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

## **SouthGobi Resources announces board changes**

**HONG KONG** – SouthGobi Resources Ltd. (**TSX: SGQ, HK: 1878**) (“SouthGobi” or the “Company”) today announces that effective December 1 2014, Ms. Kay Priestly will retire as Chairman, non-executive Director and member of the Nominating and Corporate Governance committee. Current independent Director Mr. Gordon Lancaster has been appointed Interim Chairman and Mr. Jeffery Dean Tygesen will join the board of directors (the “Board”) as Director effective December 1, 2014.

Ms. Kay Priestly has confirmed that she has no disagreement with the Board and there is no matter relating to her retirement that needs to be brought to the attention of the shareholders of the Company.

Mr. Lancaster has been independent non-executive Director of SouthGobi since 2010. He is also Chairman of the Compensation and Benefits Committee and a member of the Audit Committee and the Nominating and Corporate Governance Committee of the Company.

Mr. Jeffery Dean Tygesen, 56, has been appointed as non-executive Director of the Company effective December 1, 2014. He has been appointed as Chief Executive Officer and Director of Turquoise Hill Resources (“Turquoise Hill”) effective December 1, 2014. Prior to that, Mr. Tygesen has served as Vice-President, Copper Development at Rio Tinto Copper Group. In this capacity, he was responsible for overseeing Rio Tinto’s joint venture interests, technical and innovation development, sustainable development and accountability at Rio Tinto’s Chilean and Indonesian copper projects. Mr. Tygesen has spent over 30 years with Rio Tinto, and has held such positions as Mining Executive, Rio Tinto Copper Group; Regional General Manager, Rio Tinto Technology and Innovation; Manager, Long Term and Strategic Planning, Rio Tinto Energy America Coal; and Manager of Mine Development, Diavik Diamond Mines.

\* *For identification purposes only*

Mr. Tygesen holds a Bachelor of Science degree (Mining Engineering) and a Master of Science degree (Mining Engineering), both from the University of Utah (College of Mines and Earth Sciences). He is a member of the Society of Mining Engineering and the Institute of Corporate Directors.

Mr. Tygesen is a director of Turquoise Hill, the Company's majority shareholder. Save as disclosed above, Mr. Tygesen has not held any directorships in other public listed companies in the past three years. Mr. Tygesen owns no shares or options in the Company or in Turquoise Hill, the Company's majority shareholder. He owns 22,482 shares and 3,422 options in Rio Tinto, Turquoise Hill's majority shareholder.

There is no specific term or proposed length of services for Mr. Tygesen's appointment, but he is subject to retirement and re-election at annual general meeting of the Company in accordance with the article of continuation of the Company. Mr. Tygesen does not have any relationship with any other directors, senior management, substantial or controlling shareholders of the Company other than as disclosed above. Save as disclosed above, there is no other information relating to the appointment of the Mr. Tygesen as a non-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 (the "Listing Rules") nor any matters that need to be brought to the attention of the shareholders of the Company. Save as disclosed above, the new non-executive director does not have any interest in the shares of the Company within the meaning of part XV of the Securities and Future Ordinance.

As a non-executive director, Mr. Lancaster receives a fee of C\$25,000 per annum and C\$1,500 per in-person meeting attended and C\$600 per conference call meeting attended. He also receives additional fee of C\$25,000 in his capacity as Chair of the Compensation and Benefits committee. He also receives a travel allowance of C\$2,000 per round-trip in excess of four hours travel time. Mr. Lancaster will receive an additional fee of C\$60,000 per annum in the capacity of the Interim Chairman. As a non-executive director, Mr. Tygesen will receive a fee of C\$25,000 per annum and C\$1,500 per in-person meeting attended and C\$600 per conference call meeting attended. He will also receive a travel allowance of C\$2,000 per round-trip in excess of four hours travel time. As Mr. Tygesen will be an employee of Turquoise Hill, his fees will be payable to Turquoise Hill.

In addition, the Company announced that Ms. Allison Snetsinger has been appointed as the Company Secretary and authorised representative of the Company effective November 14, 2014. Ms. Snetsinger was the Company Secretary of the Company from May 17, 2012 to March 31, 2014. Since then, she has been assisting the Company on corporate matters. Prior to her position as Company Secretary, she held the position of assistant corporate secretary several times since the Company's Canadian initial public offering in December 2003.

Please see the attached announcement for more details.

