

COMMENCEMENT OF CONTRACT MINING OPERATIONS AT OENA DIAMOND MINE

VANCOUVER, BRITISH COLUMBIA — 13 JUNE 2022 — Southstone Minerals Limited (“Southstone” or the “Company”) (TSX.V – SML) is pleased to announce that Oryx Mining (Pty) Ltd (“Oryx”) has commenced diamond mining operations at Oena Diamond Mine (“Oena”), South Africa.

Oena will be operated 23 hours a day, 6 days a week with total head feed capacity of 200 tonnes per hour to a desanding screen which feeds to an 18-foot pan plant. Concentrate produced from the pan plant will be transferred securely to a high security processing facility where diamonds will be recovered using BVX technology. Diamonds will be sold monthly at a designated tender facility (see news release dated 19 April 2022 for detailed terms).

Oena consists of an 8,800-hectare mining right located along the Orange River (see Figure 1). Mining operations will commence at Blokwerf Section with subsequent expansion to the Sandberg Section. Since November 2018, Southstone has bulk sampled an estimated 638,690 tonnes from Sandberg recovering 2,681 carats (cts) (1,155 diamonds) with an average stone size of 2.32 cts and has bulk sampled an estimated 202,760 tonnes from Blokwerf recovering 550 cts (307 diamonds) with an average stone size of 1.79 cts.

Importantly, Sandberg mined tonnes to date comprise only 30% of the total tonnes mined at Oena by Southstone since 2015, yet Sandberg has produced more than 50% of the diamonds over 10 ct and valued >USD \$5,000 per ct. Table 1 lists some of the exceptional diamonds that have been recovered from both Sandberg and Blokwerf Sections over 10 ct and Table 3 provides images of a select number of diamonds. The average run of mine diamond sale price to from July 2015 to April 2022 is USD \$1,612 per ct (see Table 2).

