

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

INITIATION OF DELISTING REVIEW BY TSX

This announcement is made by SouthGobi Resources Ltd. (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company announces that it was notified by the Toronto Stock Exchange (“**TSX**”) on September 11, 2020 that it is reviewing the eligibility for continued listing of the Company’s common shares on the TSX pursuant to the TSX’s Remedial Review Process (“**TSX Delisting Review**”). The Company has been granted 120 days from the date of this notification to remedy the following delisting criteria, as well as any other delisting criteria that become applicable during the Remedial Review Process: (i) financial condition and/or operating results; (ii) adequate working capital and appropriate capital structure; and (iii) disclosure issues (collectively, the “**Delisting Criteria**”).

The TSX Continued Listing Committee has scheduled a meeting to be held on January 7, 2021 to consider whether or not to suspend trading in and delist the shares of the Company on TSX. If the Company fails to demonstrate to the TSX that no Delisting Criteria remain applicable on or before January 11, 2021, the Company’s common shares will be delisted from the TSX 30 days from such date.

The Company is evaluating its options and action plan with respect to the TSX Delisting Review and will make further announcements with respect to this matter as and when appropriate.

** For identification purposes only*

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Hong Kong Stock Exchange have been suspended with effect from August 17, 2020 pending for the publication of the audited annual results of the Company for the year ended December 31, 2019 and will remain suspended until further notice.

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, September 13, 2020

Hong Kong, September 13, 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.