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Interim Management's Discussion & Analysis

**** Quarterly Highlights ****

This Management's Discussion & Analysis – Quarterly Highlights ("**Quarterly Highlights**") of Southstone Minerals Limited (the "**Company**" or "**Southstone**") is prepared as of April 22, 2025 and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements and related notes for the six months ended February 28, 2025, as well as the audited financial statements for the year ended August 31, 2024.

The interim unaudited financial statements have been prepared by management in accordance with International Accounting Standards 34 'Interim Financial Reporting' using accounting policies consistent with the International Financial Reporting Standards issued by the International Accounting Standards Board and Interpretations of the International Financial Reporting Interpretations Committee.

All figures are in Canadian dollars unless otherwise stated. Additional information, including the above-mentioned financial statements are available on SEDAR+ and may be accessed at www.sedarplus.ca.

Date

This MD&A is dated as of April 22, 2025.

Forward-Looking Information

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry, including operational risks in exploration development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of resource and reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of Southstone to obtain all permits, consents or authorizations required for its operations and activities; and health, safety and environmental risks, the risk of commodity price and foreign exchange rate fluctuations, the ability of Southstone to fund the capital and operating expenses necessary to achieve its business objectives, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by Southstone. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of Southstone should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this document are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Analysis of the Company's Financial Performance and Condition

The Company is reporting a net loss for the six months ended February 28, 2025 of $143,681, compared to net loss of $80,225 for the comparative period ending February 29, 2024.

The biggest impact on the results is the decrease in production, with gross profit lower by $53,875, when compared to the period ending February 29, 2024.

Non-Exploration Expense Summary

A summary of the non-exploration activity from continued operations is as follows:

	Three months ended		Six months ended	
	February 28, 2025	February 29, 2024	February 28, 2025	February 29, 2024
Revenues	$ 140,228	$ 631,229	$ 299,412	$ 631,229
Cost of sales	(97,348)	(515,902)	(237,960)	(515,902)
Gross profit	42,880	115,327	61,452	115,327
Expenses				
Amortization	(54)	-	(109)	-
Foreign exchange gain (loss)	3,756	(13,692)	15,728	(13,864)
Management and consulting	(50,889)	(39,149)	(90,755)	(78,561)
Office and general	(18,304)	(14,680)	(51,801)	(53,233)
Professional fees	(15,085)	(10,000)	(39,758)	(20,000)
Shareholder information	(12,415)	(10,491)	(13,486)	(11,979)
Travel and promotion	-	(846)	-	(846)
	(92,991)	(88,858)	(180,181)	(178,483)

- The foreign exchange gains and losses fluctuating relates to the volatility of the South African Rand against the Canadian dollar for the periods from September 2023 to February 2024 and September 2024 to February 2025.

- The management and consulting charges were higher in the first six months of fiscal 2025 compared to fiscal 2024 due to fees incurred for ASM's CEO.

- Professional fees increased in the first six months of fiscal 2025 compared to fiscal 2024 due to higher utilization of professional consultants. These services include, but are not limited to audit, legal, advisory and environmental.

Liquidity

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's

access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company historically generates cash flow from both operations as well as financing activities. As at February 28, 2025, the Company had cash of $49,985 to settle current liabilities of $1,881,095. The Company intends to meet its financial commitments through loans, private placements, debt conversion, and profits generated from its operations. All of the Company's financial liabilities have contractual maturities of less than 365 days and are subject to normal trade terms.

As at February 28, 2025, the Company has an accumulated deficit of $22,430,801. The Company will require additional financing in order to further develop its business, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these consolidated financial statements.

Corporate Activities

The Company has received conditional approval from the TSX Venture Exchange for its acquisition of Afrium Energy Pte. Ltd., a private Singapore corporation, which is the holder of 100 per cent of two private subsidiaries, Afrium Energy Botswana Pty. Ltd. and Copper Falcon Botswana Pty. Ltd., which collectively hold three uranium prospecting licences in the Republic of Botswana.

Final approval of the transaction is subject to the Company fulfilling certain material requirements, including:

1. The independent National Instrument 43-101 technical report on the Lekobolo project has been filed with the TSX-V and is currently under review;
2. Submission of a financial plan demonstrating that the Company has the necessary financial resources to complete the transaction, meet property obligations for a minimum of six months and finance the first stage of any recommended work program;
3. Audited financial statements for Afrium;
4. Personal information forms (PIFs) for any new insiders;
5. TSX-V review of the two-million-common-share finder's fee payable to James Ward;
6. Submission of a title opinion confirming Afrium's ownership and authority to sell or option the licences;
7. Compliance with Policy 3.3, Timely Disclosure, including issuing status updates with the 30- and 90-day timelines until closing;
8. Issuance of a closing news release as a condition for final approval.

Transactions with Related Parties

The Company incurred the following expenditures charged by companies controlled by current and former directors and officers of the Company:

		February 28, 2025		February 29, 2024
Directors fees	$	8,473	$	8,093
Consulting fees (included in management and consulting)		88,281		76,467
Total	**$**	**96,754**	**$**	**84,560**

Management fees are paid as and when funds are available. Management fees are broken down as follows:

	Period ended February 28,			
		2025		2024
Terry Tucker (Director, Executive Chair, Interim CEO and Interim CFO)	$	42,195	$	40,467
Neil Budd (Director)		8,473		8,093
Wiklow Corporate Services - Donna Moroney (Corporate Secretary & Director)		36,000		36,000
Nadim Makki (CEO, ASM)		10,086		-
Total	**$**	**96,754**	**$**	**84,561**

As at February 28, 2025, $407,386 (August 31, 2024 - $305,520) is owed to directors and secretary of the Company. Amounts owing are non-interest bearing, unsecured and due on demand.

Additional Information

Additional information relating to the Company is available on SEDAR+ at www.sedarplus.ca.