



Form 51-102F1
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the years ended July 31, 2018 and 2017

1. BACKGROUND

This management's discussion and analysis of the financial condition and results of operations ("MD&A") of Stellar AfricaGold Inc. (the "Company" or "Stellar"), is dated November 28, 2018 and provides an analysis of the Company's financial results and progress which will enable the reader to evaluate important variations in our financial situation for the years ended July 31, 2018 and 2017. This MD&A should be read together with the Company's annual audited consolidated financial statements for the years ended July 31, 2018 and 2017 and related notes thereto, which are prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC"). All amounts are expressed in Canadian dollars unless otherwise noted.

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical fact, that address exploration drilling, exploitation activities and events or developments that the Company expects, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration results, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. The information contained herein is subject to change and the Company does not assume the obligation to revise or update these forward-looking statements, except as may be required under applicable securities laws.

2. OVERVIEW AND DESCRIPTION OF BUSINESS

Stellar was incorporated under the *Company Act* of British Columbia. In April 2006, Stellar was continued under the *Canada Business Corporations Act*. Stellar and its subsidiaries are junior mining exploration companies are junior mineral exploration companies engaged in the business of acquiring, exploring and evaluating natural resource properties in Guinea, Mali and Quebec and either joint venturing or developing these properties further or disposing of them when the evaluation has been completed.

The exploration and development of mineral deposits involves significant financial risks. The Company's success will depend on several factors, including, risks related to the exploration and extraction issues, regarding environmental and other regulations. As at the date of this MD&A, the Company has not earned any production revenue and all of its properties are at an exploration stage. The Company's primary assets are its 80% owned (with option to acquire the balance) gold property Guinea, Africa (the "Balandougou Gold Project"), its and its gold exploration properties in Quebec, Canada.

3. HIGHLIGHTS

General Corporate

- On August 22, 2017, J. François Lalonde resigned as was appointed Chief Financial Officer. This was in addition to his duties as Vice-President Corporate Development and Corporate Secretary.
- On November 14, 2017, the Company granted 3,492,000 incentive stock options exercisable at a price of \$0.05 per share until November 14, 2022. On November 21, 2014 500,000 incentive stock options were voluntarily surrendered. On November 22, 2017 an additional 50,000 incentive stock options due to expire on September 9, 2018 lapsed unexercised.

Financing Activities

- On August 22, 2017, one debenture holder converted \$10,000 of debt and 208,067 shares were issued to settle of principal and accrued interest.
- On November 10, 2017 the Company's Guinea subsidiary MGWA Goldenfrank SARL secured a USD\$400,000 loan to finance the completion of the installation of the gravity mill at the Balandougou gold project, Guinea, and for start-up working capital for the planned 15,000 tonnes bulk sample program. The unsecured US\$400,000 loan bears interest at the rate of 10% per annum 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.

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- On February 28, 2018 the Company issued 140,000 common shares at \$ 0.05 per share to debenture holders to settle \$ 7,000 of interest due on an outstanding balance of \$140,000 of convertible debentures.
- On May 18, 2019 the Company closed a private placement and issued 6,200,000 units at a price of \$0.05 per unit for gross proceeds of C\$310,000. Each unit is comprised of one common share and one-half share purchase warrant with each full warrant exercisable at \$0.10 per share until May 17, 2019.

Balandougou Gold Project

- During fiscal Q1 the Company reported that the 150 tonnes per day gravity pilot plant had arrived in Guinea. The plant was subsequently delivered to the site.
- During fiscal Q2 construction and assembly of the 150 tonnes per day gravity pilot plant at Balandougou continued.
- During fiscal Q3 commissioning of the 150 tonnes per day gravity pilot plant at Balandougou commenced.
- During fiscal Q4 the Company began full-time operations at the Balandougou gold plant. After evaluating operational productivity and economics the Company ceased operations temporarily to make recommended and necessary structural changes to mill equipment.
- During Q4 the Company also organized a new subsidiary in Guinea, Stellar Guinea SARL, which applied for the 92 Km² Balandougou II exploration permit which will replace and supersede the previous and expiring 56 Km² Balandougou permit. Balandougou II incorporates the most highly-prospective areas of the old Balandougou permit and additional high priority, gold prospective exploration targets.

