

OENA DIAMOND SALES Q4 2022 AND Q1 2023 REPORTS

VICTORIA, BRITISH COLUMBIA — 28 NOVEMBER 2022 — Southstone Minerals Limited (“Southstone” or the “Company”) (TSX.V – SML) is pleased to provide a diamond sales and operational update for the Oena Diamond Mine (“Oena”), South Africa for the periods 1 June 2022 to 31 August 2022 (Q4 2022) and 1 September 2022 to 30 November 2022 (Q1 2023).

Diamond sales for Q4 2022 and Q1 2023 totals 520.78 carats averaging USD \$1,655 per carat with gross revenue of USD \$861,829 (Table 1). This includes six exceptional specials (>10.8 carats) (Table 2) including a 31.33 carat diamond that sold for gross revenue of USD \$268,107 (USD \$8,559 per carat).

Diamonds are sold monthly at a designated tender facility (see news release dated 19 April 2022 for detailed terms) and total sales in each of Q4 2022 and Q1 2023 are summarized in Table 1.

Period	Mining location	Weight sold (carats)	Number of diamonds	Gross revenue (USD)	Price per carat (USD)
Q4 2022	Blokwerf Section	144.57	82	\$110,669	\$766
Q1 2023	Blokwerf Section	376.21	182	\$751,160	\$1,997
Total sales	Blokwerf Section	520.78	264	\$861,829	\$1,655

Table 1 - Q4 2022 and Q1 2023 total diamond sales.

Oena continues to produce large and high-quality special diamonds (>10.8 carats) as summarized in Table 2.

Diamond	Mining location	Weight sold (carats)	Gross revenue (USD)	Price per carat (USD)
1	Blokwerf Section	18.69	\$97,823	\$5,233
2	Blokwerf Section	21.36	\$36,888	\$1,727
3	Blokwerf Section	12.35	\$70,383	\$5,700
4	Blokwerf Section	15.19	\$59,646	\$3,927
5	Blokwerf Section	31.33	\$268,107	\$8,559
6	Blokwerf Section	12.88	\$18,189	\$1,413
Total		111.80	\$551,036	

Table 2 – Blokwerf Section diamonds recovered >10.8 carats.

Oryx Mining (Pty) Ltd (“Oryx”) commenced diamond mining operations in early June 2022 in the southern Blokwerf Section (Figure 1) (see news release dated 13 June 2022) and Oryx appointed a subcontractor (“APS”) in Q1 2023 to operate in northern Blokwerf Section (Figure 1). Oryx operates 23 hours a day, 6 days a week with total head feed capacity of 200 tonnes per hour to a Bell Finlay 883 mobile screen which then feeds an 18-foot pan plant. APS operates 12 hours a day, 6 days a week with total head feed capacity of 350 tonnes per hour to a barrel screen which then feeds an 18-foot pan plant. Concentrate produced from the pan plants is transferred securely to a high security processing facility where diamonds are recovered using BVX technology. Oryx has completed a significant amount of exploration and bulk sample testing to determine the viability of the operation and continues to do so.

Oena consists of an 8,800-hectare mining right located along the Orange River (Figure 1) and mining operations commenced at Blokwerf Section. Oena is owned by African Star Minerals (ASM) of which 43% is owned by Southstone. ASM receives 20% of gross revenue and ASM is responsible for any mineral royalties payable.

Oena operations will be discontinued for a break over the upcoming holidays between 15 December 2022 and will recommence on 7 January 2023.



Figure 1 – Oena Mining License

The Company also reports that Mr. Samer Khalaf has resigned as Chief Executive Officer, effective 28 November 2022, due to personal reasons but will remain as an Independent Director of the Company. Mr. Terry L. Tucker has consented to act as Interim Chief Executive Officer, in addition to his role as Interim Chief Financial Officer and holds both positions at the discretion of the Board of Directors.

The technical disclosure in this news release has been approved by Terry L. Tucker, P.Geo., 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.Geo.
Executive Chairman

info@southstoneminerals.com

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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.