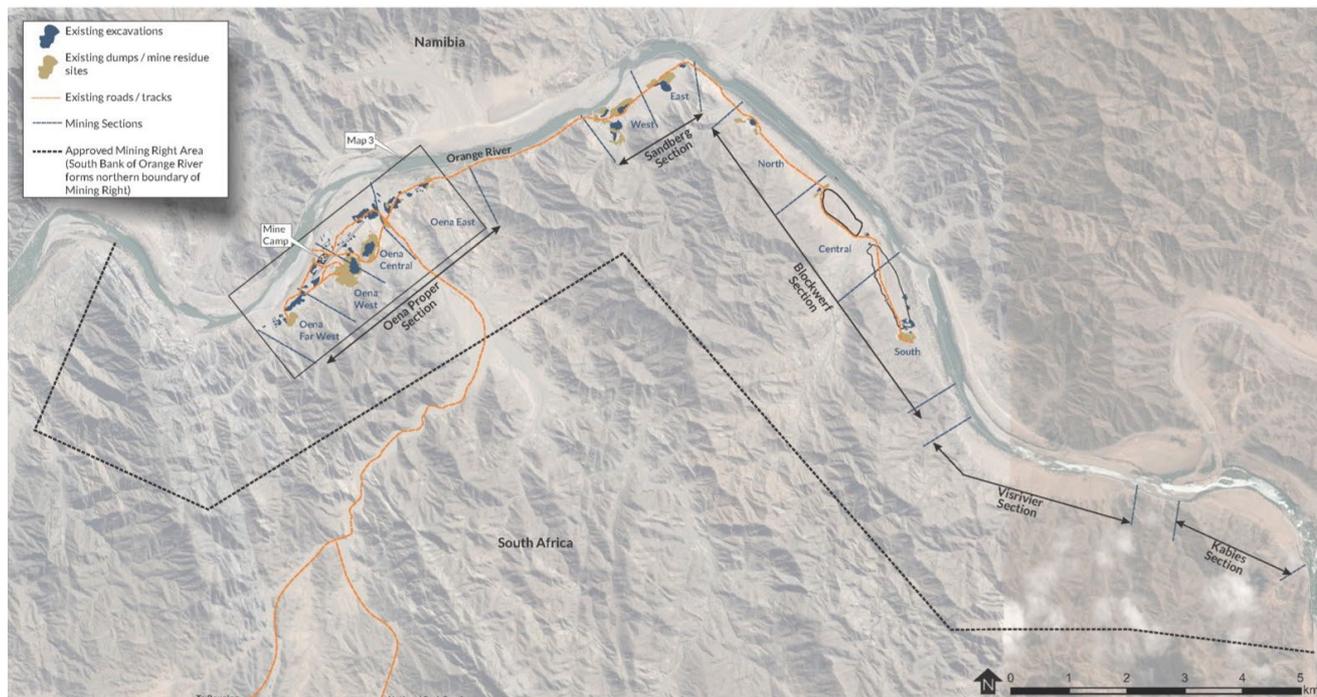


Figure 1 – Oena Mining License

| Diamond | See Photo | Section | Sales Weight (ct) | USD per ct | Total USD |
|---------|-----------|----------|-------------------|------------|-----------|
| 1 | below | Sandberg | 44.250 | \$5'492 | \$243'000 |
| 2 | below | Sandberg | 37.030 | \$5'103 | \$188'962 |
| 3 | below | Sandberg | 35.000 | \$15'286 | \$535'000 |
| 4 | below | Sandberg | 32.218 | \$1'809 | \$58'289 |
| 5 | below | Sandberg | 26.410 | \$12'680 | \$334'900 |
| 6 | below | Sandberg | 26.340 | \$5'884 | \$155'000 |
| 7 | | Sandberg | 22.020 | \$7'720 | \$170'000 |
| 8 | below | Sandberg | 20.112 | \$4'031 | \$81'084 |
| 9 | | Sandberg | 19.420 | \$2'034 | \$39'500 |
| 10 | | Sandberg | 18.730 | \$8'270 | \$154'889 |
| 11 | below | Blokwerf | 17.550 | \$3'971 | \$69'499 |
| 12 | | Sandberg | 16.922 | \$3'137 | \$53'100 |
| 13 | | Sandberg | 15.250 | \$5'016 | \$76'499 |
| 14 | | Sandberg | 14.800 | \$2'910 | \$42'900 |
| 15 | | Sandberg | 13.200 | \$2'121 | \$27'999 |
| 16 | | Sandberg | 10.651 | \$5'330 | \$56'780 |
| 17 | below | Sandberg | 10.510 | \$8'712 | \$91'560 |

Table 1 – Sandberg and Blokwerf selection of diamonds recovered over 10 cts

Sandberg represents a target of 4.50 million (M) to 5.75M cubic meters (approximately 11M tonnes) and Blokwerf represents a target of 6.25M to 7.25M cubic meters (approximately 18M tonnes) of basal and suspended gravel has been identified for continued exploration and bulk sampling. (see news release dated 1 December 2014).

| | Total ct sold | Total Number of Diamonds | Average Diamond Size ct | Average USD per ct | Approx. Total Sales (USD) |
|-------------------------|---------------|--------------------------|-------------------------|--------------------|---------------------------|
| July 2015 to April 2022 | 7,967 | 3,958 | 2.01 | 1,612 | \$12,850,000 |

Table 2 – Oena Diamond Mine production from July 2015 to April 2022

| Diamond | Size Date Value | Photo |
|---------|--|--|
| 1 | 44.25 carat - \$5,492 per carat (\$243,000) Sandberg 20 March 2020 |  |

| | | |
|---------|---|--|
| 2 | 37.03 carat - \$5,103 per carat (\$188,962) Sandberg 24 February 2020 |  |
| 3 | 35.00 carat - \$15,286 per carat (\$535,000) Sandberg 28 November 2019 |  |
| 4 and 8 | Sandberg – parcel of 16 stones 32.218 carat - \$1,807 per carat (\$58,289) 20.112 carat - \$4,031 per carat (\$81,084) 4.75 carat 2.2 carat 5.15 Carat 2.0 carat 4.0 Carat 2.05 carat 3.4 carat 1.25 Carat 4.0 carat 0.95 carat 3.15 carat 1.0 carat 2.8 carat 0.75 carat 23 November 2020 |  |
| 5 | 26.41 carat - \$12,680 per carat (\$334,900) Sandberg – parcel of 3 stones 3.85 carat 3.25 carat 24 January 2019 |  |
| 6 | 26.34 carat - \$5,884 per carat (\$155,000) Sandberg 18 September 2020 |  |

| | | |
|----|---|--|
| 11 | 17.55 carat- \$3,971 per carat (\$69,499) Blokwerf 22 February 2019 |  |
| 17 | 10.51 carat -\$8,712 per carat (\$91,560) Sandberg 23 January 2021 |  |

Table 3 – Oena Diamond Mine diamond photos of select diamonds from Sandberg and Blokwerf production

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

ON BEHALF OF THE BOARD OF DIRECTORS OF SOUTHSTONE MINERALS LIMITED

Terry L. Tucker, P.Ge.
Executive Chairman

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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.