Opawica Gold Project

- During Q4 the Company undertook a non-core asset review and decided to seek opportunities for the sale or joint venture of the Company's 100% owned Opawica Project.
- On June 28, 2018 the Company agreed to sell the Opawica gold project to Mosaic Minerals Inc. ("Mosaic") for \$360,000 to be paid by the issuance of 7,200,000 shares of Mosaic issued at a deemed price of \$0.05 per share, plus a 2% Net Smelter Return royalty ("NSR") one-half of which may be purchased by Mosaic for \$1,000,000.

4. OUTLOOK

The Company's principal asset is the Balandougou Gold Project in Guinea. During the period August 1, 2017 to July 31, 2018 the Company completed construction of a 150 tonne per day gravity plant and began a 15,000 tonne bulk sample program to determine if the gold mineralization at Zone B3 of Balandougou could be extracted using gravity methods only.

Full-time operations at Balandougou began in fiscal Q4 2018, were temporarily suspended in July 2018 for an operational review and additional upgrades aimed at improving productivity and increasing gold recoveries.

Subsequent to July 31, 2018 mill operations resumed but due to the ultra-fine gold particle size the upgrades did not significantly improve gold recovery and mill operations were again suspended while the Company evaluates the feasibility of adding a cyanide circuit to the mill.

For the twelve-month period ended July 31, 2018, the Company recorded a net loss of \$1,327,135 compared to a net loss of \$ 907,693 as at July 31, 2017. Besides the usual requirements of working capital, the Company must obtain funds to further upgrade the Balandougou mill, conduct exploration programs and pay its general and administrative costs for the next twelve months. Management has obtained financing from time to time through the issuance of equity securities, exercise of outstanding warrants for common shares and options to purchase shares, and loans to continue operations. However, notwithstanding that management has been successful in the past, there is no guarantee of future financing success. If management is unable to secure ongoing funding, the Company may be unable to continue operations and the proceeds realized from the sale of the Company's assets may be less than the amounts reflected in these financial statements.

5. RESOURCE PROPERTIES

(Refer also to Note 12 *Exploration and Evaluation Assets* in the audited consolidated financial statements.)

The following properties are owned by the Company

Balandougou Gold Project

Goldenfrank Resources Inc., a wholly-owned subsidiary of the Company, holds an 80% interest and an option to acquire the remaining 20% in one exploitation license for gold and associated minerals totalling 7.2 km² in the Republic of Guinea referred to as the Balandougou Gold Project, the principal project of the Company.

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The Company also holds an 80% interest and an option to acquire the remaining 20% of a second Guinean subsidiary, Stellar guinea SARL, which holds the Balandougou II exploration license (pending final issuance) for gold and associated minerals totalling 92 km². Balandougou II surrounds the 7.2 km² exploitation license.

The property is in Upper Guinea, some 100 km north of the town of Siguiiri, near the Malian border. Within the Balandougou Gold Project area the Solotomo gold discovery, which includes the Zones B3 and B1, is located in the southern portion of the property. The B3 shear zone was discovered by the Company in 2010 during a regional and detailed soil geochemistry survey. A strong NW-SE trending gold anomaly approximately 1,150 metres long by 350 metres wide was outlined. The geochemical anomaly was subsequently investigated with 76 Reverse Circulation drill holes totalling 5050 metres at a 50m grid interval along an 800 metres strike length, and then by 16 diamond drill holes totalling 2,350 metres. Using an excavator, five trenches at 100 metre intervals to a depth of more than 3 metres were dug across the B3 zone, and an extensive structural analysis was undertaken by AECOM, an independent consultant, to better understand the controls of the gold mineralization.

During fiscal 2018, the Company completed construction and commissioning of a 150 tonne per day gravity mill to process a 15,000 tonnes bulk sample to determine the amenability of the Zone B3 oxide mineralization to gold extraction using gravity separation as the sole or primary method of gold recovery.

