

STELLAR AFRICAGOLD INC.

EXECUTIVE COMPENSATION

Compensation Discussion and analysis

Compensation Philosophy and Objectives

The Corporation is a mining exploration corporation which currently does not have positive earnings. The board of directors meets to discuss and determine management compensation without reference to formal criteria. The general objective of the Corporation's compensation is to: (i) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (ii) align management's interests with the long-term interests of shareholders; (iii) provide a compensation package that is commensurate with other junior mining exploration companies in order to enable the Corporation to attract and retain talent; and (iv) ensure that the total compensation package is designed in a manner that takes into account the constraints under which the Corporation operates and taking into account that it is a junior mining exploration corporation without a history of earnings.

Elements of Remuneration of the Named Executive Officers

The compensation paid to Named Executive Officers (as defined herein) is comprised of two main components: base salary and long-term incentives in the form of stock options granted pursuant to the Corporation's stock option plan (the "**Stock Option Plan**"). The Corporation places equal emphasis on base salary and stock options as short-term and long-term incentives, respectively.

Base Salary

The Corporation believes that base salaries provide an immediate cash incentive to management and should be at levels competitive with peer companies that compete with the Corporation for business opportunities and executive talent.

The Named Executive Officers receive a base salary which is based primarily on the level of responsibility of the position, the qualifications and experience of the officer and market conditions. The base salary may be paid to the Named Executive Officers in the form of a consulting fee.

The base salaries of the Named Executive Officers are reviewed annually to ensure that they take into account the following factors: market and economic conditions, levels of responsibility and accountability of each Named Executive Officer, skill and competencies of each individual, retention considerations, and level of demonstrated performance.

Long-Term Incentive Plans

Stock options ensure that the Named Executive Officers are motivated to achieve long-term growth of the Corporation and increases in shareholder value, and provide capital accumulation linked directly to the Corporation's performance.

The Corporation established the Stock Option Plan pursuant to which options may be granted in favour of directors, officers, employees and consultants providing ongoing services to the Corporation. The exercise price, terms and conditions of the options are established by the board of directors, subject to the rules of the regulatory authorities having jurisdiction over the securities of the Corporation. The exercise price at the time of the grant of the options shall not be less than the discounted market price of

the common shares listed on the TSX Venture Exchange on the day prior to their grant. The options granted may be exercised during a period not exceeding five years. The options are non transferable.

Summary Compensation Table

The following table sets forth information concerning the compensation paid to the Corporation's President and Chief Executive Officer, Chief Financial Officer and named executive officers (the "**Named Executive Officers**") as required to be disclosed in accordance with applicable securities regulations during the Corporation's financial years ended July 31, 2014 and July 31, 2015:

"**Named Executive Officers**" or "**NEOs**" means the following individuals:

- (a) each CEO;
- (b) each CFO;
- (c) each of the Corporation's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$ 150,000; and
- (d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an officer of the Corporation at the end of the most recently completed financial year-end.

Such information includes the following: the salary earned, any other compensation, including the specific benefits and other personal benefits, the options granted under the Stock Option Plan of the Corporation and any other compensation which is not disclosed elsewhere.

As at July 31, 2014 and July 31, 2015, the end of the most recently completed financial year of the Corporation, the Corporation had two Named Executive Officers, whose names and positions held within the Corporation are set out in the summary compensation table below.

Table of Compensation Excluding Compensation Securities							
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of (\$)	Rémunération totale (\$)
Maurice Giroux, President, Chief Executive Officer and Director ⁽¹⁾	2014	204,070	n/a	n/a	n/a	n/a	204 070
	2015	94,034	n/a	n/a	n/a	n/a	94 034
Martin Nicoletti, Chief Financial Officer ⁽²⁾	2014	60,000	n/a	n/a	n/a	n/a	60 000
	2015	60,000	n/a	n/a	n/a	n/a	60 000
John Ryan, Director ⁽³⁾	2014	n/a	n/a	n/a	n/a	n/a	n/a
	2015	5,000	n/a	n/a	n/a	n/a	5,000
Jean-François Lalonde ⁽⁴⁾	2014	20,000	n/a	n/a	n/a	n/a	20,000
	2015	n/a	n/a	n/a	n/a	n/a	n/a
Raymond Cloutier ⁽⁵⁾	2014	28,800	n/a	n/a	n/a	n/a	28,800
	2015	16,670	n/a	n/a	n/a	n/a	16,670

