

PART A.SUMMARY OF WAIVERS AND EXEMPTIONS

The Company applied for, and the Stock Exchange and/or the SFC granted several waivers and exemptions relating to its International Offerings, by way of a Hong Kong Public Offering and International Placing, its prospectus dated January 15, 2010 issued in connection with the International Offerings, its actions prior to the International Offerings, and its continuing obligations following the International Offerings. This information sheet only contains details of those waivers and exemptions that relate to the Company's continuing obligations and that apply to the Company as at the date of this information sheet. Capitalised terms used but not otherwise defined in this Part A have the meaning given to those terms in Part D of this information sheet.

Notifiable and connected transactions

As the Company is incorporated in British Columbia and is listed on the TSX, the Company is already subject to a wide range of continuing obligations concerning notifiable transactions, insider and related party transactions which are broadly commensurate with the shareholder protections under Chapter 14 (Notifiable Transactions) and Chapter 14A (Connected Transactions). The Stock Exchange granted a waiver from the operation of Chapters 14 and 14A of the Listing Rules in their entirety.

For details regarding the Canadian rules and regulations relating to independent shareholders' approval or preparation of a shareholder circular on notifiable transactions and connected transactions please see Part B, "Notifiable and Connected Transactions" in this information sheet.

Continuous disclosure

The Stock Exchange granted either complete or partial waivers from the operation of the following Listing Rules requirements relating to disclosure:

- Rule 13.09(2) (an equivalent provision to the new Rule 13.10B) of the Listing Rules which would require the Company to simultaneously inform the Stock Exchange of any information released to the TSX and ensure such information will be released to the market in Hong Kong at the same time as it will be released to the other markets which may not always be possible due to closure of the submission platform in Hong Kong, on the basis that the Company will contact the Stock Exchange and request a temporary suspension of dealings in Hong Kong prior to releasing information that is, in the opinion of the Company, of a price sensitive nature to the TSX during trading hours in Hong Kong and will inform the Stock Exchange and release information to the market in Hong Kong in the next available window for submission of documents to the Stock Exchange

if the Company informed the TSX or released information during closure of the submission platform.

- Rules 13.11 to 13.22 of the Listing Rules which would require disclosure of information in relation to specified matters relevant to the Company's business, including in relation to advances to an entity, financial assistance and guarantees to affiliated companies of an issuer, pledging of shares by the controlling shareholder, loan agreements with covenants relating to specific performance of the controlling shareholder, and breach of loan agreement by an issuer. The Company will instead make disclosures where these are relevant to the general obligation of disclosure under Rule 13.09(1) and (2) of the Listing Rules.

Share option schemes

Under Rule 19.42 of the Listing Rules, the Stock Exchange states that it may be prepared to vary the requirements applicable to schemes if an issuer's primary listing is or is to be on another stock exchange where different requirements apply. The Stock Exchange granted a waiver from the operation of Chapter 17 of the Listing Rules in its entirety.

Articles of the Company

Appendix 3 of the Listing Rules states that the articles of association or equivalent document must conform with the provisions set out in that appendix (the "Articles Requirements"). The Articles do not comply with some of the Articles Requirements. The Stock Exchange granted a waiver from strict compliance with the following Articles Requirements. In many cases, an Articles Requirement may not strictly be met but is covered by a broadly commensurate provision in the Articles. The Company did not apply for a waiver from strict compliance in these cases.

As regards Transfer and Registration

Articles Requirement 1(1) states that transfers and other documents relating to or affecting the title to any registered securities must be registered. There is no requirement in the Articles that transfers and other documents relating to or affecting the title to any registered securities must be registered. However, there is an equivalent requirement in the BCBCA which provides equivalent legislative protection. The Company has never charged a transfer fee to shareholders. In the absence of specific waivers, the Company and its Directors will be subject to the Listing Rules in respect of future transfers.

Articles Requirement 1(2) states in part that fully-paid shares must be free from all liens. Under the Articles, the Company has a lien on all shares registered in the name of a shareholder or his legal representative for any debt of that shareholder to the Company which

may be enforced by any means available by law. The Company has undertaken to the Stock Exchange not to utilise this lien for such time as the Company is a public company in Canada.

As regards Definitive Certificates

Articles Requirement 2(1) states that all certificates for capital must be under seal. Under the Articles, the directors may authorize the seal to be impressed upon the Company's share certificates. However, the compulsory affixing of seals on certificates is not required by the BCBCA as section 110 of the BCBCA only requires a share certificate to be signed by a Director. The TSX Listing Policies do not require share certificates to be affixed with a seal.

Articles Requirement 2(2) states that where power is taken to issue share warrants to bearer, no new share warrant must be issued to replace one that has been lost, unless the issuer is satisfied beyond reasonable doubt that the original has been destroyed. The Articles provide that, subject to the BCBCA, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the Directors may determine. The British Columbia Securities Transfer Act provides that an issuer must issue a new certificate only under specific circumstances including provision of an indemnity bond. Bonding companies require a statutory declaration that a certificate has been lost, destroyed or wrongfully taken before issuing an indemnity bond. However, it is not customary for Canadian public companies to issue scrip or bearer securities.

