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*(a company continued under the laws of British Columbia, Canada with limited liability)*  
(Stock Code: 1878)

## **SOUTHGOBI RESOURCES COMMENTS ON RECENT SHARE PRICE ACTIVITY**

**HONG KONG** – SouthGobi Resources Ltd. (TSX: SGQ, HK: 1878) comments on the recent share price activity.

Please see the attached announcement for more details.

By order of the Board  
**SouthGobi Resources Ltd.**

**Mr. Peter Graham Meredith**  
*Chairman*

Hong Kong, 14 March 2012

*As of the date of this announcement, the executive Director is Mr. Alexander Alan Molyneux, the non-executive Directors are Mr. Peter Graham Meredith and Mr. John Anthony Macken and the independent non-executive Directors are Mr. Pierre Bruno Lebel, Mr. Robert William Hanson, Mr. Andre Henry Deepwell, Mr. Gordon Lancaster, Mr. Raymond Edward Flood Jr. and Mr. Robert Stuart Angus.*

\* *For identification purposes only*



March 14, 2012

## **SouthGobi Resources comments on recent share price activity**

**HONG KONG** – SouthGobi Resources Ltd. (**TSX: SGQ, HK: 1878**) SouthGobi notes its share price fell by 9.9% and 7.6% in Toronto and Hong Kong respectively on 12 March 2012, with trading volumes substantially above recent averages. The Company believes the activity is associated with the announcement by Standard & Poor’s Canadian Index Operations after the close of trading on 9 March 2012 that its shares would no longer be included in the Quarterly S&P/TSX Composite Index with effect from 19 March 2012. It is highly likely that index fund based investors are reducing holdings of SouthGobi shares.

### **About SouthGobi Resources**

SouthGobi Resources is focused on exploration and development of its Permian-age metallurgical and thermal coal deposits in Mongolia’s South Gobi Region. The company’s flagship coal mine, Ovoot Tolgoi, is producing and selling coal to customers in China. The company plans to supply a wide range of coal products to markets in Asia.

### Information contacts, SouthGobi Resources

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Forward-Looking Statements: This document includes forward-looking statements. Forward-looking statements include, but are not limited to, plans to supply a wide range of coal products to markets in Asia; and other statements that are not historical facts. When used in this document, the words such as “plan,” “estimate,” “expect,” “intend,” “may,” “likely” and similar expressions are forward-looking statements. Although SouthGobi believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Important factors that could cause actual results to differ from these forward-looking statements are disclosed under the heading “Risk Factors” in SouthGobi’s Management Discussion and Analysis of Financial Condition and Results of Operations for the year ended Dec. 31, 2010 and quarter ended September 30, 2011 which is available at [www.sedar.com](http://www.sedar.com).