Full-time operations at the Balandougou mill began in Q4 of fiscal 2018, were temporarily suspended in July 2018 for an operational review and additional upgrades aimed at improving productivity and increasing gold recoveries.

Subsequent to July 31, 2018 mill operations resumed but due to the ultra-fine gold particle size the upgrades did not significantly improve gold recovery and mill operations were again suspended while the Company evaluates the feasibility of adding a cyanide circuit to the mill. Prior laboratory tests on the Zone 3B mineralization indicated that a cyanide circuit delivered a 91% gold recovery.

At this time, the Company is evaluating the feasibility of adding a cyanide circuit to the Balandougou gold mill.

Project Namarana, Mali

The Company's three-year exploration permit for the 132 km² Namarana permit and subsequent two-year renewal expired May 30th, 2017. The Company has not received any Notice of Permit Cancellation from the Mali Ministry of Mine but does not intend to pursue renewal of this permit. During the twelve-month period ended July 31, 2018, the Company did not incur any exploration costs.

Opawica Property, Québec

The Opawica Property, including the Philbert 1 claims, located in the Gamache and Rohault townships at 55 kilometers south of Chibougamau city and 10 kilometers south-west of the Joe Mann mine, consists of 3 blocks totalling 33 claims totalling 1,847 acres.

On October 5, 2016, the Company completed a ground reconnaissance program following-up on a previous Airborne Magnetic and Electromagnetic survey that covered all the Company's 100% owned Opawica Project. This program was designed to visit and find outcropping areas where electromagnetic and magnetic anomalies were outlined in the previous survey. A Beep Mat, Model BM4+ was used to find mineralized boulders as well as *in situ* shallow mineralized structures susceptible of representing the source of the anomalies. A total of 44 channel and grab samples were collected in the course of the campaign. Some positive results were obtained in channel samples across historical Philbert 1 showing. Using a rock saw, six channels were cut across a unit of sheared Gabbro-rich quartz veins and veinlets containing tourmaline and 1 to 2 % sulphide.

During Q4 the Company undertook a non-core asset review and decided to seek opportunities for the sale or joint venture of the Company's 100% owned Opawica Project. On June 28, 2018 the Company agreed to sell the Opawica gold project to Mosaic Minerals Inc. ("Mosaic") for \$360,000 to be paid by the issuance of 7,200,000 shares of Mosaic issued at a deemed price of \$0.05 per share, plus a 2% Net Smelter Return royalty ("NSR") one-half of which may be purchased by Mosaic for \$1,000,000. This transaction is subject to shareholder approval at the Stellar AGM scheduled for December 11, 2018 and, subject to the approval being received, the transaction will close immediately thereafter.

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Eastmain North and Eastmain South Properties, Québec

The Eastmain North property located in the Eeyou Istchee James Bay territory, Québec consists of 16 claims totalling approximately 840 acres. The Eastmain South property consists of 37 claims covering an area of approximately 1,950 acres. On March 14, 2017, the Company sold its Eastmain claims to Amex Exploration for 350,000 common shares and 1.5 % net smelter return royalty of which 50 % may be bought back for \$750,000.

Gregory Isenor, P. Geo., an independent geological consultant, and a Qualified Person as defined under NI 43-101, has reviewed and approved the technical information presented herein.

6. SELECTED ANNUAL INFORMATION

The following table sets out selected annual financial information from the Company's annual audited consolidated financial statements for the years ended:

	July 31, 2017	July 31, 2017	July 31, 2016
	\$	\$	\$
From Consolidated Statements of Financial Position			
Total assets	449,632	310,777	245,789
Total liabilities	1,650,907	665,070	836,673
Working capital (loss)	825,465	(354,293)	(612,525)
From Consolidated Statements of Comprehensive Income			
Operating loss	(1,435,898)	(1,127,505)	(331,968)
Net loss for the year	(1,327,135)	(907,693)	(331,968)
Total comprehensive loss for the year	(1,327,135)	(930,443)	(322,329)
Basic and diluted loss per share	(0.023)	(0.021)	(0.013)

The Company's total assets increased in 2018 compared to 2017 due to the expenditure of capital costs on mineral properties. The Company's total liabilities increased and working capital increased due to debt received during the year.

