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SOUTHGOBI RESOURCES LTD.

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 Symbol: SGQ)

PROFIT WARNING

This announcement is made by SouthGobi Resources Ltd. (the "**Company**") pursuant to Rule 13.09 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 wishes to inform its shareholders and potential investors that, based on the preliminary assessment of the Company and its subsidiaries' (the "**Group**") unaudited management accounts for the six months ended June 30, 2025 ("**Interim Period**") and the information currently available to the Company, the Company is expected to record a revenue in the range of US$250.3 million to US$306.0 million for the Interim Period, as compared to the revenue of approximately US$175.0 million for the corresponding period in 2024. The expected increase in revenue was due to increased sales volume during the Interim Period. However, in contrast to the increased revenue, the Company is expected to record a net loss attributable to equity holders of the Company between approximately US$44.1 million and US$53.9 million for the Interim Period, as compared to a net profit attributable to equity holders of the Company of approximately US$10.2 million for the corresponding period in 2024. The expected net loss attributable to equity holders of the Company were mainly attributable to (i) the decrease in average realised selling price; (ii) the change in product mix as the Company sold more processed coal with higher production costs; and (iii) an impairment loss on coal stockpiles of US$12.3 million was recorded during the Interim Period.

As at the date of this announcement, the Company is still in the process of preparing and finalizing its financial results for the Interim Period. The information contained in this announcement is based on the preliminary assessment of the information currently available to the Company and the

* *For identification purposes only*

unaudited management accounts of the Group, which have not been reviewed or audited by the Company's auditors and may be subject to adjustments. Details of the Company's financial information and performance will be disclosed in the results announcement for the Interim Period, which is to be published on August 14, 2025 (Thursday).

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
SouthGobi Resources Ltd.
Yingbin Ian He
Lead Director

Vancouver, August 11, 2025
Hong Kong, August 11, 2025

As at the date of this announcement, the executive directors of the Company are Mr. Ruibin Xu, Ms. Chonglin Zhu and Mr. Chen Shen; the independent non-executive directors of the Company are Mr. Yingbin Ian He, Ms. Jin Lan Quan and Mr. Fan Keung Vic Choi; and the non-executive directors of the Company are Mr. Zhu Gao and Mr. Zaixiang Wen.