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南戈壁資源有限公司*

(A company continued under the laws of British Columbia, Canada with limited liability)

(Hong Kong Stock Code: 1878)

(Toronto Stock Code: SGQ)

FULFILLMENT OF RESUMPTION GUIDANCE AND RESUMPTION OF TRADING ON THE HONG KONG STOCK EXCHANGE

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).

Reference is made to the announcements of the Company dated September 13, 2020, November 16, 2020, December 8, 2020, December 17, 2020, January 8, 2021 and February 8, 2021 (the “**Announcements**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Company is pleased to announce that the Company has fulfilled all the conditions stated in the Resumption Guidance to the satisfaction of the Hong Kong Stock Exchange. Trading in the common shares of the Company on the Hong Kong Stock Exchange will be resumed at 9:00 a.m. on Wednesday, February 10, 2021.

RESUMPTION GUIDANCE

Trading in the common shares of the Company on the TSX and the Hong Kong Stock Exchange has been suspended since June 19, 2020 and August 17, 2020, respectively. As stated in the Announcements, the Hong Kong Stock Exchange has set out the following conditions in its Resumption Guidance for the Company as below:

** For identification purposes only*

- (1) publish all outstanding financial results and address any audit modifications (the “**First Resumption Guidance**”);
- (2) inform the market of all material information for the Company’s shareholders and investors to appraise its position (the “**Second Resumption Guidance**”);
- (3) announce quarterly updates on the Company’s developments under Rules 13.24A of the Listing Rules, including, amongst other relevant matters, its business operations, its resumption plan and the progress of implementation (the “**Third Resumption Guidance**”);
- (4) resolve issues arising from the Cease Trade Order and/or the TSX Delisting Review, or take steps to the satisfaction of the Hong Kong Stock Exchange that the Company will be eligible for a primary listing on the Hong Kong Stock Exchange (the “**Fourth Resumption Guidance**”);
and
- (5) demonstrate compliance with Rule 13.24 of the Hong Kong Listing Rules (the “**Fifth Resumption Guidance**”).

FULFILLMENT OF RESUMPTION GUIDANCE

The Company is pleased to announce that, as of the date hereof, each of the conditions under the Resumption Guidance has been fulfilled, details of which are set out below.

The First Resumption Guidance

As disclosed in the announcement dated January 8, 2021, the Company has published all of its outstanding financial results to date, as well as its 2019 Annual Report and 2020 Interim Report, and there is no modification to the Auditor’s reports. Accordingly, the Company is of the view that the First Resumption Guidance has been fulfilled.

The Second Resumption Guidance

The Company has kept its shareholders and investors informed of all material information relating to the Company to appraise the Company’s position by way of disclosure through numerous announcements since the date on which the Company received notice of the Resumption Guidance from the Hong Kong Stock Exchange. Accordingly, the Company is of the view that it has fulfilled the Second Resumption Guidance.

The Third Resumption Guidance

The Company published a quarterly update announcement on November 16, 2020, in relation to the Company's developments under the Rule 13.24A of the Listing Rules, including its business operations, resumption plan and the progress of implementation of the resumption plan. Accordingly, the Company is of the view that the Third Resumption Guidance has been fulfilled.

The Fourth Resumption Guidance

On January 4, 2021, the Company filed an application for a full revocation of the CTO with the relevant Canadian securities regulatory authorities. As disclosed in the announcement dated February 8, 2021, the Company received an order from the relevant Canadian securities regulatory authorities declaring that the CTO has been revoked with effect as of February 5, 2021.

As disclosed in the announcement dated December 17, 2020, the Company has been granted an extension of the TSX Delisting process until February 16, 2021, 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 Company is taking actions as it considers necessary in order to satisfy the TSX that no delisting criteria remain applicable. The TSX is reviewing the Company's eligibility for continued listing of its common shares on the TSX pursuant to the TSX Delisting Review and the TSX Continued Listing Committee is scheduled to meet on February 11, 2021 to consider whether or not to suspend trading in and delist the common shares of the Company. The Company expects to receive the TSX's delisting decision on or before February 16, 2021 (Canada time). Accordingly, the Company is of the view that the Fourth Resumption Guidance has been fulfilled.

The Fifth Resumption Guidance

As disclosed in the Q3 2020 Financial Results, the revenue was USD 31.0 million and the gross profit was USD 10.9 million for the quarter ended September 30, 2020. The total assets of the Company was USD 197.9 million as at September 30, 2020. On January 11, 2021, the Company submitted to the Hong Kong Stock Exchange an analysis in respect of Rule 13.24 of the Hong Kong Listing Rules to demonstrate that the Company has sufficient assets and sufficient level of operations for which a sufficient potential value can be demonstrated to warrant the continued listing of its securities. Accordingly, the Company is of the view that the Fifth Resumption Guidance has been fulfilled.

RESUMPTION OF TRADING

Trading in the shares of the Company on the Hong Kong Stock Exchange has been suspended since August 17, 2020. As all the conditions under the Resumption Guidance have been fulfilled, the Hong Kong Stock Exchange have accepted the Company's trading resumption application. The trading in the common shares of the Company on the Hong Kong Stock Exchange will be resumed at 9:00 a.m. on Wednesday, February 10, 2021.

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, February 9, 2021
Hong Kong, February 9, 2021

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, Ben Niu and Ms. Ka Lee Ku.