By order of the Board  
**SouthGobi Resources Ltd.**  
**Ms. Kay Priestly**  
*Chairperson*

Hong Kong, November 13, 2014

*As of the date of this announcement, the executive Director is Mr. Kenneth Ross Tromans, the non-executive Directors are Ms. Kay Priestly, Mr. Bold Baatar, and Mr. Kelly Sanders, and the independent non-executive Directors are Mr. Pierre Bruno Lebel, Mr. Andre Henry Deepwell, and Mr. William Gordon Lancaster.*



November 12, 2014

## **SouthGobi Resources announces board changes**

**VANCOUVER, CANADA** – SouthGobi Resources Ltd. (**TSX: SGQ, HK: 1878**) (“SouthGobi” or the “Company”) today announces the retirement of its Chair Ms. Kay Priestly, effective December 1, 2014. Current independent Director Mr. Gordon Lancaster has been appointed Interim Chair and Mr. Jeff Tygesen will join the Board as Director effective December 1, 2014.

Ms. Priestly said “It has been a privilege to serve SouthGobi’s shareholders and work with the Board and management team over the last two years. I am pleased that Gord will serve as Interim Chair and I am confident that the Board will benefit from his leadership and vast experience in the resources industry and finance sector.”

Mr. Lancaster has been Director of SouthGobi since 2010. He is Chair of the Compensation and Benefits Committee and a member of the Audit Committee and the Nominating and Corporate Governance Committee.

Mr. Tygesen has been appointed as Chief Executive Officer and Director of Turquoise Hill Resources (“Turquoise Hill”) effective December 1, 2014 and brings an extensive operational background to the Board of SouthGobi. Previously Mr. Tygesen spent more than 30 years with Rio Tinto in operational roles across multiple product groups as well as technology and innovation and strategic planning. Most recently, he was Vice-President, Copper Development at Rio Tinto Copper Group and was responsible for overseeing Rio Tinto’s joint venture interests at its Chilean and Indonesian copper operations.

On his appointment, Mr. Lancaster said “I am honored to be appointed Interim Chair and we welcome Jeff as a new Board member. On behalf the entire Board and the management team, I would like to express our deepest gratitude to Kay for her leadership and contributions during her tenure as Chair”.

Messrs. Pierre Lebel, Andre Deepwell, Bold Baatar, Kelly Sanders and Ross Tromans continue to serve as directors of SouthGobi.

In addition, the Company announced that Ms. Allison Snetsinger has been appointed Corporate Secretary of the Company effective November 14, 2014. Ms. Snetsinger was the Corporate Secretary of the Company from May 17, 2012 to March 31, 2014. Since then, she has been assisting the Company on corporate matters. Prior to her position as Corporate Secretary, she held the position of assistant corporate secretary since the Company’s Canadian initial public offering in December 2003.

## **Note to editors**

Mr. Lancaster has been Director of SouthGobi since 2010. He is also Chair of the Compensation and Benefits Committee and a member of the Audit Committee and the Nominating and Corporate Governance Committee of the Company.

Mr. Lancaster is an independent business consultant and was previously the Chief Financial Officer of Ivanhoe Energy Inc., an international heavy-oil development and production company whose core operations were in Canada, Ecuador and China. Mr. Lancaster holds a chartered accountant degree from the University of Manitoba and, prior to entering the industry in 1982, he had a 20-year career in public accounting with Deloitte & Touche with the last five years as a partner in that firm's Vancouver office. Mr. Lancaster also is a director of Ainsworth Lumber Co. Ltd. and Sonde Resources Corp.

Mr. Tygesen is the Chief Executive Officer and Director of Turquoise Hill. Prior to that, Mr. Tygesen has served as Vice-President, Copper Development at Rio Tinto Copper Group. In this capacity, he was responsible for overseeing Rio Tinto's joint venture interests, technical and innovation development, sustainable development and accountability at Rio Tinto's Chilean and Indonesian copper projects. Mr. Tygesen has spent over 30 years with Rio Tinto, and has held such positions as Mining Executive, Rio Tinto Copper Group; Regional General Manager, Rio Tinto Technology and Innovation; Manager, Long Term and Strategic Planning, Rio Tinto Energy America Coal; and Manager of Mine Development, Diavik Diamond Mines.

Mr. Tygesen holds a Bachelor of Science degree (Mining Engineering) and a Master of Science degree (Mining Engineering), both from the University of Utah (College of Mines and Earth Sciences). He is a member of the Society of Mining Engineering and the Institute of Corporate Directors.

## **About SouthGobi**

SouthGobi is listed on the Toronto and Hong Kong stock exchanges, in which Turquoise Hill Resources Ltd. ("Turquoise Hill"), also publicly listed in Toronto and New York, has a 56% shareholding. Turquoise Hill took management control of SouthGobi in September 2012 and made changes to the board and senior management. Rio Tinto has a majority shareholding in Turquoise Hill.

SouthGobi is focused on exploration and development of its metallurgical and thermal coal deposits in Mongolia's South Gobi Region. It has a 100% shareholding in SouthGobi Sands LLC, Mongolian registered company that holds the mining and exploration licences in Mongolia and operates the flagship Ovoot Tolgoi coal mine. Ovoot Tolgoi produces and sells coal to customers in China.

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