Notes:

- (1) Mr. Giroux, who is also a director of the Corporation, is not being compensated for the services delivered as such. Compensation for Mr. Giroux's services as President and Chief Executive Officer is paid to 2429-7327 Quebec Inc., a corporation controlled by Mr. Giroux.
- (2) Compensation for Mr. Nicoletti's services as Chief Financial Officer is paid to Corporation Financière SKTM Ltée, a corporation controlled by Mr. Nicoletti.
- (3) Mr. Ryan is director of the Corporation since December 2009.
- (4) Mr. Lalonde is director of the Corporation since January 2011.
- (5) Mr. Cloutier is director of the Corporation. Compensation for Mr. Cloutier's services as secretary is paid to 9299-9622 Quebec Inc., a corporation controlled by Mr. Cloutier.

1.1 STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

The following table lays out all compensation securities granted or issued to Named Executive Officers and directors by the Corporation during the fiscal years ended July 31, 2014 and July 31, 2015 for services provided or to be provided, directly or indirectly, to the Corporation.

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at Year End (\$)	Expiry Date
Maurice Giroux, President, Chief Executive Officer and Director ⁽¹⁾	Options	250,000 ^(32%)	9/17/2013	\$0.10	\$0.07	\$0.05	9/17/2018
Martin Nicoletti, Chief Financial Officer ⁽²⁾	Options	50,000 ^(6%)	9/17/2013	\$0.10	\$0.07	\$0.05	9/17/2018
John Ryan, Director ⁽³⁾	Options	150,000 ^(19%)	9/17/2013	\$0.10	\$0.07	\$0.05	9/17/2018
Jean-François Lalonde ⁽⁴⁾	Options	100,000 ^(13%)	9/17/2013	\$0.10	\$0.07	\$0.05	9/17/2018
Raymond Cloutier ⁽⁵⁾	Options	50,000 ^(6%)	9/17/2013	\$0.10	\$0.07	\$0.05	9/17/2018

Notes:

- (1) The assigned value based on options granted during the year ended July 31, 2014 to Mr. Maurice Giroux is \$ 15,108.
- (2) The assigned value based on options granted during the year ended July 31, 2014 to Mr. Martin Nicoletti is \$ 3,022.
- (3) The assigned value based on options granted during the year ended July 31, 2014 to Mr. John Ryan is \$ 9,065.
- (4) The assigned value based on options granted during the year ended July 31, 2014 to Mr. Jean-François Lalonde is \$ 6,043.
- (5) The assigned value based on options granted during the year ended July 31, 2014 to Mr. Raymond Cloutier is \$ 3,022.

The following table lays out all compensation securities that were exercised by the Corporation's Named Executive Officers and directors during the fiscal years ended July 31, 2014 and July 31, 2015.

Exercise of Compensation Securities by Named Executive Officers and Directors							
Name and Position	Type of Compensation Security	Number of Underlying Securities Exercised	Exercise Price per Security (\$)	Date of Exercise	Closing Price per Security on Date of Exercise (\$)	Difference between Exercise Price and Closing Price on Date of Exercise (\$)	Total Value on Exercise Date (\$)
Maurice Giroux, President, Chief Executive Officer and Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Martin Nicoletti, Chief Financial Officer	n/a	n/a	n/a	n/a	n/a	n/a	n/a
John Ryan, Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Jean-François Lalonde, Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Raymond Cloutier, Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a

1.2 STOCK OPTIONS PLANS AND OTHER INCENTIVE PLANS

(i) *Plan Description*

The Board of Directors may grant stock options to (i) the directors, officers, employees, consultants or other personnel of the Corporation or a subsidiary of the Corporation; (ii) a corporation wholly-owned by such persons; or (iii) any other individual or body corporate who may be granted an option pursuant to the requirements of the Exchange (the "Eligible Participants").

