELLAR AFRICAGOLD INC.**

Stellar AfricaGold Inc. is a Canadian mine 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 the Namarana project in Mali

In Quebec, the Company owns 100% of the Opawica, Eastmain Belt North and South and Terrax Option, all in the Chibougamau and James Bay area.

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

**FOR FURTHER INFORMATION PLEASE CONTACT:**

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Note that Stellar Website is temporarily closed for update purpose.