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

1. **Name and Address of Corporation:**

SouthGobi Resources Ltd. (the "**Corporation**")
20th Floor, 250 Howe Street
Vancouver, B.C. Canada V6C 3R8

2. **Date of Material Change(s):**

August 30, 2022
September 4, 2022
September 8, 2022

3. **News Release:**

The press releases relating to the material changes described herein were issued and disseminated on August 30, 2022, September 4, 2022 and September 8, 2022 through the facilities of recognized newswire services. Copies of the press releases were filed under the Corporation's profile on SEDAR.

4. **Summary of Material Change:**

On August 30, 2022, the Corporation announced that Mr. Jianmin Bao and Mr. Ben Niu resigned from the board of directors of the Corporation. Mr. Niu also ceased to be a member of the operations committee of the Corporation.

On September 4, the Corporation announced that Mr. Tao Zhang resigned from his position as Vice President of Sales of the Corporation and as director of several of the Corporation's subsidiaries effective September 2, 2022, due to other personal commitments.

On September 8, 2022, the Corporation announced that:

1. Mr. Dong Wang was appointed as an executive director and the Chief Executive Officer ("**CEO**") of the Corporation (succeeding Mr. Dalanguerban) and a member of the operations committee (filling the vacancy following the resignation of Mr. Ben Niu);

2. Ms. Chonglin Zhu was appointed as an executive director and the Corporation's Senior Vice President of Finance;

3. Mr. Dalanguerban was appointed as the President of the Corporation and will continue to serve as an executive director of the Corporation and as President and executive director of a Corporation's wholly-owned subsidiary in Mongolia. Mr. Dalanguerban resigned as CEO; and

4. Mr. Alan Ho was appointed as the Chief Financial Officer of the Corporation (Mr. Ho was previously the acting Chief Financial Officer).

## 5. Full Description of Material Change:

### 5.1 Full Description of Material Change

The material changes are fully described in the news releases of the Corporation dated August 30, 2022, September 4, 2022 and September 8, 2022, copies of which are attached as Schedule “A” to this report.

### 5.2 Disclosure for Restructuring Transactions

Not applicable.

## 6. Reliance on Subsection 7.1(2) of National Instrument 51-102 *Continuous Disclosure Obligations*:

Not applicable.

## 7. Omitted Information:

Not applicable.

## 8. Executive Officer Knowledgeable of Material Change:

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

## 9. Date of Report:

September 8, 2022

**Schedule “A”**

*See attached*

# SouthGobi Announces Resignation of Non-Executive Directors and Change of Composition of Board Committee

**VANCOUVER, BC / August 30, 2022 /** SouthGobi Resources Ltd. (**TSX:SGQ)(HK:1878**) ("**SouthGobi**" or the "**Company**") announces that resignation of non-executive directors and change of composition of board committee. Reference is made to the announcements of the Company dated May 27, 2022 and August 31, 2022 in Hong Kong (the "**Announcements**") in relation to the Sale Transaction. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same respective meanings as defined in the Announcements.

The Company announces the following changes to the board of directors (the "**Board**" or "**Director(s)**") of the Company with effect as of the date hereof:

**RESIGNATION OF NON-EXECUTIVE DIRECTORS**

The Company hereby announces that Mr. Jianmin Bao ("**Mr. Bao**") has resigned as a non-executive Director and Mr. Ben Niu ("**Mr. Niu**") has resigned as a non-executive Director and ceased to be a member of the operations committee of the Company ("**Operations Committee**").

Mr. Bao and Mr. Niu were nominated as the Directors by Land Breeze pursuant to a contractual nomination right granted to Land Breeze in connection with the convertible debenture issued by the Company in 2009. Both Mr. Bao and Mr. Niu resigned as non-executive Directors upon completion of the Sale Transaction, which was disclosed in the Company's announcement dated August 31, 2022 in Hong Kong.

Mr. Bao and Mr. Niu confirmed that they have no disagreement with the Board and there is no matter in relation to their resignation that needs to be brought to the attention of the shareholders of the Company.

Upon resignation of Mr. Niu as a member of the Operations Committee, the Operations Committee is comprised of only two members, which therefore falls below the minimum number as required under the Operations Committee Charter.

The Company has identified a suitable candidate to fill up the vacancy on the Operations Committee and further announcement(s) will be made by the Company in this regard as and when appropriate.

The Board takes this opportunity to express its very sincere gratitude to both Mr. Bao and Mr. Niu for their valuable contribution to the Board and the Company.

**About SouthGobi**

SouthGobi, listed on the Toronto and Hong Kong stock exchanges, 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.

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Website: www.southgobi.com

**SOURCE:** SouthGobi Resources Ltd.

SouthGobi
RESOURCES

September 4, 2022

# SOUTHGOBI ANNOUNCES RESIGNATION OF VICE PRESIDENT OF SALES

**VANCOUVER** – SouthGobi Resources Ltd. (TSX: SGQ, HK: 1878) ("**SouthGobi**" or the "**Company**") today announces that Mr. Tao Zhang ("**Mr. Zhang**") has tendered his resignation as the Vice President of Sales and a director of several of the Company's subsidiaries with effect from September 2, 2022 due to other personal commitments. Mr. Zhang confirmed that he has no disagreement with the Board or the senior management of the Company, and there is no matter relating to his resignation as the Vice President of Sales that needs to be brought to the attention of the Shareholders.

The Board would like to express its most sincere gratitude to Mr. Zhang for their invaluable contributions during his tenure as the Vice President of Sales.

**About SouthGobi**

SouthGobi, listed on the Toronto and Hong Kong stock exchanges, 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.


