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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)

Change of Chief Executive Officer and executive director and Authorised Representative

SouthGobi Resources Ltd. (“**SouthGobi**” or the “**Company**”) announces that Mr. Shougao Wang (“**Mr. Wang**”) has tendered his resignation as the Company’s Chief Executive Director (“**CEO**”), executive director, and the chairperson of the Health, Environment, Safety and Social Responsibility Committee, and ceased to be an authorised representative of the Company pursuant to Rule 3.05 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “**Authorised Representative**”) with effect from March 31, 2020; and Mr. Dalanguerban (“**Mr. Dalanguerban**”) has been appointed as the Company’s CEO, executive director, Authorised Representative, and Chairperson of the Health, Environment, Safety and Social Responsibility Committee with effect from March 31, 2020.

Mr. Wang has resigned as the CEO, executive director and Authorised Representative of the Company due to career advancement. Mr. Wang has confirmed that he has no disagreement with the Board of Directors of SouthGobi (the “**Board**”) and that there are no matters relating to his resignation that need to be brought to the attention of the shareholders of the Company and the Hong Kong Stock Exchange. The Board expressed its great gratitude to Mr. Wang for his leadership and commitment to the Company since his appointment in 2018.

Mr. Dalanguerban, age 62, is a seasoned mining professional, having accumulated over 35 years of international mining and operational experience including a number of mining projects in Mongolia. Mr. Dalanguerban joined China Nonferrous Metal Industry’s Foreign Engineering and Construction Co., Ltd (“**NFC**”) in 1985 and served in a variety of roles in various countries until his departure in 2017 when he was the Chief Representative of NFC in Mongolia. During this time in Mongolia, Mr.

* For identification purposes only

Dalanguerban accomplished numerous achievements including the development and commissioning of the Tumultin Ovoo zinc mine, which is recognized as an “Exemplary Project of China-Mongolia Cooperation” and for which he was awarded the “Mining Contribution” prize by the Mongolia’s Ministry of Mines. Mr. Dalanguerban had served as a director, executive deputy general manager, and general manager successively in Tsairt Minerals LLC (the holding company of the Tumurtiin-Ovoo zinc mine) from its establishment in 1997 until 2005, when the Tumultin Ovoo zinc mine was put into production.

Mr. Dalanguerban cofounded the Mongolian Chinese Chamber of Commerce in Mongolia in 2002 and now serves as its Executive Vice President and Secretary-General. Mr. Dalanguerban studied Arabic at the Shanghai International Studies University and graduated in 1980.

The appointment of Mr. Dalanguerban as the CEO and executive director of the Company has been approved by the Board upon the recommendation of the Nominating and Corporate Governance Committee of the Board, which is comprised of all independent non-executive directors. Consistent with the Company’s executive compensation program, Mr. Dalanguerban’s remuneration will be determined by the Board based on the recommendation of the Compensation and Benefits Committee of the Board, which is comprised of independent non-executive directors of the Company.

Mr. Mao Sun, the Lead Director of the Board, said, “We are very pleased to announce the appointment of Mr. Dalanguerban as CEO to lead the Company’s senior management team. Mr. Dalanguerban’s appointment has the support of China Investment Corporation and China Cinda Asset Management Co., Ltd., the two largest shareholders of the Company. Mr. Dalanguerban brings extensive mining industry experience to the Company and we look forward to his leadership in guiding and shaping the future of the Company.”

As at the date of this announcement, Mr. Dalanguerban did not (i) hold any directorship in any 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 Future 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. Dalanguerban as CEO and executive director, and Mr. Dalanguerban’s emoluments will be determined by the Board based on the recommendations of the Compensation and Benefits Committee, which is comprised of all independent non-executive directors.

Saved as disclosed above, there is no other information relating to the appointment of Mr. Dalanguerban as the CEO and executive director 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 Stock Exchange of Hong Kong Limited nor any matters that need to be brought to the attention of the shareholders of the Company.

By order of the Board
SouthGobi Resources Ltd.

Mao Sun
Lead Director

Vancouver, March 30, 2020

Hong Kong, March 31, 2020

As at the date of this announcement, the executive director of the Company is Mr. Dalanguerban; 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.