



STELLAR AFRICAGOLD INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED OCTOBER 31, 2022 AND 2021
(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

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

As at,	October 31, 2022	July 31, 2022 (Audited)
	\$	\$
ASSETS		
Current		
Cash	309,367	737,201
Prepaid expenses (Note 5)	37,525	148,080
Sales taxes receivable	44,970	39,524
Total Current Assets	391,862	924,805
Non-current		
Mosaic Minerals Corp marketable securities (Note 6)	286,000	468,000
Total Assets	677,862	1,392,805
LIABILITIES		
Current Liabilities		
Trade and other payables	168,230	139,063
Payable to related parties (Note 10)	45,596	124,576
Total Liabilities	213,826	263,639
Equity		
Share capital (Note 8)	20,543,609	20,543,609
Warrants (Note 8)	923,709	923,709
Contributed surplus (Note 8)	4,321,843	4,321,843
Deficit	(25,325,125)	(24,659,995)
Total Equity	464,036	1,129,166
Total Liabilities and Equity	677,862	1,392,805

Nature of operations and going concern (Note 1)
Subsequent event (Note 15)

These financial statements were approved and authorized for issue by the Board of Directors on December 22, 2022. They are signed on the Company's behalf by:

John Cumming

Director

J. Francois Lalonde

Director

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

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

	For the three months ended,	
	October 31,	October 31,
	2022	2021
	\$	\$
Expenses		
Administration fees	14,870	12,000
Consultant fees (Note 10)	43,711	35,829
Exploration and evaluation (Notes 9)	239,775	146,567
Foreign exchange (gain) loss	5,273	(2,651)
Management fees (Note 10)	90,000	90,000
Other operational expenses (Note 13)	24,716	8,227
Registration and investor relations	64,785	32,831
Loss before other income (expenses)	<u>(483,130)</u>	<u>(322,803)</u>
Other income (expenses)		
Sale of Balandougou Gold Project (Note 9)	-	(2,017)
Fair value adjustment on marketable securities (Note 6)	(182,000)	52,000
Net loss and comprehensive loss for the period	<u>(665,130)</u>	<u>(272,820)</u>
Basic and diluted loss per share	(0.01)	(0.00)
Weighted average number of shares outstanding –		
Basic and diluted	111,352,450	100,305,783

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

STELLAR AFRICAGOLD INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
For the three months ended October 31, 2022 and 2021
Unaudited – (Expressed in Canadian dollars)

	SHARE CAPITAL		WARRANTS	CONTRIBUTED SURPLUS	DEFICIT	TOTAL EQUITY
	SHARES #	AMOUNT \$				
Balance, July 31, 2021	100,305,783	20,153,099	692,271	4,235,133	(23,073,134)	2,007,369
Net loss for the period	-	-	-	-	(272,820)	(272,820)
Balance, October 31, 2021	100,305,783	20,153,099	692,271	4,235,133	(22,219,562)	802,642
Balance, July 31, 2022	111,352,450	20,543,609	923,709	4,321,843	(24,659,995)	1,129,166
Net loss for the period	-	-	-	-	(665,130)	(665,130)
Balance, October 31, 2022	111,352,450	20,543,609	923,709	4,321,843	(25,325,125)	464,036

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

STELLAR AFRICAGOLD INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
For the three months ended October 31, 2022 and 2021
Unaudited – (Expressed in Canadian dollars)

	October 31, 2022 \$	October 31, 2021 \$
OPERATING ACTIVITIES		
Net loss for the period	(665,130)	(272,820)
Items not involving cash:		
Fair value adjustment on marketable securities	182,000	(52,000)
Change in non-cash operating working capital:		
Change in trades and other payables	59,167	61,995
Change in sales taxes receivable	(5,446)	(12,674)
Change in prepaid expenses	110,555	(14,340)
Change in amounts receivable	-	73,962
Change in related parties payable	(108,980)	39,721
Cash flows used in operating activities	<u>(427,834)</u>	<u>(176,156)</u>
Net change in cash	(427,834)	(176,156)
Cash, beginning of the period	<u>737,201</u>	<u>1,708,378</u>
Cash, end of the period	<u><u>309,367</u></u>	<u><u>1,523,222</u></u>

