

SOUTHSTONE REPORTS OENA DIAMOND MINE Q1 2026 SALES AND RECOVERY AND SALE OF A 65.812-CARAT DIAMOND

VICTORIA, BRITISH COLUMBIA — 5 February 2026 — Southstone Minerals Limited (“Southstone” or the “Company”) (TSX-V:SML) reports diamond sales results from the Oena Diamond Mine in South Africa for the quarter ended November 30, 2025 (Q1 fiscal 2026) and provides an update on Tender 273 (January 2026) and production subsequent to quarter-end. Operations at the Sandberg Section—managed via the Company’s 43%-owned subsidiary, African Star Minerals (Pty) Ltd—delivered an increase in both sales and realized pricing, including the recovery of several high-value diamonds greater than 10.8 carats (“Specials”).

Q1 2026 Operational & Financial Highlights (Sept – Nov 2025):

- **Gross diamond sales** (total tender proceeds before tender costs): approximately US \$1.90 million, a 29% increase over Q4 2025.
- **Sales Volume:** 897.24 carats sold marking a 12% rise compared to Q4 2025.
- **Pricing:** The average price per carat was approximately US \$2,122, a 15% increase over the previous quarter.
- **Recoveries:** Eight Specials were sold, averaging 23 carats each for total proceeds of US \$1,274,668.
- **Notable Diamond:** A 65.812-carat stone (see Photo 1) sold for US \$579,984.
- Three Q1 diamonds sold achieved prices exceeding US \$5,000 per carat.

Q2 2026 Results to Date (Unaudited) (Dec 2025 – Feb 2026):

The Company has continued into the current quarter as mining exploits the lower, diamond-bearing gravel layer at Sandberg:

- **Recoveries:** Approximately 989 carats have been recovered to date in Q2. A portion of these were sold in Tender 273 and the balance remains in inventory for future tender sale.
- **January Sales:** Tender 273 (January 22, 2026) saw the sale of 414.87 carats for gross diamond sales of US \$587,759, including two stones (see Photo 2) priced above US \$5,000 per carat.
- **Unsold Inventory:** 574 carats recovered subsequent to the Tender 273 cut-off, including 13 Specials averaging 19.9 carats each, remain in inventory for future tender sale.

Historical Performance of Specials

Since production resumed at the Sandberg Section in November 2023 (based on internal production and tender records), Specials have represented 29% of recovered carats and 61% of gross sales value from the Sandberg Section.

Sandberg Section mining period	Total carats sold	Total Number of Diamonds	Average Diamond Size (carats)	US (\$) per carat	Gross Diamond Sales US (\$)
Sep 2018 to Nov 2021	2,690	1,157	2.33	-	-
Nov 2023 to Aug 2024	769	319	2.41	1,935	1,488,052
Apr 2025 to Jan 2026	2,713	941	2.88	1,800	4,883,400

Table 1 – Sandberg Section 2018 to 2026 diamond sales. Additional 574 carats from Q2 2026 production to date (as of January 27, 2026) remain in inventory for future tender sale. Note: Gross diamond sales represent total tender proceeds before tender costs.

Since the acquisition of Oena in 2014, the Company has recorded total diamond sales of 12,356 carats with an average stone size of 2.17 carats and an average sales price of US \$1,660 per carat.

Oena mining period	Total carats sold	Total Number of Diamonds	Average Diamond Size (carats)	US (\$) per carat	Gross Diamond Sales US (\$)
Jul 2015 to Jan 2026	12,356	5,689	2.17	1,660	20,511,160

Table 2 – Oena Mine 2015 to 2026 diamond sales. Additional 574 carats from Q2 2026 production to date (as of January 27, 2026) remain in inventory for future tender sale. Note: Gross diamond sales represent total tender proceeds before tender costs.

Southstone, through African Star, provides operational oversight at Oena, including diamond sales administration, contractor liaison, mining license compliance, and security. The Company maintains a management and security team in South Africa, including the CEO of African Star and the Oena Operational Site Manager. The Company's Executive Chairman, with external geological support, provides operational support for internal reporting of Oena activities and provides geological and technical support to the operations team and contractors.

Contract Amendment

African Star Minerals (Pty) Ltd. ("African Star"), a 43%-owned subsidiary of Southstone, is party to a Contract Mining and Diamond Recovery Agreement dated January 31, 2025, which originally entitled African Star to 20% of net tender proceeds after deduction of tender costs, representing an indirect economic interest of 8.6% to Southstone.

On August 1, 2025, African Star and Rietput Delwery BK amended the agreement, effective July 1, 2025. The amendment provides for a conditional revenue split based on tender sale value: where the gross diamond sales for any single tender is less than ZAR 10,000,000, revenue is

distributed 85% to Rietput Delwery BK and 15% to African Star (representing a 6.45% indirect interest to Southstone); where the gross diamond sales equals or exceeds ZAR 10,000,000, the original 80%/20% split applies (representing an 8.6% indirect interest to Southstone).

The conditional structure reflects the variability in tender values at Sandberg, where the presence or absence of Specials can materially influence gross diamond sales. During Q1 fiscal 2026, one of three tenders exceeded the ZAR 10,000,000 threshold and therefore qualified for the original 80%/20% split for African Star; tenders below the threshold were subject to the 85%/15% split.