The Company's operating loss, net loss and comprehensive loss all increased in 2018 compared to 2017 due to increased exploration and development activity.

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7. RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED JULY 31, 2018

The following information has been extracted from the Company's consolidated financial statements for the years ended July 31, 2018 and 2017.

The Company had a net loss of \$332,168 for the three months ended July 31, 2018 compared to a net loss of \$196,795 for the same period in the prior year.

	FOR THE QUARTER ENDED	
	JULY 31,	
	2018	2017
Expenses		
Accretion on convertible debentures (note 8)	\$ 9,551	\$ 7,946
Exploration and evaluation expenditures (Note 12)	29,379	528,867
Employee benefits expense	-	15,000
Amortization	71	158
Management fee	62,500	-
Project supervision	31,785	-
Consultant fee	(17,192)	(3,368)
Professional fees	22,814	(2,755)
Interest on debt (note 8)	56,536	2,926
Other operational expenses	51,700	15,798
Share-based payments	130,000	13,461
Travel	26,875	-
Registration and shareholders information	6,309	(7,697)
Foreign exchange loss (gain)	40,405	2,098
Operating Loss	(450,733)	(572,434)
Gain (loss) on disposal of marketable securities held for resale (Note 5)	(22,750)	-
Gain on disposal of mineral properties (Note 12)	-	18,376
Gain (loss) on settlement of debt	141,315	594
Reversal of provision (Note 7)	-	140,000
Loss Before Income Taxes	(332,168)	(413,464)
Deferred income tax recovery	-	(13,395)
Net Loss For The Quarter	(332,168)	(400,069)
Other Comprehensive Loss		
Change in fair value of available-for-sale investments	-	(54,250)
Other comprehensive loss for the quarter, net of tax	-	-
Total Comprehensive Loss For The Quarter	\$ (332,168)	\$ (455,507)

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8. RESULTS OF OPERATIONS FOR THE YEAR ENDED JULY 31, 2018

The following information has been extracted from the Company's consolidated financial statements for the years ended July 31, 2018 and 2017.

The Company had a net loss of \$1,327,135 for the year ended July 31, 2018 compared to a net loss of \$907,633 for the same period in the prior year. The increase in net loss was primarily due to increased exploration activity, changes to management remuneration and accounting for the grant of stock options to officers and directors.

	FOR THE YEARS ENDED	
	JULY 31,	
	2018	2017
Expenses		
Accretion on convertible debentures (note 8)	\$ 9,551	7,946
Exploration and evaluation expenditures (Note 12)	593,745	\$ 734,769
Employee benefits expense	-	60,000
Management fees	250,000	-
Project supervision	121,785	-
Amortization	287	563
Consultant fee	-	85,221
Professional fees	33,743	32,784
Interest on debt (note 8)	91,953	12,863
Other operational expenses	87,011	107,603
Share-based payments	130,000	68,000
Travel	65,906	-
Registration and shareholders information	21,203	15,606
Foreign exchange loss (gain)	30,714	2,150
Operating Loss	(1,435,898)	(1,127,505)
Gain (loss) on disposal of marketable securities held for resale (Note 5)	(32,552)	-
Gain on disposal of investments (Note 12)	-	64,750
Gain on settlement of debt	141,315	1,667
Reversal of provision (Note 7)	-	140,000
Loss Before Income Taxes	(1,327,135)	(921,088)
Deferred income tax recovery	-	13,395
Net Loss For The Year	-	(907,693)
Other Comprehensive Loss		
Change in fair value of available-for-sale investments	-	(22,750)
Other comprehensive loss for the year, net of tax	-	(22,750)
Total Comprehensive Loss For The Year	\$ (1,327,135)	\$ (930,443)
Basic and Diluted Loss per Share (Note 10)	\$ (0.023)	(0.021)
Weighted average number of shares outstanding	58,910,278	42,489,490