The purpose of the Plan, considered as a rolling stock option plan pursuant to the policies of the Exchange is to provide (i) an incentive to the directors, officers, employees, consultants and other personnel of the Corporation or any of its subsidiaries to achieve the longer-term objectives of the Corporation; (ii) to give suitable recognition to the ability and performance of such persons who contribute materially to the success of the Corporation; (iii) and to attract to and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

The material terms of the Plan are as follows:

1. A maximum of 10% of the issued and outstanding common shares of the Corporation on a non-diluted basis at any time is reserved for the grant of stock options pursuant to the Plan.
2. The Board of Directors may, in its sole discretion, determine to which Eligible Participants stock options will be granted and the number of common shares reserved for issuance pursuant to the stock options.
3. Subject to provisions of the Plan, the expiry date of a stock option shall be the 5th anniversary of the date of grant unless a shorter period of time is otherwise set by the Board of Directors and set forth in the stock option agreement at the time the particular stock option is granted.
4. At the time stock options are granted, and subject to the policies of the Exchange, the Board of Directors determines, in its sole discretion, whenever stock options are subject or not to vesting provisions.
5. The Board of Directors determines the exercise price of the stock options granted under the Plan. Subject to provisions of the Exchange *Corporate Finance Manual* respecting options granted within 90 days of a distribution by a prospectus, the exercise price is established based on the discounted market price of the shares at the closing of the Exchange on the exchange day immediately preceding the date of grant, provided that if the stock options were granted to an officer, a director or a person employed to provide investor relations activities, a press release was issued to fix the price or if no shares were negotiated on this day, the arithmetic average of the last bid and ask prices of the shares on the Exchange. In addition, a minimum exercise price cannot be established unless the stock options are granted to particular persons. More specifically, the Corporation cannot grant stock options unless and until the stock options have been granted to a particular person or persons.
6. No right or interest of any Eligible Participants in or under the Plan is assignable or transferable except by the laws of descent and distribution. In the event of the death of an Eligible Participant, the stock options previously granted to him shall be exercisable by the legal heirs, or by the representative thereof, within one (1) year following the date of the death of the Eligible Participant or prior to the expiry of the stock option expiry date, whichever is earlier, and to the extent that the Eligible Participant was entitled to exercise the stock options at the date of his death.
7. The stock options granted under the Plan together with all of the Corporation's other previously established stock option plans or grants, shall not result at any time in (i) a number of common shares reserved for issuance pursuant to stock options granted to insiders exceeding 10% of the issued and outstanding common shares of the Corporation and (ii) the grant to insiders within a 12 month period, of a number of stock options exceeding 10% of the outstanding common shares of the Corporation.
8. No stock option may be granted to an Eligible Participant if the common shares reserved for issuance with respect to such grant and the stock options already granted exceed in a 12 month period 5% of all the issued and outstanding common shares of the Corporation, calculated on the date of grant of such stock options unless the Corporation has obtained the requisite disinterested shareholder approval in accordance with the policies of the Exchange.

9. The aggregate number of stock options to be granted to any one consultant in a 12 month period shall not exceed 2% of the issued and outstanding common shares determined at the date of grant.
10. The aggregate number of stock options to be granted to all persons performing investor relations activities in a 12 month period shall not exceed 2% of the issued and outstanding common shares determined at the date of grant. Stock options granted to persons performing investor relations activities will be subject to such vesting provisions determined by the board of directors of the Corporation.
11. Should a person employed to perform investor relations activities cease to be an Eligible Participant for any reason other than death (such as by reason of disability, resignation, dismissal or termination of contract), then the expiry date of its stock option vested at the latest on the date such person ceases to be an Eligible Participant (the “Date of Termination of Investor Relations Activities”), shall be the earlier of:
 - (i) the expiry date shown on the relevant stock option agreement; or
 - (ii) 30 days from the Date of Termination of Investor Relations Activities.
12. Should a person cease to be an Eligible Participant for any reason other than death or the termination of investor relations activities (such as by reason of disability, resignation, dismissal or termination of contract), then the expiry date of its stock option vested at the latest on the date such person ceases to be an Eligible Participant (the “Termination Date”), shall be the earlier of:
 - (i) the expiry date shown on the relevant stock option agreement; or
 - (ii) 90 days from the Termination Date.