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September 8, 2022

# SOUTHGOBI ANNOUNCES APPOINTMENT OF EXECUTIVE DIRECTORS; CHANGE OF COMPOSITION OF BOARD COMMITTEE; CHANGES IN SENIOR MANAGEMENT

**VANCOUVER** – SouthGobi Resources Ltd. (TSX: SGQ, HK: 1878) ("**SouthGobi**" or the "**Company**") Reference is made to the announcement of SouthGobi Resources Ltd. ("**SouthGobi"** or the "**Company**") dated August 31, 2022 (the "**Announcement**") in relation to the resignation of certain non-executive Directors. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same respective meanings as defined in the Announcement.

The Company is pleased to announce that, effective from September 8, 2022, (i) Mr. Dong Wang ("**Mr. Wang**") has been appointed as an executive Director and the Chief Executive Officer ("**CEO**") of the Company and member of the Operations Committee; (ii) Ms. Chonglin Zhu ("**Ms. Zhu**") has been appointed as an executive Director and the Company's Senior Vice President of Finance; (iii) Mr. Dalanguerban ("**Mr. Dalanguerban**") has been appointed as the Company's President and will continue to service as an executive Director of the Company, and President and executive Director of a Company's wholly-owned subsidiary in Mongolia; and (iv) Mr. Alan Ho ("**Mr. Ho**") has been appointed as Chief Financial Officer (previously, the acting Chief Financial Officer).

## APPOINTMENT OF EXECUTIVE DIRECTORS

Mr. Wang and Ms. Zhu were nominated for appointment as Directors of the Company by JD Zhixing Fund LP ("**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 has appointed the aforementioned two Director nominees to the Board as permitted under the Company's Articles of Continuation ("**Articles**") and the *Business Corporations Act* (British Columbia).

**The biographical details of Mr. Wang and Ms. Zhu are as follows:**

**Mr. Dong Wang**, aged 49, has served as the General Manager of Inner Mongolia Dongfang Guoxin Technology Co. Ltd.* (内蒙古东方国信科技有限公司) ("**Dongfang Guoxin**") since 2019. He is responsible for the operations management of Dongfang Guoxin, which provides services to energy and mining companies in chemistry management, safety and equipment management, and energy conservation management. Prior to joining Dongfang Guoxin, Mr. Wang served as the Chairman of Guangzhou Guide Investment Co. Ltd.* (广州贵德投资有限公司) from 2015 to 2019, responsible for investment and financing in government infrastructure projects. Mr. Wang has over 20 years of experience in investment and management in the energy and resources industry.

Mr. Wang obtained a bachelor degree in industrial electrical engineering and automation at Liaoning Technical University (the former Fuxin Institute of Mining) in 1997 and a master degree in finance management at The University of Chinese Academy of Sciences in 2011. He is a member of the Canadian Institute of Corporate Directors.

**Ms. Chonglin Zhu**, aged 36, has served as the Chief Financial Officer of Inner Mongolia Tianyu Innovation Investment Group Co., Ltd.* (内蒙古天宇创新投资集团有限公司) ("**Tianyu Group**") since 2015. Tianyu Group is an investment company based in Inner Mongolia, China with a variety of businesses including coal mining and processing. Ms. Zhu is responsible for managing the financial operations and investments of Tianyu Group. She joined Tianyu Group in 2011 and served as a business manager in the finance department of Tianyu Group between 2012 and 2015. Prior to joining Tianyu Group, she served as a translator with an automotive company in China.

Ms. Zhu studied Japanese language and literature at Guangdong University of Foreign Studies in 2009 and obtained a bachelor degree in accounting at Harbin University of Science and Technology in 2016. She is a member of the Canadian Institute of Corporate Directors.

As at the date of this announcement, save as disclosed above, neither Mr. Wang nor Ms. Zhu (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 or Ms. Zhu as executive Directors. Both Mr. Wang and Ms. Zhu will be subject to re-election at the annual general meeting of the Company in accordance with the Articles. Consistent with the Company's executive compensation program, the remuneration for Mr. Wang and Ms. Zhu 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.

Saved as disclosed above, there is no other information relating to the appointment of Mr. Wang and Ms. Zhu 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 Hong Kong Stock Exchange nor any matters that need to be brought to the attention of the shareholders of the Company ("**Shareholders**").

The Board would like to take this opportunity to welcome Mr. Wang and Ms. Zhu to the Board.

**CHANGE IN COMPOSITION OF BOARD COMMITTEE**

The Board is pleased to announce that, with effect from September 8**,** 2022, Mr. Wang has also been appointed to the Operations Committee to fill the vacancy for the position of Operations Committee member following Mr. Ben Niu's resignation.

**CHANGE OF CHIEF EXECUTIVE OFFICER**

The Board announces that Mr. Dalanguerban, an executive Director has resigned as Chief Executive Officer, and has been appointed as the Company's President with effect from September 8, 2022 in order to focus more on the strategic direction and management of the Company as an executive Director. Mr. Dalanguerban confirmed that he has no disagreement with the Board or the senior management of the Company, and there is no matter relating to his ceasing to act as the Chief Executive Officer that needs to be brought to the attention of the Shareholders. Following Mr. Dalanguerban's resignation as the Chief Executive Officer, Mr. Wang has been appointed as the Chief Executive Officer with effect from September 8, 2022.

## APPOINTMENT OF CHIEF FINANCIAL OFFICER AND SENIOR VICE PRESIDENT OF FINANCE

The Board announces that: (i) Mr. Ho has been appointed as Chief Financial Officer (formerly, the acting Chief Financial Officer); and (ii) Ms. Zhu has been appointed as the Senior Vice President of Finance; in each case with effect from September 8, 2022.

**About SouthGobi**

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