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9. SUMMARY OF QUARTERLY RESULTS

The following table presents selected financial information for the quarters ended:

	July 31 2018	Apr 30 2018	Jan 31 2018	Oct 31 2017	July 31 2017	April 30 2017	Jan. 31 2017	Oct. 30 2016
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss	(332,168)	(287,878)	(454,583)	(252,506)	(411,738)	(148,474)	(200,176)	(147,305)
Basic and diluted loss per share	(0.006)	(0.005)	(0.008)	(0.006)	(0.009)	(0.003)	(0.005)	(0.004)

The increased loss in the quarter ending July 31, 2018 is due to increased exploration and development activity on the Company's gold project in Guinea.

10. LIQUIDITY AND CAPITAL RESOURCES

	July 31, 2018 \$	July 31, 2017 \$
Working capital (deficit)	(825,465)	(354,294)
Deficit	(24,151,292)	(22,824,157)

The Company's working capital deficiency decreased in 2018 in comparison to 2017 due to increased debt financing during 2018. Current assets decreased due to spending cash on exploration and evaluation assets. Current liabilities increased due to increased debt financing.

On August 22, 2017, one debenture holder converted \$10,000 of debt and 208,067 shares were issued to settle of principal and accrued interest.

On November 10, 2017 the Company's Guinea subsidiary MGWA Goldenfrank SARL secured a USD\$400,000 loan to finance the completion of the installation of the gravity mill at the Balandougou gold project, Guinea, and for start-up working capital for the planned 15,000 tonnes bulk sample program. The unsecured US\$400,000 loan bears interest at the rate of 10% per annum 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.

On February 28, 2018 the Company issued 140,000 common shares at \$ 0.05 per share to debenture holders to settle \$ 7,000 of interest due on an outstanding balance of \$140,000 of convertible debentures.

On May 18, 2019 the Company closed a private placement and issued 6,200,000 units at a price of \$0.05 per unit for gross proceeds of C\$310,000. Each unit is comprised of one common share and one-half share purchase warrant with each full warrant exercisable at \$0.10 per share until May 17, 2019.

Historically the Company has financed its acquisition and exploration of mineral properties and operating costs with proceeds from equity subscriptions and the exercise of share purchase options and warrants. The Company is dependent on receiving additional funding through the issuance of equity securities in order to fund further upgrades to the Balandougou mill, future exploration programs and to meet its ongoing general and administrative requirements and while management has been successful in obtaining funding in the past, there can be no assurance that it will be able to do so in the future. The reader should refer to the "Going Concern" disclosure in the Risks and Uncertainties section of this MD&A.

Subsequent to the year end the Company's Guinea subsidiary secured a USD\$400,000 loan to finance the completion of the installation of the gravity mill at the Balandougou gold project, guinea, and for start-up working capital for the planned 15,000 tonnes bulk sample program. See the Subsequent Events section of the MD&A

11. 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.

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Trade and other payables includes \$819,550 due to these related parties (2017 - \$433,821). \$519,398 (2017- \$Nil) of this balance is unsecured and bears interest at 12%. During the year ended July 31, 2018, \$40,502 (2017 - \$Nil) in interest was accrued on these amounts. The remaining balance is unsecured, bears no interest, and is due on demand.

As at July 31, 2018, convertible debentures include \$10,000 (2017 - \$10,000) due to a related party.

Transactions with key management personnel

Key management personnel of the Company are members of the Board of Directors and the management. The members of key management personnel remuneration includes the following expenses:

	Year ended July 31	
	2018	2017
	\$	\$
Short-term key management benefits:		
Professional fees	371,785	142,915
Employee benefits expense	-	60,000
Total short-term benefits	371,785	202,915
Share-based payments	99,360	57,000
Interest	40,502	-
Total remuneration	511,647	259,915

Payments for professional fees and employee benefit expense are made pursuant to executive services agreements. The Company recorded \$250,000 for management fees to Stellar's President and Chief Executive Officer John Cumming, and \$121,785 of project supervision fees to 2429-7327 QC Inc., a company beneficially owned by Stellar's VP Exploration and Chief Operating Officer Maurice Giroux

During the year ended July 31, 2018, the Company wrote off \$141,315 (2017 - \$Nil) of accrued management fees no longer expected to be paid to key management personnel.

