

**SOUTHSTONE ANNOUNCES APPOINTMENT OF ADDITIONAL MINING CONTRACTOR,  
OENA DIAMOND MINE, SOUTH AFRICA**

**VANCOUVER, BRITISH COLUMBIA — 20 February 2025 — Southstone Minerals Limited (“Southstone” or the “Company”) (TSX.V – SML)** is pleased to announce that African Star Minerals (Pty) Ltd. (“ASM”), the Company’s 43% owned subsidiary, has entered into a Contract Mining and Diamond Recovery Agreement (the “Agreement”) with Rietput Delwery (Pty) Ltd (“Rietput”) at Oena Diamond Mine (“Oena”), South Africa. Rietput will focus on mining the Sandberg Section of the Oena Mining License, with equipment mobilization initiated in early February and production scheduled to commence in Q2 2025.

**Production Overview and Performance**

Since the acquisition of Oena, the Company has recorded total diamond production of 9,646 carats with an average stone size of 1.93 carats and an average sales price of USD \$1,627 per carat (Table 1). The Sandberg Section has been a key source of high-value stones, with over 50% of diamonds >10.8 carats (“Specials”), valued at more than USD \$5,000 per carat, recovered from Sandberg.

**Sandberg Section Performance**

From November 2018 to August 2024, Sandberg Section yielded 3,460 carats (1,476 diamonds), with an average stone size of 2.34 carats per diamond. Although the Sandberg Section accounts for approximately 30% of the total volumes mined at Oena since July 2015, it has produced 50% of all Specials valued at >USD \$5,000/carats.

	Total carats produced	Total Number of Diamonds	Average Diamond Size (carats)	USD (\$) per carat (average)	Total USD Sales (\$)
<b>Oena Diamond Mine</b> July 2015 to January 2025	9,646	4,987	1.93	\$1,627 <sup>1</sup>	\$15,585,592 <sup>1</sup>

*Including:*

<b>Sandberg Section</b> November 2018 to January 2025 (production to August 2024)	3,460	1,476	2.34	USD (\$) per carat (average) \$ 1,935 <sup>2</sup>	<small>November 2023 to November 2024 production average</small>
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Table 1 – Oena Diamond Mine production and sales.

(1) pending tender and sale of December 2024 production stones

(2) November 2023 to November 2024 production only average

## Exceptional Diamond Recovered from Sandberg Section

The table below presents 11 Specials, valued at more than USD \$5,000 per carat, that were recovered from Sandberg Section:

Diamond and Photo Number in Table 3	Diamond Sale Date	Carats	USD Price per Carat	Total USD Sale
1	March 20, 2020	44.25	\$5,492	\$243,000
2	February 24, 2020	37.03	\$5,103	\$188,962
3	November 28, 2019	35.00	\$15,286	\$535,000
4	January 25, 2024	30.25	\$8,850	\$267,712
5	January 24, 2019	26.41	\$12,681	\$334,900
6	September 18, 2020	26.34	\$5,885	\$155,000
7	June 20, 2024	23.06	\$9,781	\$225,559
8	June 1, 2021	22.02	\$7,720	\$170,000
9	January 24, 2019	18.73	\$8,270	\$154,889
10	February 21, 2019	15.25	\$5,016	\$76,499
11	June 20, 2024	13.24	\$5,617	\$74,369
<b>Total</b>		<b>291.58</b>	<b>8,320</b>	<b>2,425,890</b>

### Contract Terms

Under the three-year Agreement, Rietput will provide and maintain all necessary plant and equipment at its own cost and expense. Diamonds recovered will be sold through a designated Tender Facility in South Africa, with 80% of the net diamond sales proceeds (less commissions and eligible expenses) allocated to the contractors.

### Southstone's Role in Oena Operations

Southstone retains management oversight of Oena, including diamond sales, operational and mining consultation, security, and compliance with mining license reporting requirements. The Company maintains a dedicated management and security team in South Africa, including the CEO of African Star Minerals and the Oena Operational Site Manager.