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

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Stellar AfricaGold Inc. and its subsidiaries (hereinafter the "Company" or "Stellar") focus on exploring for gold in Canada, Republic of Mali, and the Kingdom of Morocco. The Company is a public company listed on the TSX Venture Exchange (the "TSX.V"), trading under the "SPX" symbol, on the OTCQB Venture Market under the "STLXF" symbol, on the Frankfurt Stock Exchange under the "6YP1" symbol. On March 30, 2022, the Company announced that it had been listed for trading on the Tradegate Exchange in Berlin, Germany under the symbol "6YP1". The Company was incorporated under the Company's Act of British Columbia in April 2006, continued under the Canada Business Corporations Act until January 2019 when it was continued back into British Columbia. The Company's registered office and its principal place of business is 4908 Pine Crescent, Vancouver, British Columbia, V6M 3P6.

Going Concern

The Company incurred a net loss of \$665,130 (2021 - \$272,820) during the three months ended October 31, 2022 and as at that date had an accumulated deficit of \$25,325,125 (July 31, 2022 - \$24,659,995). These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. The Company has incurred losses since inception and the ability of the Company to continue as a going concern depends upon its ability to develop profitable operations and to continue to raise adequate financing. Management is actively targeting sources of additional financing through alliances with financial entities or other business and financial transactions which would assure continuation of the Company's operations and exploration programs. In order for the Company to meet its liabilities as they come due and to continue its operations, the Company is solely dependent upon its ability to generate such financing. These circumstances comprise a material uncertainty which may cast significant doubt as to the ability of the Company to continue as a going concern.

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

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

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

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

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

2. BASIS OF PRESENTATION

a) Statement of Compliance

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

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

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

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

Subsidiaries

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

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

d) Functional and presentation currency

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

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

3. SIGNIFICANT ACCOUNTING POLICIES

a) Impairment of Long-lived Assets

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

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

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

b) Provisions and Contingent Liabilities

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

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

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

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

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

c) Newly adopted accounting standards

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

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

4. ESTIMATES AND JUDGEMENTS

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

a) Significant Management Judgment

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

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 and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Recovery of receivables

Management reviews receivables on a regular basis, reviewing the history of payments to determine their collectability. Management is of the opinion that the Company's receivables are collectable.

Determination of functional currency

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

Control and significant influence

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

b) Estimation uncertainty

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

Share-based payments

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

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

4. ESTIMATES AND JUDGMENTS (CONTINUED)

Provisions and contingent liabilities

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

5. PREPAID EXPENSES

	October 31, 2022	July 31, 2022
Marketing	\$ 2,292	\$ 75,428
OTC annual sustaining fees	1,742	6,048
Software license	2,040	5,171
Geological consulting services	26,994	53,049
Consulting	4,457	8,384
	<u>\$ 37,525</u>	<u>\$ 148,080</u>

6. MOSAIC MINERALS CORP. MARKETABLE SECURITIES

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

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

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

During the year ended July 31, 2021, the Company’s ownership was further diluted, and common directors resigned from the board of Mosaic. Therefore, management assessed that the Company lost significant influence and the investment in Mosaic was reclassified as an investment carried at FVTPL. As at October 31, 2022, the Company held 9.9% (2021 - 14.6%) of the issued and outstanding common shares of Mosaic.

As Mosaic is a publicly traded entity, the fair value of the Company’s investment was determined by the closing market price of Mosaic’s common shares on the CSE as at October 31, 2022 which was \$286,000 (2021- \$468,000). Fair value was determined in accordance with Level 1 of the fair value hierarchy.