During the year ended July 31, 2018, officers and directors participated in private placements, purchasing 800,000 common shares of the Company for gross proceeds of \$40,000.

Other related party transactions

There were no other related party transactions except for the grants of stock options as disclosed in this MD&A.

12. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, short-term investments, related party receivable and accounts payable and accrued liabilities. The recorded values of the Company's financial instruments approximate their current fair values because of their nature and respective maturity dates or durations.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

The Company has no significant credit risk arising from operations. The Company is not exposed to major credit risks attributable to customers and does not engage in any sales activities. The Company's credit risk is primarily attributable to cash and the amount receivable from a related party. The Company holds its cash with a Canadian chartered bank and the risk of default is considered to be remote. Management believes the risk of loss from the related party receivable is limited based on historical experience.

Liquidity risk is the risk that the Company will be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure it will have sufficient liquidity to meet liabilities when due. The Company's accounts payable to trade creditors are due within one year. The Company needs to raise financing to settle accounts payable and is relying on vendor credit until financing has been arranged.

Interest rate risk is the risk that the value of the Company's assets and liabilities can change due to a change in interest rates. The Company considers interest rate risk related to cash and cash equivalents to be low because of their short-term nature.

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 and Guinean Francs, and the Company is thus exposed to risk of major changes in these currencies relative to the Canadian dollar.

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The Company is exposed to price risk with respect to commodity prices. The Company monitors commodity prices to determine the appropriate course of action to be taken by the Company.

The Company's capital expenditures for its Guinea project are in US dollars and the Company's exploration expenditures in Guinea are transacted primarily in Guinean francs and paid primarily in U.S. dollars.

13. CONTRACTUAL OBLIGATIONS

The Company has no continuing contractual obligations.

14. OFF-BALANCE SHEET ARRANGEMENTS

At July 31, 2018 the Company had no off-balance sheet arrangements.

15. CHANGES IN ACCOUNTING POLICIES

Recently issued accounting pronouncements

International Financial Reporting Standard 9, Financial Instruments introduces new requirements for the classification and measurement of financial instruments. Management is currently evaluating the impact of this standard on its consolidated financial statements.

In May 2011, the IASB issued the following standards, effective for annual periods beginning on or after January 1, 2013 with early adoption permitted, which have not yet been adopted by the Company. The Company has begun to assess the impact of the new and amended standards and does not expect the adoption of any of the new requirements to have a significant impact on its financial statements.

International Financial Reporting Standard 15, Revenue from Contracts with Customers ("IFRS 15")

On May 28, 2014, the IASB issued IFRS 15. "Revenue from Contracts with Customers". The new standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five step analysis to transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced which may affect the amount and/or timing of revenue recognized. The new standards is effective for fiscal years beginning on or after January 1, 2018 and is available for early adoption.

The Company is currently evaluating the impact of IFRS 15 on its financial statements and expects to apply the standard in accordance with its future mandatory effective date.

International Financial Reporting Standard 16, Leases ("IFRS 16")

IFRS 16 replaces the previous leases standard, IAS 17 Leases, and interpretations. IFRS 16 sets out the principles for the recognition, measurements, presentation, and disclosure of leases both for parties to a contract, lessee and lessor. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. A company can choose to apply IFRS 16 before that date but only if it also applies IFRS 15 Revenue from Contracts with Customers. The Company is currently evaluating the impact that these standards will have on its financial statements.

16. OUTSTANDING SHARE DATA

Capital transactions during the year.

On August 22, 2017, one debenture holder converted \$10,000 of debt and the Company issued 208,067 shares to settle of principal and accrued interest.