### Technical Oversight

The Company's Executive Chairman, supported by an external geological consultant, provides technical and geological guidance to operational teams and contractors.

### Qualified Person Statement

The scientific and technical disclosures in this news release have been reviewed and approved by Terry L. Tucker, P.Geo., Executive Chairman of the Company, and a Qualified Person (QP) under NI 43-101.

### ON BEHALF OF THE BOARD OF DIRECTORS OF SOUTHSTONE MINERALS LIMITED

Terry L. Tucker, P.Geo.

Executive Chairman

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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 Statements & Risks Section

This news release contains "forward-looking statements" and "forward-looking information" as defined under applicable securities laws. Except for statements of historical fact, these statements reflect current management expectations, estimates, projections, assumptions, and beliefs, which may prove to be incorrect. Forward-looking statements include, but are not limited to:

- The anticipated timing of production commencement by Rietput Delwery (Pty) Ltd in Q2 2025;
- The expected impact of the mining contract on operational efficiencies, recoveries, and production output;
- Forecasts related to diamond quality, pricing, and market demand for rough diamonds;
- Assumptions regarding contractor performance, equipment availability, and operational costs;
- Potential expansion opportunities at Sandberg and other areas of the Oena Mining License;
- The Company's ability to maintain compliance with permitting and government regulations.

These statements are not guarantees of future performance and involve known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from expectations. These risks include, but are not limited to:

- The risk that diamond recoveries, sales prices, or production rates may be lower than projected;
- The potential for delays, reduced output, or operational inefficiencies under the new mining contract;
- The uncertainty that projected revenues from diamond sales will materialize as expected;
- Risks that diamond mineralization at Sandberg may not be consistent with past recoveries;
- Potential delays or regulatory challenges in obtaining necessary permits or approvals;
- Currency exchange fluctuations affecting revenue, operating costs, and financial projections;
- Volatility in diamond market supply, demand, and pricing;
- The risk that Rietput Delwery (Pty) Ltd may not meet contractual obligations, affecting production timelines;
- Disruptions caused by adverse weather, equipment failure, labor issues, or other operational factors;
- External geopolitical factors or regulatory changes in South Africa impacting the diamond sector;
- General economic conditions, capital markets instability, and access to financing.

**Cautionary Note:** The forward-looking statements contained in this release are based on several assumptions, including: continued market demand for rough diamonds, stable economic conditions, contractor adherence to operational commitments, and the availability of equipment and skilled labor. However, there can be no assurance that these assumptions will prove accurate.

Actual results and future events may differ materially from those anticipated in forward-looking statements. Readers should not place undue reliance on forward-looking statements, as they involve inherent risks and uncertainties.

Southstone Minerals Limited expressly disclaims any obligation to update or revise forward-looking statements as a result of new information, future events, or otherwise, except as required by applicable securities laws.

Diamond	Size – Value per carat – Total Sale Price (USD) Sandberg Date	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	30.25 carat - \$8,850 per carat (\$267,712) Sandberg 25 January 2024	
5	26.41 carat - \$12,680 per carat (\$334,900) Sandberg 24 January 2019	


6	26.34 carat - \$5,884 per carat (\$155,000) Sandberg 18 September 2020	
7	23.06 carat - \$9,781 per carat (\$225,559) Sandberg 20 June 2024	
8	22.02 carat - \$7,720 per carat (\$170,000) Sandberg 1 June 2021	
9	18.73 carat - \$8270 per carat (\$154,889) Sandberg 24 January 2019	
10	15.25 carat - \$5,016 (\$76,499) Sandberg 20 February 2019	
11	13.24 carat - \$5,617 per carat (\$74,369) Sandberg 20 June 2024	

Table 3 – Photos of Sandberg Special diamonds >10.8 carats & > USD \$5,000 per carat