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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)*

SouthGobi shareholders approve new deferral agreement with CIC

SouthGobi Resources Ltd. (the “**Company**”) is pleased to announce that a majority of the Company’s disinterested shareholders voted in favour of a shareholder resolution authorizing and approving the deferral agreement (the “**2019 Deferral Agreement**”) between Land Breeze II S.à.r.l. (“**CIC Subco**”), a wholly-owned subsidiary of China Investment Corporation, the Company and certain of its subsidiaries at the adjourned annual and special meeting (the “**Adjourned Meeting**”) of shareholders of the Company held in Vancouver, Canada on June 13, 2019.

The Hong Kong Stock Exchange has granted SouthGobi a waiver from strict compliance with Rule 13.39(4) of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “**Listing Rules**”) which requires that any vote of shareholders at a general meeting must be taken by poll. Therefore, this announcement does not contain the specific information set out in Rule 13.39(5) of the Listing Rules.

As disclosed in the Company’s press release dated April 23, 2019, the effectiveness of the 2019 Deferral Agreement and the respective covenants, agreements and obligations of each party under the 2019 Deferral Agreement were subject to the Company obtaining approval from disinterested shareholders in accordance with the requirements of Section 501(c) of the TSX Company Manual. A summary of the material terms of the 2019 Deferral Agreement can be found in the Company’s Management Proxy Circular dated April 23, 2019, a copy of which is available under the Company’s profile on SEDAR at www.sedar.com.

** For identification purposes only*

If there is any inconsistency or discrepancy between the English version and the Chinese version, the English version shall prevail.

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

Vancouver, June 13, 2019

Hong Kong, June 14, 2019

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. Wen Yao, Zhiwei Chen, Xiaoxiao Li and Ben Niu.