1.3 securities authorized for issuance under equity compensation plans

(i) *Equity Compensation Plan Information*

Equity Compensation Plan Information			
Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved by Securityholders	775,000	\$ 0.32	526,243 ⁽¹⁾
Equity Compensation Plans not Approved by Securityholders	nil	nil	nil
Total	775,000	\$ 0.32	526,243⁽¹⁾

Note:

- (1) Number as of July 31, 2015. Therefore, this number will vary since the Plan provides that the Corporation may grant stock options to purchase a maximum number of the Corporation's common shares corresponding to 10% of the issued and outstanding common shares of the Corporation on a non-diluted basis at any time.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The Audit Committee has a formal charter, the text of which is attached to this Management Proxy Circular as Schedule "B". The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee that the board revised after careful consideration of *Regulation Instrument 52-110 Audit Committees* ("**Regulation 52-110**").

Composition of Audit Committee

Name	Independent	Financially Literate
John Ryan	Yes	Yes
Jean-François Lalonde	Yes	Yes
Raymond Cloutier	Yes	Yes

The Audit Committee is comprised of three directors, one of which are independent under Regulation 52-110. All the members of the Committee are "financially literate" and have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity that can reasonably expected to be raised by the Corporation's financial statements.

Relevant Education and Experience

The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities are as follows:

John A. Ryan, CGA with 35 years of corporate and financial management experience has been the President of Nchange Enterprises Ltd., a financial consulting company. In December, 2000, Mr Ryan became President, CEO and Director of Spruce Ridge Resources Ltd., a mineral exploration company that trades on the TSX Venture Exchange. Mr Ryan is also CFO and Director of Sokaman Iron Corp. (TSX-V) and director of other public companies listed on the TSX Venture exchange.

Jean François Lalonde An engineer by profession, Mr. Lalonde has acquired more than 25 years of experience on the international scene working for major engineering multinationals such as SNC-Lavalin and Bouygues Travaux Publics, a French organization where he currently acts as International Relations Consultant. He has particular knowledge of markets in the Middle East, United States, Canada and Africa, where he has notably participated in large-scale energy, motorway and other infrastructure development projects. Mr. Lalonde serves on the Board of Directors of other public companies listed on the TSX Venture Exchange.

Raymond Cloutier, director, has vast experience in finance and has held management positions in finance as bank director from 1973 to 1979 and as services manager at the school board of Quevillon from 1979 to 1988. Mr Cloutier has also worked in the cable television industry as a self-employed consultant. He is also a director of Stelmine Canada Ltd.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Corporation's external auditors not been adopted by the board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on exemptions in relation to "De Minimus Non-Audit Services" or any exemption provided by Part 8 of Regulation 52-110.

The Corporation relies upon the exemption in section 6.1 of Regulation 52-110 since not all members of the Audit Committee are independent.

Pre-Approval Policies and Procedures

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of Regulation 52-110, the engagement of non-audit services is considered by the Corporation's board, and where applicable by the audit committee, on a case-by-case basis.

External Auditor Service Fees

The fees charged to the Corporation by its external auditor in each of the last two financial years are as follows:

	2015 Fiscal Year	2014 Fiscal Year
Audit Fees ⁽¹⁾	25,000	27,470
Audit-Related Fees ⁽²⁾	-	-
Tax Fees ⁽³⁾	-	1,040
Other ⁽⁴⁾	-	-
Total	25,000	28,510

Notes:

- (1) Audit fees are fees billed by the Corporation's external auditor for services provided in auditing the Corporation's annual financial statements for the subject year.
- (2) Audit-related fees are fees not included in the audit fees that are billed by the auditor for assistance and related services that are reasonably related to the performance of the audit review of the Corporation's financial statements.
- (3) Tax fees include fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning.
- (4) Other fees are fees billed by the auditor for products and services not included in the foregoing categories.

CORPORATE GOVERNANCE DISCLOSURE

The board of the Corporation considers good corporate governance to be essential to the effective operations of the Corporation and to ensure that the Corporation is managed so as to enhance shareholder value. The board is responsible for ensuring that the Corporation addresses all relevant corporate governance issues in compliance with the corporate governance guidelines set forth in *Regulation 58-201 respecting Disclosure of Corporate Governance Practices* ("**Regulation 58-201**").