As regards Directors

Articles Requirement 4(1) states that, subject to such exceptions specified in the articles of association as the Stock Exchange may approve, a director must not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor must he be counted in the quorum present at the meeting. Under the Articles, Directors with disclosable interests in a transaction which is the subject of a resolution of the board are not entitled to vote on that resolution, unless all directors hold disclosable interests, in which case they are entitled to vote. An interested director is counted in the quorum. These provisions in the Articles comply with the BCBCA.

Articles Requirement 4(3) states that where not otherwise provided by law, the issuer in general meeting must have power by ordinary resolution to remove any director (including a managing or other executive director, but without prejudice to any claim for damages under any material contract) before the expiration of his period of office. Under the Articles the Company may only remove a director before the expiration of his or her term by special resolution. This higher threshold is consistent with the default requirement under section 128(3) of the BCBCA and standard Canadian corporate practice.

Articles Requirement 4(4) states that the minimum length of the period during which notice to the issuer of the intention to propose a person for election as a director and during which notice to the issuer by such person of his willingness to be elected may be given, will be at least 7 days. The Articles do not contain such a requirement as there is no such requirement under the BCBCA or the TSX Listing Policies and such a requirement is therefore inconsistent with Canadian corporate practice.

Articles Requirement 4(5) states that the period for lodgment of the notices referred to in subparagraph 4(4) will commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting. The Articles do not contain such a requirement as there is no such requirement under the BCBCA or the TSX Listing Policies and such a requirement is therefore inconsistent with Canadian corporate practice.

As regards Accounts

Articles Requirement 5 states that a copy of either (i) the directors' report, accompanied by the balance sheet (including every document required by law to be annexed thereto) and profit and loss account or income and expenditure account; or (ii) the summary financial report must, at least 21 days before the date of the general meeting, be delivered or sent by post to the registered address of every member. The Company undertakes to comply with this Articles Requirement only with respect to shareholders with a registered address in Hong Kong. The Articles require the Company to send notices of meeting at least 21 days before the meeting, but do not contain any requirement to send financial statements. Financial statements are available to shareholders on SEDAR and are also available for inspection at the annual general meeting.

As regards Rights

Articles Requirement 6(1) states that adequate voting rights must, in appropriate circumstances, be secured to preference shareholders. The Articles do not contain such a requirement but preferred shareholders have the right, protected under the BCBCA, to vote in cases where a special right is prejudiced. The Company considers there are adequate voting rights under the BCBCA.

Articles Requirement 6(2) states that the quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of at least one-third of the issued shares of the class. Under the Articles, the quorum requirement for a meeting of holders of any class of shares is 5% of the issued shares represented by those present either in person or by proxy.

As regards Notices

Articles Requirement 7(2) states that an overseas issuer whose primary listing is or is to be on the Stock Exchange must give notice sufficient to enable members, whose registered addresses are in Hong Kong, to exercise their rights or comply with the terms of the notice. If the overseas issuer's primary listing is on another stock exchange, the Stock Exchange will normally be satisfied with an undertaking by the issuer to do so and will not normally request the issuer to change its articles to comply with this paragraph where it would be unreasonable to do so. The Articles do not contain such a requirement. The Company has undertaken to the Stock Exchange to provide sufficient notice to Shareholders with registered addresses in Hong Kong to exercise their rights or comply with the terms of the notice.

As regards Redeemable Shares

Articles Requirement 8(2) states that if the Company has the power to purchase for redemption a redeemable share and if such a purchase is made by tender, then tenders must be available to all shareholders alike. The Articles do not contain such a requirement. However, the Company has undertaken to the Stock Exchange to make the same offer to all shareholders in the event of an issuer bid for redeemable shares by tender.

As regards Non-Voting or Restricted Voting Shares

Articles Requirement 10(1) states that where the capital of the issuer includes shares which do not carry voting rights, the words "non-voting" must appear in the designation of such shares. Although the Articles do not contain such a requirement, the designation requirement is covered under the TSX Listing Policies.

Articles Requirement 10(2) states that where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting". Although the Articles do not contain such a requirement, the designation requirement is covered under the TSX Listing Policies.

As regards Proxies

Articles Requirement 11(1) states that where provision is made in the Articles as to the form of proxy, this must be so worded as not to preclude the use of the two-way form. The Articles do not contain such requirement as Canadian Securities Laws preclude the use of two-way voting for the appointment of an auditor and the election of directors. However, any such form of proxy must comply with Part 9 of NI 51-102.

As regards Voting

Articles Requirement 14 states that, where any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted. There is no such provision in the Articles. However, the Articles Requirement is generally consistent with Canadian corporate practice. As the Company is a reporting issuer in Ontario, MI 61-101 is applicable to the Company. A shareholder may be restricted from voting in certain circumstances outlined in MI 61-101, which governs related party transactions, business combinations and insider bids. MI 61-101 sets out who is restricted from voting on these transactions, being those parties who have an interest in the transaction, and provides that these votes shall not be counted. The Company has undertaken to the Stock Exchange that votes cast by a shareholder in contravention of these requirements will not be counted.

