

OENA DIAMOND SALES Q2 2023 REPORT

VICTORIA, BRITISH COLUMBIA — 11 April 2023 — Southstone Minerals Limited (“Southstone” or the “Company”) (TSX.V – SML) provides information on diamond sales for the period 1 December 2022 to 28 February 2023 (Q2 2023) and an operational update for the Oena Diamond Mine (“Oena”), South Africa.

Diamond sales for Q2 2023 totaled 60.32 carats averaging USD \$3,117 per carat with gross revenue of USD \$188,047 (Table 1). This includes three diamonds >5 carats (Table 2) including a 20.66 carat diamond that sold for gross revenue of USD \$115,600 (USD \$5,596 per carat).

Diamonds are sold at a designated tender facility and total sales in Q2 2023 are summarized in Table 1.

Period	Mining location	Weight sold (carats)	Number of diamonds	Gross revenue (USD)	Price per carat (USD)
Q2 2023	Blokwerf Section	8.34	5	\$4,958	\$595
Q2 2023	Oena Proper Section	51.98	17	\$183,089	\$3,522
Total sales		60.32	22	\$188,047	\$3,117

Table 1 – Q2 2023 total diamond sales.

During Q2 2023 Oena produced several >5 carat diamonds in Q2 2023 and are summarized in Table 2.

Diamond	Mining location	Weight sold (carats)	Gross revenue (USD)	Price per carat (USD)
1	Oena Proper Section	20.66	\$115,600	\$5,596
2	Oena Proper Section	10.23	\$32,613	\$3,190
3	Oena Proper Section	5.89	\$27,990	\$4,750
Total sales		36.78	\$176,203	\$4,791

Table 2 – Diamonds recovered >5 carats.

Oena Diamond Mine

Oryx Mining (Pty) Ltd (“Oryx”) commenced diamond mining operations in early June 2022 and completed a significant amount of exploration and bulk sample testing to 30 March 2023. Diamond sales during this period totaled 587.57 carats averaging USD \$1,820 per carat with gross revenue of USD \$1,069,553. Total production and a summary of each of seven tenders from June 2022 to 30 March 2023 by Oryx is presented in Table 3 and individual specials recovered (>10.8 carats) are presented in Table 4. Oryx has advised the Company that it will discontinue operations at Oena, effective immediately, and no further production or sales other than those reported in Table 3 will be produced by Oryx.

The Company is seeking a new contractor, or contractors, to recommence operations at Oena. Several potential new contractors are visiting Oena in mid-April. Opportunities exist for reprocessing of historical tailings and production from run of mine material at Oena, Sandberg and Blokwerf Sections (Figure 1). Two areas, located outside of the current approved Mine Works Program, Visrivier and Kabies Section, located further upstream, also represent excellent untested potential for the Oena but have never been explored.

Mining location	Tender no. (day/mo.)	Carats sold	Number of diamonds	Gross revenue (USD)	Price per carat (USD)
Blokwerf South	1 (12/7)	44.32	25	\$45,000	\$1,015
Blokwerf South	2 (16/8)	100.25	57	\$65,669	\$655
Blokwerf South	3 (22/9)	79.99	44	\$150,396	\$1,880
Blokwerf South	3 (22/9)	69.03	28	\$129,560	\$1,877
Blokwerf South	4 (20/10)	38.05	20	\$72,665	\$1,910
Blokwerf South	4 (20/10)	32.65	21	\$20,615	\$631
Blokwerf North	4 (20/10)	40.50	6	\$270,238	\$6,673
Blokwerf North	5 (24/11)	8.73	9	\$1,642	\$188
Blokwerf South	5 (24/11)	27.76	19	\$13,630	\$491
Blokwerf South	5 (24/11)	24.33	13	\$29,254	\$1,202
Blokwerf South	5 (24/11)	55.17	22	\$63,160	\$1,145
Blokwerf South	6 (28/2)	8.34	5	\$4,958	\$595
Oena Proper	6 (28/2)	10.72	7	\$29,966	\$2,795
Oena Proper	6 (28/2)	41.26	10	\$153,123	\$3,711
Oena Proper (Q3 2023 sales)	7 (28/3)	6.47	3	\$19,675	\$3,041
Total (tenders 1-7)		587.57	289	\$1,069,553	\$1,820

Table 3 – Total diamond sales June 2022 to 30 March 2023.

Tender no. (day/mo.)	Weight (carats)	Gross revenue (USD)	Mining location	Price per carat (USD)
3 (22/9)	18.69	\$97,823	Blokwerf South	\$5,233
3 (22/9)	21.36	\$36,888	Blokwerf South	\$1,727
3 (22/9)	12.35	\$70,383	Blokwerf South	\$5,700
4 (20/10)	15.19	\$59,646	Blokwerf South	\$3,927
4 (20/10)	31.33	\$268,107	Blokwerf North	\$8,559
5 (24/11)	12.88	\$18,189	Blokwerf South	\$1,423
6 (28/2)	10.23	\$32,613	Oena Proper	\$3,190
6 (28/2)	20.66	\$115,600	Oena Proper	\$5,596
Total (tenders 3-7)	142.71	\$699,249	-	\$4,900

Table 4 – Oena Diamond Mine Specials sold June 2022 to March 2023.

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



Figure 1 – Oena Mining License

The Company also reports that Ms. Donna M. Moroney has resigned as Director, effective 21 February 2023, and will remain as Corporate Secretary of the Company.

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

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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.