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

6. MOSAIC MINERALS CORP. MARKETABLE SECURITIES (CONTINUED)

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

	Number of shares	Amount
Balance, July 31, 2020	5,200,000	\$ 198,193
Equity loss in associate	-	(41,865)
Dilution loss on investment	-	(21,961)
Fair value adjustment	-	333,633
Balance, July 31, 2021	5,200,000	468,000
Fair value adjustment	-	-
Balance, July 31, 2022	5,200,000	\$ 468,000
Fair value adjustment	-	(182,000)
Balance, October 31, 2022	5,200,000	\$ 286,000

7. SHARE CAPITAL

i) Authorized

Unlimited number of shares without par value and issued capital of 111,352,450 (2021 - 100,305,783) common shares. All shares are equally eligible to receive dividends and the repayment of capital, and represent one vote each at the shareholders' meetings of the Company.

ii) Issued During the Three Months Ended October 31, 2022

There were nil share issuances during the three months ended October 31, 2021.

iii) Issued During the Three Months Ended October 31, 2021

There were nil share issuances during the three months ended October 31, 2021.

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

8. SHARE CAPITAL (CONTINUED)

iv) Warrants

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

	October 31, 2022		July 31, 2022	
	Number of warrants	Average exercise price	Number of warrants	Average exercise price
Balance, beginning of the year	45,572,309	\$ 0.15	33,844,775	\$ 0.14
Granted	-	-	11,727,534	\$ 0.15
Balance, end of the period	45,572,309	\$ 0.15	45,572,309	\$ 0.15

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

Expiration date	Number of warrants	Exercise price	Average remaining contractual life (Years)
November 25, 2022	2,500,000	\$ 0.07	0.07
February 26, 2023	11,391,667	\$ 0.15	0.32
March 19, 2023	19,953,108	\$ 0.15	0.38
May 30, 2024	9,377,667	\$ 0.15	1.58
July 5, 2024	2,349,867	\$ 0.15	1.68
	45,572,309	\$ 0.15	0.80

v) Share Options

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

The Company's share purchase options are as follows:

	October 31, 2022		July 31, 2022	
	Number of options	Average exercise price	Number of options	Average exercise price
Balance, beginning of the year	9,492,000	\$ 0.06	9,292,000	\$ 0.06
Granted	-	-	1,750,000	\$ 0.05
Expired	-	-	(1,550,000)	\$ 0.05
Balance, end of the period	9,492,000	\$ 0.06	9,492,000	\$ 0.06
Exercisable options	9,492,000	\$ 0.06	9,492,000	\$ 0.06

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

Expiry Date	Number of Options Outstanding	Number of Options Vested	Number of Options Unvested	Exercise Price	Weighted Average Remaining Life
November 14, 2022*	3,492,000	3,492,000	-	\$ 0.05	0.04
November 29, 2024	250,000	250,000	-	\$ 0.05	2.08
March 9, 2025	400,000	400,000	-	\$ 0.05	2.36
March 22, 2026	4,000,000	4,000,000	-	\$ 0.07	3.39
March 9, 2027	100,000	100,000	-	\$ 0.05	4.36
March 14, 2027	1,250,000	1,250,000	-	\$ 0.05	4.37
	9,492,000	9,492,000	-	\$ 0.06	2.47

* 3,492,000 options expired unexercised subsequent to period-end.

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

8. SHARE CAPITAL (CONTINUED)

v) Share Options (continued)

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

The Company did not grant any options during the period ended October 31, 2022.

9. EXPLORATION AND EVALUATION EXPENDITURES

	Balandougou, Guinea	Lullwitz- Kaepelli, Quebec	Imiter Nord, Morocco	Namarana, Mali	Prikro and Zenoula, Côte d'Ivoire	Tichka Est, Morocco	Total expenditures
Assays	\$ -	\$ -	\$ -	\$ 238	\$ -	\$ -	\$ 238
General exploration and expenses	-	-	-	-	3,834	-	3,834
Geological	-	6,449	-	-	-	604	7,053
Permitting	-	-	-	44,959	-	-	44,959
Property investigation	-	-	14,829	-	-	-	14,829
Project supervision	-	-	-	15,000	-	30,000	45,000
Road construction	-	-	-	-	-	(3,838)	(3,838)
Trenching	-	-	-	-	-	34,492	34,492
Total exploration and evaluation expenditures at October 31, 2021	\$ -	\$ 6,449	\$ 14,829	\$ 60,197	\$ 3,834	\$ 61,258	\$ 146,567
Field personnel	\$ -	\$ -	\$ -	\$ 2,279	\$ -	\$ -	\$ 2,279
General exploration and expenses	-	-	-	368	-	-	368
Geological	-	-	-	-	-	65,843	65,843
Project supervision	-	-	-	2,500	2,500	40,000	45,000
Road construction	-	-	-	-	-	45,570	45,570
Travel and related	-	-	-	602	-	-	602
Trenching	-	-	-	818	-	79,295	80,113
Total exploration and evaluation expenditures at October 31, 2022	\$ -	\$ -	\$ -	\$ 6,567	\$ 2,500	\$ 230,708	\$ 239,775

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 totaling 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.

