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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)

(TSX Venture Exchange Stock Code: SGQ)

## OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made by SouthGobi Resources Ltd. (the “**Company**”) pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange.

The following document of the Company was published on the website of the SEDAR filing system in Canada ([www.sedar.com](http://www.sedar.com)). It is enclosed hereto as overseas regulatory announcement.

For and on behalf of

**SouthGobi Resources Ltd.**

Allison Snetsinger

Corporate Secretary

Vancouver, May 29, 2023

Hong Kong, May 29, 2023

*As at the date of this announcement, the executive directors of the Company are Ms. Chonglin Zhu and Mr. Chen Shen; the independent non-executive directors of the Company are Mr. Yingbin Ian He, Mr. Mao Sun and Ms. Jin Lan Quan; and the non-executive directors of the Company are Mr. Zhu Gao, Mr. Dong Wang and Mr. Zaixiang Wen.*

\* For identification purposes only

**Form 51-102F3**  
***Material Change Report***

**Item 1            Name and Address of Company**

SouthGobi Resources Ltd. (“**Corporation**”)  
20<sup>th</sup> Floor, 250 Howe Street  
Vancouver, BC, Canada, V6C 3R8

**Item 2            Date of Material Change**

May 15, 2023 and May 17, 2023

**Item 3            News Release**

The press releases relating to the material changes described herein were issued and disseminated on May 15, 2023 and May 17, 2023, respectively, through the facilities of recognized newswire services. A copy of the press releases were filed under the Corporation’s profile on SEDAR.

**Item 4            Summary of Material Change**

On May 15, 2023, the Corporation announced that Mr. Dong Wang has been removed as the Corporation’s Chief Executive Officer and authorized representative under Rule 3.05 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange with effect from May 15, 2023, due to there being substantial differences in ideology and style of Mr. Wang in managing the Corporation’s executive affairs that of the remaining directors and the senior management of the Corporation.

Mr. Wang will be redesignated from an executive Director to a non-executive Director, and will remain a member of the Health, Environment, Safety and Social Responsibility Committee and the Operations Committee of the Board of Directors.

On May 15, 2023, the Corporation also announced that Mr. Ruibin Xu has been appointed as Chief Executive Officer and authorized representative under Rule 3.05 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange with effect from May 15, 2023.

On May 17, 2023, the Corporation announced that Mr. Zaixiang Wen has been appointed as a non-executive Director of the Corporation. Mr. Wen was nominated by Land Grand International Holding Limited (“**Land Grand**”) for appointment as a non-executive Director of the Corporation, pursuant to the contractual director nomination right granted in favour of Land Grand International Holding Limited by the Company, replacing Land Grand’s nominee Mr. Gang Li, who resigned on May 9, 2023.

**Item 5.1 Full Description of Material Change**

The material changes are fully described in the news releases of the Corporation dated May 15, 2023 and May 17, 2023, copies of which are attached as Schedule “A” to this report.

**Item 5.2 Disclosure for Restructuring Transactions**

Not applicable.

**Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7 Omitted Information**

Not applicable.

**Item 8 Executive Officer**

The name and business number of an officer of the Corporation through whom an executive officer who is knowledgeable about the material change and this report may be contacted is:

Allison Snetsinger  
Corporate Secretary  
Telephone: (604) 762-6783

**Item 9 Date of Report**

May 25, 2023

**Schedule "A"**

*See attached.*



May 15, 2023

## **SOUTHGOBI ANNOUNCES REDESIGNATION OF DIRECTOR AND CHANGE OF CHIEF EXECUTIVE OFFICER**

**VANCOUVER** – SouthGobi Resources Ltd. (TSX-V: SGQ, HK: 1878) (“**SouthGobi**” or the “**Company**”) announces the redesignation of director and change of chief executive officer.

### **REDESIGNATION OF DIRECTOR AND REMOVAL OF CHIEF EXECUTIVE OFFICER**

SouthGobi Resources Ltd. (the “**Company**”) announces that Mr. Dong Wang (“**Mr. Wang**”) has been removed as the Company’s chief executive officer (the “**CEO**”) and authorized representative (the “**Authorized Representative**”) under Rule 3.05 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “**Hong Kong Listing Rules**”) with effect from May 15, 2023, due to there being substantial differences in the ideology and style of Mr. Wang in managing the Company’s executive affairs from that of the remaining directors (each, a “**Director**”) and the senior management of the Company.