The board has carefully considered the Corporate Governance Guidelines set forth in Regulation 58-201. A description of the Corporation's corporate governance practices is set out below in response to the requirements of Regulation 58-101.

Board of Directors

The board is responsible for overseeing the management of the Corporation and currently comprises 4 members, of whom three are independent and one is not independent.

The following directors are "independent" pursuant to Regulation 58-201 as they qualify as "independent" directors, as such term is defined in Regulation 52-110 *respecting Audit Committees*: John Ryan, Jacques Trottier and Raymond Cloutier. The following director is not independent: Maurice Giroux.

Maurice Giroux, as President and Chief Executive Officer of the Corporation, is not independent by virtue of being member of senior management.

Directorships

The following directors of the Corporation are presently directors of other reporting issuers, as follows:

Name of Director	Name of Other Reporting Issuer	Position With Other Reporting Issuer
Raymond Cloutier	Stelmine Canada Ltd.	Director
John Ryan	Spruce Ridge Resources Ltd.	Director
	Sokaman Iron Corp.	Director and officer
	Metalore Resources Ltd.	Director
	Nurcapital Corporation Ltd.	Director
Jean-François Lalonde	Corporation Rutel Networks Corp.	Officer
	Atlantic Industrial Minerals Inc.	Director and officer

Board Mandate

The board is responsible for the overall stewardship of the Corporation, planning, directing, identification of principal risks, and controlling issues which are pivotal to determining corporate strategy and direction. The board considers management development programs, strategic business developments such as significant acquisitions, and financing proposals including the issuance of shares and other securities, as well as those matters requiring board approval by law. However, the board is not involved in the day to day operations of the Corporation. Such operations are conducted by the Corporation's management, more specifically the President.

Position Descriptions

To date the Corporation has not developed position descriptions for the board or the Chief Executive Officer/President ("CEO"). The board currently sets the Corporation's annual objectives which become the objectives against which the CEO's performance is measured. The Corporation does not presently have a Chairman of the board.

Orientation and Continuing Education

The Corporation does not currently have any formal orientation or continuing education programs for new directors. Orientation and education of new directors is carried out through an informal process. New board members are provided with access to recent, publicly filed documents of the Corporation, technical reports and internal financial information. The Corporation also provides technical presentations and/or information to new directors where necessary to ensure that they possess or have access to the technical skills and knowledge necessary for them to meet their obligation as directors.

Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation with management's assistance, to attend related industry seminars and conventions and to visit the Corporation's operations. Board members have full access to the Corporation's records.

Ethical Business Conduct

The Corporation does not currently have a formal code of business conduct or policy in place for its directors, officers, employees and consultants. The board believes that the Corporation's size facilitates informal review of and discussions with employees and consultants to promote ethical business conduct.

The board of directors itself must comply with the conflict of interest provisions of the *Canada Business Corporations Act*, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transaction and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

Currently the entire board performs the functions of a nominating committee of the Corporation with the responsibility for the recruitment and appointment of directors.

The board considers the advice and input from all directors regarding, inter alia, the appropriate size of board, the necessary qualifications and skills of the board as a whole and of each director individually, and the recommendation of new individuals willing to serve as directors who offer experience and expertise in an area of strategic interest to the Corporation as well as the ability to devote the time required.

Compensation

Given its relatively small size the entire board currently performs the functions of a Compensation Committee of the Corporation with the responsibility for reviewing the adequacy and form of compensation of directors and officers having regard to, among other things, the remuneration paid by other reporting issuers that the board feels are similarly placed within the same business of the Corporation.

Other Board Committees

The current operations of the Corporation do not support a large board and the board has determined that the current composition of the board is appropriate for the Corporation's current stage of development. Given its relatively small size the entire board takes responsibility for the overall stewardship of the Corporation and accordingly, other than the Audit Committee, the Corporation does not have any other board committees.

Assessments

The board of the Corporation has not established any formal procedures for assessing the performance of the board or its committees and members. Generally, those responsibilities have been carried out on an informal basis by the board itself. Furthermore, it is the view of the board that, in light of its small size and the close and open relationship among its members, the formality of a committee would not be as effective as the current arrangement and is unnecessary.