On November 10, 2017 the Company's Guinea subsidiary MGWA Goldenfrank SARL secured a USD\$400,000 loan to finance the completion of the installation of the gravity mill at the Balandougou gold project, Guinea, and for start-up working capital for the planned 15,000 tonnes bulk sample program. The unsecured US\$400,000 loan bears interest at the rate of 10% per annum 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.

On February 28, 2018 the Company issued 140,000 common shares at \$ 0.05 per share to debenture holders to settle \$7,000 of interest due on an outstanding balance of \$140,000 of convertible debentures.

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On May 18, 2019 the Company closed a private placement and issued 6,200,000 units at a price of \$0.05 per unit for gross proceeds of C\$310,000. Each unit is comprised of one common share and one-half share purchase warrant with each full warrant exercisable at \$0.10 per share until May 17, 2019.

As of the July 31, 2018, the Company had authorized capital of an unlimited number of common shares without par value and an issued capital of 63,922,117 common shares.

Issued capital

As of the date of this report, the Company had authorized capital of an unlimited number of common shares without par value and an issued capital of 63,922,117 common shares.

Warrants outstanding as at July 31, 2018:

Exercise Price	Number of Warrants	Expiry Date
\$0.10	3,100,000	May 17, 2019
\$0.10	100,000	August 22, 2019
\$0.05	1,000,000	November 10, 2019
\$0.05	7,500,000	May 11, 2019
Total	11,700,000	

On August 22, 2017 Company issued 100,000 warrants upon the conversion of convertible debenture debt. The warrants are exercisable at \$0.10 until August 22, 2019.

On November 10, 2017 Company also granted 1,000,000 share purchase warrants as a loan bonus. These warrants are exercisable at \$0.05 until November 10, 2019.

On May 17, 2018 the Company granted 3,100,000 share purchase warrants exercisable at \$0.10 per warrant until May 17, 2019 pursuant to a private placement.

During the year ended July 31, 2018, 17,010,000 warrants expired unexercised.

Subsequent to the end of the period (August 16, 2018) 7,900,000 warrants expired unexercised. These warrants had lapsed, unexercised as of July 31, 2018.

Convertible debt outstanding as at July 31, 2018:

Amount of Debt	Number of Units Issuable if Converted at \$0.05 up to Sept 22 2017	Number of Units Issuable if Converted at \$0.10 between Sept 23 2017 and Sept 22 2019
\$140,000	2,800,000	1,400,000
Total	2,800,000	1,400,000

On August 22, 2017 \$10,000 of debt was converted and 200,000 units were issued at \$0.05 per unit.

Stock options outstanding as at July 31, 2018:

Exercise Price	Number of Shares	Expiry Date
\$0.05	1,550,000	January 18, 2022
\$0.05	50,000	September 17, 2018
\$0.05	3,492,000	November 14, 2022
Total	5,092,000	

17. RISK AND UNCERTAINTIES

The Company is in the business of acquiring and exploring mineral properties, a business with numerous inherent risks and uncertainties common to other junior mineral exploration companies. Management has identified the following potentially significant inherent risks and uncertainties specific to its operations and plans in the coming years.

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Funding Requirements

The Company and its mineral exploration programs are at an early stage and the Company is not profitable and has no source of revenues. The Company relies upon the placement of equity and the exercise of stock options for its financing. Whilst it has been successful at raising equity in the past, there can be no assurance that it will be able to do so in the future.

Exploration and Development

There can be no assurance that the activities of the Company will result in the discovery of a mineral deposit or that any such discovery will be of sufficient size and grade to warrant production. Each of the mineral claims and exploration permits which the Company holds or has a right to acquire an interest in is in the exploration stage only and without a known body of commercial ore. After discovery of mineralization, significant stages of exploration and assessment are required before economic viability can be determined and development is dependent upon success at every stage. Very few precious or base metal properties that are explored are ultimately developed into production.