Mr. Wang will be redesignated from an executive Director to a non-executive Director, and remain a member of the Health, Environment, Safety and Social Responsibility Committee and the Operations Committee of the Board of Directors (the “**Board**”). The Nominating and Corporate Governance Committee of the Board, which comprises the independent non-executive Directors, will continue to evaluate the suitability of Mr. Wang for the Board’s directorship and memberships in various Board committees, and commence a search process to identify a suitable candidate to replace Mr. Wang, if appropriate.

### **The biographical details for Mr. Wang are as follows:**

Mr. Wang, aged 49, was appointed as the executive Director and CEO on September 8, 2022 and the Authorized Representative on December 6, 2022. Mr. Wang was nominated for appointment as Director by JD Zhixing Fund L.P. (“**JDZF**”) pursuant to contractual nomination rights contained in the securityholders agreement between the Company, JDZF and a former

shareholder of the Company and certain deferral agreements between JDZF, the Company and certain of its subsidiaries relating to the Company's US\$250 million convertible debenture held by JDZF (as disclosed in the announcement of the Company dated May 27, 2022 and the Management Proxy Circular of the Company dated June 29, 2022). The Company had appointed him to the Board as permitted under the Company's Articles of Continuation (the "**Articles**") and the *Business Corporations Act* (British Columbia). Mr. Wang was also the legal representative, executive director and general manager of SouthGobi Trading (Beijing) Co., Ltd. from January 2023 to April 2023, and an employee of SouthGobi Resources (Hong Kong) Limited and Inner Mongolia SouthGobi Energy Co., Ltd. from September 2022 to May 2023.

For other details of Mr. Wang's biographical details, please refer to the announcement of the Company dated September 8, 2022.

As at the date of this announcement, save as disclosed above, Mr. Wang does not (i) hold any directorships in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas, over the last three years preceding the date of this announcement or other major appointments and professional qualifications; (ii) hold any other position with any member of the Group and has not previously held any other position with any member of the Group; (iii) have any interest in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (iv) have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company.

There is no specific term or proposed length of service for Mr. Wang as the non-executive Director. Mr. Wang will be subject to nomination and re-election at the annual general meeting of the Company in accordance with the Articles.

Save as disclosed above, there is no other information relating to Mr. Wang's redesignation to a non-executive Director that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Hong Kong Listing Rules nor any matters that need to be brought to the attention of the shareholders of the Company (the "**Shareholders**").

Save as disclosed above, the Company is not aware of any disagreement between Mr. Wang and the Board and there are no matters relating to his removal as the CEO or his redesignation to a non-executive Director that need to be brought to the attention of the Shareholders.

## **APPOINTMENT OF CHIEF EXECUTIVE OFFICER**

The Company is pleased to announce that Mr. Ruibin Xu (“**Mr. Xu**”) has been appointed as its CEO and Authorized Representative under Rule 3.05 of the Hong Kong Listing Rules, with effect from May 15, 2023 (Hong Kong time).

### **The biographical details for Mr. Xu are as follows:**

Mr. Xu, aged 52, has over 15 years’ of experience in the energy and coal logistics industry, as well as financial investment. Mr. Xu served as a director and board secretary of Inner Mongolia Dajiang Runye Industrial Group Co. Ltd. (“**Dajiang Group**”) from 2021 to 2023, where he was responsible for development strategy, energy investment, and capital operation affairs of the Dajiang Group. He also held the position of general manager in a subsidiary of Dajiang Group between 2018 and 2021. Before joining Dajiang Group, Mr. Xu served as the deputy general manager and board secretary of Inner Mongolia Zheng Tang Co. Ltd. from 2016 to 2018. Prior to that, he held the position of director in an investment company located in Inner Mongolia, China and worked for several companies in the financial investment industry. Mr. Xu has extensive experience in corporate governance, corporate financing and enterprise management.

Mr. Xu graduated from Inner Mongolia Radio and TV University in 2000 with a major in Computer Application (Financial Management). He obtained his Master's degree in Business Administration from Inner Mongolia University in 2007. In 2010, Mr. Xu obtained the qualification as a lawyer and an intermediate economist in China. In 2015, he completed an EMBA program at Inner Mongolia University.

