

OENA AND FARM KAREEPAN DIAMOND SALES – Q2 2021 REPORT

VANCOUVER, BRITISH COLUMBIA — 30 March 2021 — Southstone Minerals Limited (“Southstone” or the “Company”) (TSX.V – SML) is pleased to provide a production and operational update for the period 1 December 2020 to 28 February 2021 (Q2 2021) on Oena Diamond Mine and Farm Kareepan Mine located in the Republic of South Africa.

Oena Diamond Mine, Republic of South Africa

Production at the Oena Diamond Mine during Q1 2021 operated at 38% of capacity due to holiday related breaks, COVID related matters and extremely high water in the Orange River which prevented access to the Sandberg area for much of the period. There is currently one mining contractor on site with four pan plants, of which two are currently in operation, to process run of mine (“ROM”) material and one Bouvestnik (“BVX”) unit used for diamond recovery. Mining and processing of ROM material only occurred from Oena area during the period and diamond production results for Q2 2021:

	Carats Produced	Number of Diamonds	US \$ / carat average
Q2 2021 ROM	144.24	94	1,105

The Oena Diamond Mine continues to produce large and high-quality diamonds as summarized below.

Top 6 Diamonds by Value per Carat for Q1 2021			
Diamond	Diamond Size (carats)	Sold Price US \$	US \$ / carat
1	8.47	30'797	3'636
2	7.77	11'027	1'418
3	6.22	20'115	3'233
4	3.78	5'566	1'472
5	3.04	2'439	801
6	2.37	3'103	1'310

Farm Kareepan Contractors Agreement

Production at the Gumrock Joint Venture during Q2 2021 operated at <47% pf capacity due to significant delays caused by rain. Further production and reclamation work during the quarter was completed on the Grass Camp. Mining operations were moved to the Cultivated Area where the 14-foot pan was erected. Work in the Cultivated Area was extremely difficult to impossible during the quarter due to heavy rainfall during the latter part of December through to the end of February.

Diamond production results for the project are as follows:

	Carats Produced	Number of Diamonds	US \$ / carat average	Average stone size
Q2 and Q3 2021 ROM	26.36	18	\$962	1.18

Two high value stones were recovered:

Diamond	Diamond Size (carats)	Sold Price US \$	US \$ / carat
1	3.39	\$7'711	\$2,271
2	3.08	\$5'620	\$1,823

	Carats Produced	Number of Diamonds	US \$ / carat average
Life of Project	115.097	105	\$493

The Farm Kareepan Agreement has been terminated and reclamation work has been fully completed and approved by the Department of Minerals Resources.

The technical disclosure in this news release has been approved by Terry L. Tucker, P.Geo., Executive Chairman of the Company and a Qualified Person as defined by National Instrument 43-101 of the Canadian Securities Administrators.

THE BOARD OF DIRECTORS OF SOUTHSTONE MINERALS LIMITED

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Forward-Looking Statement

Certain information set forth in this news release contains “forward-looking statements” and “forward-looking information” under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements, which include management’s assessment of future plans and operations and are based on current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Some of the forward-looking statements may be identified by words such as “forecasts”, “estimates”, “expects” “anticipates”, “believes”, “projects”, “plans”, “outlook”, “capacity” and similar expressions. These statements are not guarantees of future performance and undue reliance should not be placed on them.

Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause the Company’s actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to statements with respect to the estimation of mineral resources; the realization of mineral resource estimates; anticipated future production, capital and operating costs; cash flows and mine life; potential size of a mineralized zone; potential expansion of mineralization; potential types of mining operations; permitting timelines; government regulation of exploration and mining operations; risks that the presence of diamond deposits mentioned nearby the Company’s property are not indicative of the diamond mineralization on the Company’s property, the supply and demand for, deliveries of and the level and volatility of prices of rough diamonds, risks that the actual revenues will be less than projected; risks that the target production for the existing mining contracts will be less than projected or expected; risks that production will not commence as projected due to delay or inability to receive governmental approval of the Company’s acquisition or the timely completion of an NI43-101 report; technical problems; inability of management to secure sales or third party purchase contracts; currency and interest rate fluctuations; COVID-19; foreign exchange fluctuations and foreign operations; various events which could disrupt operations, including labor stoppages and severe weather conditions; and management’s ability to anticipate and manage the foregoing factors and risks.

The forward-looking statements and information contained in this news release are based on certain assumptions regarding, among other things, future prices for coal and diamonds; future currency and exchange rates; the Company’s ability to generate sufficient cash flow from operations and access capital markets to meet its future obligations; coal consumption levels; and the Company’s ability to retain qualified staff and equipment in a cost-efficient manner to meet its demand. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The reader is cautioned not to place undue reliance on forward-looking statements. The Company does not undertake to update any of the forward-looking statements contained in this news release unless required by law. The statements as to the Company’s capacity to achieve revenue are no assurance that it will achieve these levels of revenue.