Exploration Risks

Mineral resource exploration activities involve risks which even a combination of experience, knowledge and prudence may not be able to overcome. The activities in which the Company is directly or indirectly involved will be subject to the hazards normally incidental to exploration activities which could result in injury and damage to life and property, possible adverse environmental impacts and possible legal liability for some or all of such injury, damage or impact. The Company could be exposed to significant defence costs and ultimate financial liability.

Operational Risks

The Company has begun milling operations in Guinea. Mineral resource exploitation activities involve risks which even a combination of experience, knowledge and prudence may not be able to overcome. The activities in which the Company is directly or indirectly involved will be subject to the hazards normally incidental to mining and milling activities which could result in injury and damage to life and property, possible adverse environmental impacts and possible legal liability for some or all of such injury, damage or impact. The Company could be exposed to significant legal defence costs and ultimate financial liability. Additionally the economics of mining and milling operations carry significant risk and there is no certainty that any such operations will become economically viable.

Reliance on Personnel

The Company is highly dependent on its key executive and operating officers, the loss of any of which could have an adverse effect on the Company. Recent increases in resource exploration activity worldwide have resulted in increased demand for and a resulting shortage of experienced technical field personnel and in increased costs of field personnel and related goods and services. The inability of the Company to secure such personnel when required or at affordable prices could have an adverse effect on the Company's performance.

Title Risks

The Company's exploration properties are in Guinea. Guinea is generally considered to be increasing politically stable insofar as the laws governing mining tenure and mining activities are concerned and recent democratic elections resulted in a new reformist government offering improved transparency and promoting reduced corruption. Nevertheless, the possibility of political instability, changes to mining regulations or local corruption could result in the impairment or loss of mining title or impairment of the value of interests held. The Company exercises usual due diligence with respect to determining title to properties in which it has a material interest. However, the Company's property interests may be subject to prior unregistered agreements, or transfers or land claims by local personas and title may be affected by undetected defects. There is no guarantee that property titles will not be challenged or impugned.

Foreign Currency Exchange Rate Risk

Certain of the Company's primary exploration permits are in the Republic of Guinea. The currency of commerce in Guinea is the Guinean franc and the United States dollar. Significant fluctuations in any of the Guinean franc or the United States dollar against the Canadian dollar could have a material effect on the Corporation's financial results, which are denominated and reported in Canadian dollars.

Political Instability

The Company's property is in Guinea, a country considered to be increasing politically stable with recent democratic elections resulting in a new reformist government offering improved transparency and promoting reduced corruption.

18. SUBSEQUENT EVENTS

Subsequent to July 31, 2018 The Company agreed to sell its rights, title and interest in the Opawica property located in Quebec to Mosaic Minerals Corp in exchange for 7,200,000 shares of common stock of Mosaic Minerals Corp at a deemed price of \$0.05 per share. The Company intends to distribute a portion of the Mosaic shares received to the Company shareholders pursuant to a Plan of Arrangement. The acquisition is subject to Mosaic completing a minimum financing of \$200,000 by selling 4,000,000 shares of common stock of Mosaic

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at \$0.05 per share. The maximum financing is to issue 12,000,000 Mosaic shares at \$0.05 to raise \$600,000.

Mosaic has directors in common with the Company.

19. ADDITIONAL INFORMATION

The financial statements and additional information regarding the Company, including the Company's certificates of annual and interim filings, news releases and technical reports referred to herein, are available on SEDAR at www.sedar.com.

20. ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosures concerning the Company's expenses are provided in the Company's statement of loss and note disclosures contained in its Financial Statements for the period ended July 31, 2017. These statements are available on Stellar's SEDAR page and may be accessed through www.sedar.com.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant.

Management's Responsibility for Financial Statements

The information provided in this report, including the Financial Statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying Financial Statements.

In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with the Company's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

Proposed Transactions

There are currently no significant proposed transactions except as otherwise disclosed in this MD&A.

Approval

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the Financial Statements and related financial reporting and internal control matters before the Financial Statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of the Company has approved the Financial Statements and the disclosure contained in this MD&A.

A copy of this MD&A will be provided to anyone who requests it.