There is no specific term or proposed length of service for Mr. Xu as CEO. Consistent with the Company’s executive compensation program, the remuneration for Mr. Xu will be determined by the Board based on the recommendation of the Compensation and Benefits Committee of the Board, which is comprised of the independent non-executive Directors. Mr. Xu is expected to receive a total compensation package of US\$300,000 per annum as the CEO, which was determined by reference to his duties and responsibilities with the Company as well as the prevailing market conditions.

As at the date of this announcement, save as disclosed above, Mr. Xu does not (i) hold any directorships in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas, over the last three years preceding the date of this

announcement or other major appointments and professional qualifications; (ii) hold any other position with any member of the Group and has not previously held any other position with any member of the Group; (iii) have any interest in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (iv) have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company.

Save as disclosed above, there is no other information relating to the appointment of Mr. Xu as CEO that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Hong Kong Listing Rules nor any matters that need to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to welcome Mr. Xu to the Company.

### **About SouthGobi**

SouthGobi, listed on the Hong Kong Stock Exchange and the TSX Venture Exchange, owns and operates its flagship Ovoot Tolgoi coal mine in Mongolia. It also holds the mining licences of its other metallurgical and thermal coal deposits in South Gobi region of Mongolia. SouthGobi produces and sells coal to customers in China.

### **Contact:**

#### **Investor Relations**

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May 17, 2023

## **SOUTHGOBI ANNOUNCES APPOINTMENT OF NON-EXECUTIVE DIRECTOR**

**VANCOUVER** – SouthGobi Resources Ltd. (TSX-V: SGQ, HK: 1878) (“**SouthGobi**” or the “**Company**”) is pleased to announce that Mr. Zaixiang Wen (“**Mr. Wen**”) has been appointed as a non-executive Director of the Company, with effect from May 17, 2023.

Mr. Wen was nominated by Land Grand International Holding Limited (“**Land Grand**”, one of the Company’s major shareholders) for appointment as non-executive Director of the Company, pursuant to the contractual director nomination right granted in favor of Land Grand in connection with the Subscription Agreement and the associated assignment letter entered into amongst the Company, Land Grand and Novel Sunrise (please refer to the Company’s announcement dated November 29, 2022). The Company has appointed the director nominee to the Board as permitted under the Company’s Articles of Continuation and the *Business Corporations Act* (British Columbia).

### **The biographical details of Mr. Wen is as follow:**

Mr. Zaixiang Wen, aged 47, has over 20 years’ of experience in corporate management and financial management. He possesses a comprehensive understanding of the coal industry and the capital market. He has been the Vice President of Mengfa Energy Holdings Group (“**Mengfa Group**”) since January 2018, where he is responsible for overseeing the group’s strategic development, capital operations, investment and financing, public affairs relations, and real estate development. Mr. Wen joined the Mengfa Group in 2002 and has held various leadership positions within the subsidiaries of Mengfa Group. Prior to joining Mengfa Group, he worked as an accounting and finance professional in various energy resources companies. Mr. Wen obtained a diploma in accounting from Inner Mongolia Yike Zhao League School of Finance and Economics in 1996. He completed a certificate in financial management at the Central University of Finance and Economics in 2018.

As at the date of this announcement, save as disclosed above, Mr. Wen does not (i) hold any directorships in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas, over the last three years preceding the date of this announcement or other major appointments and professional qualifications; (ii) hold any other position with any member of the Group and has not previously held any other position with any member of the Group; (iii) have any interest in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (iv) have any relationship with any Directors, senior management, or substantial or controlling Shareholders.

There is no specific term or proposed length of service for Mr. Wen as non-executive Director. Mr. Wen will be subject to re-election at the annual general meeting of the Company in accordance with the Articles. Consistent with the existing Company's director compensation, the director's fee for Mr. Wen will be determined by the Board based on the recommendation of the Compensation and Benefits Committee of the Board, which comprises the independent non-executive Directors.

Saved as disclosed above, there is no other information relating to the appointment of Mr. Wen that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Hong Kong Listing Rules nor any matters that need to be brought to the attention of the Company's shareholders.

The Board would like to welcome Mr. Wen for joining the Board.

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### **Contact:**

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