A public company in Hong Kong

Section 4.1 of the Takeovers Code applies to takeovers, mergers and share repurchases affecting public companies in Hong Kong and companies with a primary listing in Hong Kong. Prior to the listing of the securities of the Company on the Stock Exchange, the Company applied to SFC for, and was granted a ruling that the Company is not a “public company in Hong Kong” for the purposes of section 4.1. Therefore, the Takeovers Code did not apply to the Company. This ruling could be reconsidered by the SFC in the event of a material change in information provided to the SFC, such as the location of the Company’s head office and place of central management.

In June 2014, the Company made an application to the SFC for a confirmation of the SFC’s prior ruling that the Company is not a public company in Hong Kong for the purposes of the Takeover Code. The Company made this application so it could assess, with a greater degree of certainty, its options for sourcing of additional financing. Following the application to the SFC, the Takeovers and Merger Panel of the SFC (the “Takeover Panel”) determined on 19 June 2014 that the Company should be considered a public company in Hong Kong for the purposes of the Takeover Code. The Takeovers Code now applies to the Company.

The Takeovers Panel’s decision was based primary upon the material change in the greater number of Hong Kong shareholders as reflected in the proportions of shares held on the Hong Kong and Canadian register, in particular the relative proportions held by the public (excluding Turquoise Hill and CIC). The Takeovers Panel was also of the view that there is a material change in relation to the extent of trading in the shares in Hong Kong as reflected in the proportionate trading volumes on the SEHK and in Canada.

The Takeovers Panel's written decision dated June 24, 2014 and published on June 30, 2014 is available on the SFC's website at

http://www.sfc.hk/web/EN/files/CF/pdf/Takeovers%20and%20Mergers%20Panel%20-%20Panel%20Decision/SouthGobi%20Panel%20Decision_EN_dated%2024%20June%202014.pdf

The Company is subject to Canadian Securities Laws regarding disclosure of shareholdings, share repurchases and takeovers. See the sections headed "Summary of Key British Columbia Corporate Laws and the Articles — Disclosure of Shareholdings", "Purchase by the Company of its own securities" and "Takeover Regulation", respectively in Part B to this information sheet, for more details.

Other continuing obligations

The Stock Exchange granted either complete or partial waivers from the operation of the following Listing Rules requirements:

- Rule 13.28(7) of the Listing Rules which would require that any announcement of a placement to less than six allottees include the names of the six allottees because the Company is restricted by Canadian laws from making such disclosures unless the allottees give specific consent to be named. In such circumstances, the Company will only announce the names of those allottees who give specific consent to be named and will provide the information to the Stock Exchange on a confidential basis.
- Rule 13.38 of the Listing Rules which would require that the Company send, with the notice convening a meeting of holders of listed securities to all persons entitled to vote at the meeting, proxy forms with provision for two-way voting on all resolutions intended to be proposed at a meeting, on the basis that in the case of the election of directors, or the appointment of auditors, the proxy forms will state that the shareholder is only able either to vote for the resolution or abstain from voting, consistent with applicable Canadian Securities Laws.
- Rule 13.39(4) of the Listing Rules which requires that any vote of shareholders at a general meeting must be taken by poll, so as to not inconvenience Shareholders by increasing the duration of the general meeting on the basis that votes will only be taken by poll where a poll is demanded in accordance with the Articles or otherwise required by law. The Company considers that there are sufficient shareholder protection safeguards in place as it requires only a single member to demand a poll.
- Rule 13.39(5) of the Listing Rules which would require that if voting at a general meeting is taken on a poll, the issuer will announce the results of the poll in accordance with the

specified requirements, which may not always be possible given general meetings will be held in Vancouver, on the basis that the Company will comply with applicable Canadian Securities Laws in announcing the results of any poll and undertakes to release information to the market in Hong Kong as soon as practicable but no later than the next available window for submission after it has disseminated the information or informed the TSX and, subject to an available window for submission, within 24 hours from the end of the meeting for which the poll is taken.

- Rule 13.44 of the Listing Rules which would, subject to exceptions, require that a director of the issuer will not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor will he be counted in the quorum present at the meeting as the Company believes that strict compliance with this Listing Rule may result in situations where the Company will be unable to approve matters put to the board. The Directors are subject to disclosure obligations under the BCBCA. For further details, please refer to Part B of this information sheet “Summary of Key British Columbia Corporate Laws and the Articles — Restrictions on Directors’ Voting”.
- Rules 13.48 and 13.46(2) of the Listing Rules which would require that the Company to send a copy or summary of its interim report and annual report to Shareholders. The requirement to send hard copies of reports is inconsistent with Canadian market practice under which the Company only sends out hard copies of the annual reports to Shareholders who have requested hard copies. The Company will only comply with these Listing Rules with respect to members with registered addresses in Hong Kong subject to Rule 2.07A of the Listing Rules under which Shareholders may agree to receive corporate communications by making them available on the Company’s website. At the Company’s annual general meeting held on May 17, 2011 the Shareholders voted to approve the electronic delivery of Annual and Interim Reports to shareholders resident in Hong Kong.