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

9. EXPLORATION AND EVALUATION EXPENDITURES (CONTINUED)

Balandougou Gold Project

On August 22, 2019, the Company and its minority partners reached a definitive agreement for the sale of 100% of the Balandougou Gold Project including the 7 km² Balandougou semi-industrial exploitation permit together with all related plant and equipment, and two Guinea subsidiary companies holding contiguous exploration permits totaling approximately 150 km². The Company and the minority partners owned 80% and 20% respectively of the Balandougou Gold Project. The transaction price was US\$3,850,000 paid in instalments, US\$1,800,000 on closing with the balance in three instalments. As at October 31, 2022, \$nil (2021 - \$73,962 (US\$59,350)) was receivable related to the sale.

In connection with the sale, the Company agreed to pay finder's fees equal to 2.5% of the proceeds received from the sale to a director of the Company. The fees were payable upon receipt of proceeds from the purchaser. During the period ended October 31, 2022 the Company paid finder's fees of \$nil (2021 - \$40,644).

Birimian Geology Exploration

The Company has an option to purchase the shares of Birimian Geology Exploration ("BGE"), a Cote d'Ivoire company. BGE holds two gold exploration permits pending (the Bocanda permit and the Djekanou permit) covering approximately 471 km². 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. On March 6, 2020, the TSX Venture Exchange ("TSX-V") approved the acquisition.

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

The Company completed the acquisition agreement of a 100% interest in Aeos Resources Ltd. ("Aeos") on November 27, 2020 from Altus Strategies PLC. Aeos owns 100% of Aucrest SARL, an Ivoirian subsidiary that owns the Prikro Exploration Licence and the Zenoula Exploration Licence both totaling 770 km² in Côte d'Ivoire. For accounting purposes, the acquisition was recorded as an asset acquisition as Altus did not meet the definition of a business as defined in IFRS 3.

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

The Company will issue additional shares contingent upon reaching exploration milestones for each permit equal to US\$250,000 in value upon achieving the following milestones: a) 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 Resource category, and b) completion of a definitive feasibility study. Due to uncertainty of the likelihood and timing of achieving each milestone, it is not possible to determine a value for the additional shares. Altus will retain a 2.5% Net Smelter Return ("NSR") royalty on each permit. The Company may repurchase up to 1.0% of each NSR for US\$500,000 for each 0.5%. The Prikro Exploration licence covers 369.5 km² in the Prikro and Koun-Fao Departments in eastern Côte d'Ivoire, approximately 240 km northeast of Abidjan. The Zenoula project is a 400 km² licence (application pending) in the Marahoue Department in central Côte d'Ivoire, approximately 300 km north of Abidjan.

The Prikro license expired without renewal due to a lack of encouraging results. The Company continues to work on finalizing the pending Zenoula permit application.

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

9. EXPLORATION AND EVALUATION EXPENDITURES (CONTINUED)

Tichka Est Gold Project

The Company 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 the Company’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 the Company as to 90% and by ONHYM as to 10%. Following the commissioning of the mining operation ONHYM will receive the greater of a 2.5% Net Smelter Return royalty or a lump sum payment of 100,000 Moroccan dirhams, approximately US\$10,750. Other than the exploration expenditure requirements there are no additional fees payable.

On January 11, 2022, the Company and ONHYM signed an addendum to the August 18, 2020 Tichka Est exploration agreement whereby four new exploration permits were added bringing the total to seven exploration permits covering 82 km².

Namarana Gold Project

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

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

10. 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 year ended July 31, 2022 are unsecured, bear no interest, and are due on demand. Key management personnel of the Company are members of the Board of Directors and management.