During the quarter ended November 30, 2025, three tenders were completed: Tender 270 (September 18, 2025) sold 353.35 carats (Gross diamond sales ZAR 8,246,643; 85%/15% split applied); Tender 271 (October 16, 2025) sold 209.15 carats (Gross diamond sales ZAR 18,162,179; 80%/20% split applied); and Tender 272 (November 27, 2025) sold 334.74 carats (Gross diamond sales ZAR 6,470,618; 85%/15% split applied). Subsequent to quarter-end, Tender 273 (January 22, 2026) sold 414.87 carats (Gross diamond sales ZAR 9,533,445; 85%/15% split applied).

Tender 271 represented 55% of Q1 2026 gross diamond sales despite accounting for only 23% of carats sold, demonstrating the high-value nature of certain diamonds recovered during the quarter. This tender's gross diamond sales of ZAR 18.2 million triggered the original 80%/20% revenue split, under which African Star received 20% of tender proceeds, representing an 8.6% indirect economic interest to Southstone.

Qualified Person Statement

The technical disclosure in this news release relating to diamond production, recovery and sales has been approved by Terry L. Tucker, P.Geo. (APEGBC), Executive Chairman, and a Qualified Person as defined by National Instrument 43-101 of the Canadian Securities Administrators. Mr. Tucker has verified the production and sales records disclosed in this release.

ON BEHALF OF SOUTHSTONE MINERALS LIMITED

Terry L. Tucker, P.Geo.
Executive Chairman

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Forward Looking Statements Disclaimer

Certain statements in this release are forward-looking statements, which are statements that are not purely historical, including any statements regarding beliefs, plans, expectations, or intentions regarding the future. Forward-looking statements in this news release include expectations regarding continued production from the lower, diamond-bearing gravel layer at Sandberg, anticipated timing and results of subsequent tenders, expected characteristics of unsold diamond inventory, and the Company's plans for ongoing operations at the Oena Diamond Mine. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements included in this news release, other than statements of historical fact, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results, and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include quality and quantity of any mineral deposits that may be located, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, fluctuations in global diamond prices and market demand, variations in the size, quality, and quantity of

recovered diamonds, contractor operational performance, movements in the ZAR/USD exchange rate affecting tender value thresholds, quality and quantity of any mineral deposits, the Company's inability to raise the necessary capital to be fully able to implement its business strategies, and other risks and uncertainties disclosed in the Company's latest interim Management Discussion and Analysis filed with certain securities commissions in Canada.

The reader is cautioned that assumptions used in the preparation of any forward-looking statements herein may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect, and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.



Photo 1 – Sandberg Specials sold in Q1 2026 (not to scale):

- (1) 65.812 carats sold for US \$579,984 or US \$8,813 per carat.
- (2) 38.100 carats sold for US \$408,999 or US \$10,735 per carat.
- (3) 11.557 carats sold for US \$126,889 or US \$10,979 per carat.
- (4) 13.383 carats sold for US \$55,999 or US \$4,184 per carat.
- (5) 13.978 carats sold for US \$35,740 or US \$2,557 per carat.
- (6) 11.439 carats sold for US \$31,697 or US \$2,771 per carat.
- (7) 10.988 carats sold for US \$20,060 or US \$1,826 per carat.
- (8) 18.745 carats sold for US \$15,300 or US \$816 per carat.

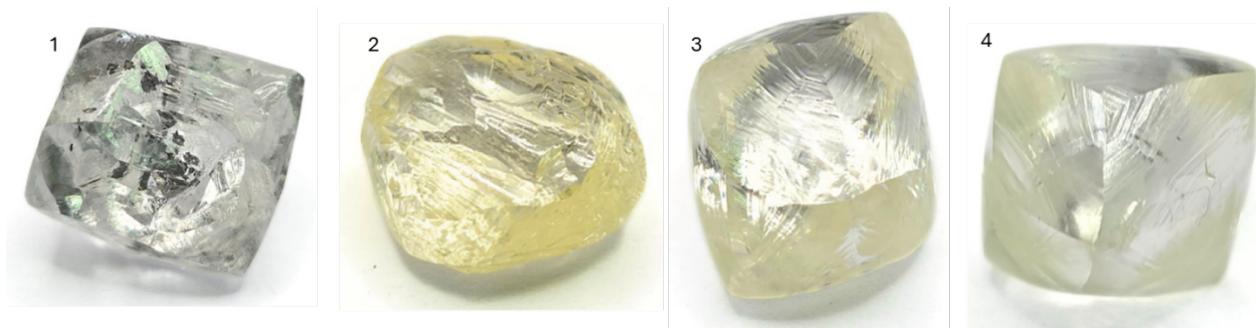


Photo 2 – Sandberg Specials sold in Q2 2026 to date (unaudited) (interim, not to scale):

- (1) 25.812 carats sold for US \$216,212 or US \$8,376 per carat.
- (2) 11.088 carats sold for US \$68,888 or US \$6,213 per carat.
- (3) 11.683 carats sold for US \$24,999 or US \$2,140 per carat.
- (4) 11.296 carats sold for US \$24,690 or US \$2,186 per carat.