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(A company continued under the laws of British Columbia, Canada with limited liability)
(Hong Kong Stock Code: 1878)
(Toronto Stock Code: SGQ)

Appointment of non-executive director

SouthGobi Resources Ltd. (the “**Company**”) today announces the appointment of Mr. Jianmin Bao (“**Mr. Bao**”) as a non-executive director of the Company (the “**NED**”), with effect from March 18, 2020.

Mr. Bao was nominated for appointment as a director of the Company by China Investment Corporation (“**CIC**”) pursuant to a contractual nomination right granted to CIC in connection with the convertible debenture issued by the Company in 2009.

Mr. Bao, aged 52, is currently the managing director of CIC Capital Corporation (“**CIC Capital**”), a wholly owned subsidiary of CIC, responsible for overseeing investment projects in infrastructure, energy, oil and gas, minerals and related investment funds at CIC Capital since 2015. Mr. Bao joined CIC in 2011 when he managed North American fund investments and private credit market investments in the Private Equity Department at CIC. Prior to joining CIC, Mr. Bao held the position of Vice President at the Beijing branch of HSBC Bank (China) Company Limited (“**HSBC China**”) and various senior positions in the Global Investment Banking Division of HSBC China during 2006 to 2010. Before joining HSBC China, Mr. Bao was the Head of the Export Credit Department of Export-Import Bank of China. Mr. Bao was previously a Commissioner on the Board of Commissioners of PT Bumi Resources Tbk, a company listed on the Jakarta Stock Exchange, from June 2017 to November 2018, and a non-executive director of Noble Group Limited, a company listed on the Singapore Stock Exchange, from May 2017 to April 2018.

Mr. Bao received his bachelor degree in 1990 and a master degree of Industry and Foreign Trade in 1994 from the Shanghai Jiao Tong University.

* For identification purposes only

As at the date of this announcement, save as disclosed above, Mr. Bao did not (i) hold any directorship in other publicly listed companies over the past three years; (ii) hold any other position with the Company or any of its subsidiaries; (iii) have any interest in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong); and (iv) have any relationship with any directors, senior management, or substantial or controlling shareholders of the Company.

There is no specific term or proposed length of service for Mr. Bao as a NED but Mr. Bao will be subject to retirement and re-election at the annual general meeting of the Company in accordance with the articles of continuation of the Company. Consistent with existing Company's director compensation, the director's fee for Mr. Bao will be determined by the board of directors of the Company (the "**Board**") based on the recommendation of the Compensation and Benefits Committee of the Board, which is comprised of independent non-executive directors.

Saved as disclosed above, there is no other information relating to the appointment of Mr. Bao that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange nor any matters that need to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to welcome Mr. Bao to join the Board.

By order of the Board
SouthGobi Resources Ltd.
Mao Sun
Lead Director

Vancouver, March 18, 2020

Hong Kong, March 18, 2020

As at the date of this announcement, the executive director of the Company is Mr. Shougao Wang; the independent non-executive directors are Messrs. Yingbin Ian He, Mao Sun and Ms. Jin Lan Quan; and the non-executive directors are Messrs. Jianmin Bao, Zhiwei Chen, Xiaoxiao Li and Ben Niu.