Key management short-term benefits	October 31, 2022	October 31, 2021
Management fees	\$ 90,000	\$ 90,000
Consulting and Exploration fees	31,500	31,500
Project supervision	45,000	45,000
Finder’s fee	-	2,017
Total compensation	\$ 166,500	\$ 168,517
Due to related parties	October 31, 2022	October 31, 2021
Due to the President and CEO	\$ 59,250	\$ 60,625
Due to a company controlled by the COO and Director	-	37,521
Due to a company controlled by a Director	10,000	10,000
Due to (from) a Director of the Company	-	(20,400)*
Due to a company controlled by the CFO	2,075	1,575
Total	\$ 71,325	\$ 89,321

*relates to overpayment of payroll withholding tax related to management fees. Amount was repaid subsequent to quarter end.

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

10. RELATED PARTY TRANSACTIONS (CONTINUED)

On November 26, 2021, the Company received repayment of \$20,400 from a director related to an overpayment of management fees during fiscal 2021.

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

11. CAPITAL MANAGEMENT

The Company's capital management objectives are:

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

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

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

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

12. FINANCIAL INSTRUMENT RISK DISCLOSURES

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

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

Interest rate risk

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

Currency risk

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

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

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

12. FINANCIAL INSTRUMENT RISK DISCLOSURES (CONTINUED)

As at October 31, 2022, cash totaling \$884 (2021 - \$15,236) was held in US dollars and cash totaling \$3,244(2021 - \$8,475) was held in West African (CFA) Francs; amounts receivable totaling \$Nil (2021 - \$4,986) was held in West African (CFA) Francs; and accounts payable and accrued liabilities totaling \$1,741(2021 - \$2,026) was payable in West African (CFA) Francs. Based on forecast exchange rate movements for the next twelve months, assuming all other variables remain constant, the Company considers its financial performance and cash flows would not be materially affected by a weakening or strengthening US dollar or West African (CFA) Franc. The Company does not manage currency risks through hedging or other currency management tools.

Credit risk

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

Liquidity risk

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

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has financing sources such as private and public investments for a sufficient amount. Over the past year, 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.

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

	October 31, 2022		July 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
	\$	\$	\$	\$
FINANCIAL ASSETS				
Cash	309,367	309,367	735,375	735,375
Amounts receivable	-	-	-	-
Mosaic Minerals marketable securities	286,000	286,000	468,000	468,000
Due from related party	-	-	-	-
FINANCIAL LIABILITIES				
Trade and other payables	168,230	168,230	139,063	118,304
Payable to related parties	45,596	45,596	124,576	130,335

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

13. 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 estimated interest and penalties that may be assessed is not determinable and management believes that the Company will be successful in the reassessment. During the year ended July 31, 2021, the provision for Part XII.6 taxes was reversed and the Company recognized a gain of \$55,950 in the consolidated statement of comprehensive loss.
- b) During the year ended July 31, 2017, the Company issued flow-through shares in the amount of \$335,750. The Company was committed to spend this money on exploration work on its Quebec mineral properties by December 31, 2017 before incurring Part XII.6 tax and extending the deadline to December 31, 2018.

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

14. SEGMENTED INFORMATION

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

October 31, 2022	Canada	Western Africa	Total
Current Assets	\$ 383,400	\$ 8,462	\$ 391,862
Long-term assets	286,000	-	286,000
Total Assets	\$ 669,400	\$ 8,462	\$ 677,862

July 31, 2022	Canada	Western Africa	Total
Current Assets	\$ 911,344	\$ 13,461	\$ 924,805
Long-term assets	468,000	-	468,000
Total Assets	\$ 1,379,344	\$ 13,461	\$ 1,392,805

Segmented comprehensive losses by geographical location are as follows:

October 31, 2022	Canada	Western Africa	Total
Comprehensive loss	\$ (653,863)	\$ (11,267)	\$ (665,130)

October 31, 2021	Canada	Western Africa	Total
Comprehensive loss	\$ (212,026)	\$ (60,794)	\$ (272,820)

15. SUBSEQUENT EVENT

Subsequent to period end, 3,492,000 stock options with an exercise price of \$0.05 per share expired without exercise and 2,500,000 warrants exercisable at \$0.07 per share expired unexercised.