Novel Sunrise Completes Sale of Its Interest in SouthGobi

VANCOUVER, BC / ACCESSWIRE / November 29, 2022 / SouthGobi Resources Ltd. (TSX:SGQ, HK:1878) ("**SouthGobi**" or the "**Company**") announces that, as disclosed in the early warning report filed by China Cinda (HK) Asset Management Co., Limited ("**CCAM**") on November 28, 2022 in Canada, Novel Sunrise Investments Ltd. ("**Novel Sunrise**"), a wholly-owned subsidiary of CCAM, completed the sale of all of its interests in the Company (the "**Sale Transaction**"), including its 46,358,978 common shares of the Company, to Land Grand International Holding Limited (the "**Buyer**"). To the best of the Company's knowledge, as a result of the completion of the Sale Transaction, the Buyer has become the Company's second largest shareholder holding a total of 46,358,978 common shares of the Company which represents approximately 15.70% of the issued share capital of the Company as at the date of this announcement.

In connection with the Sale Transaction, Novel Sunrise assigned to the Buyer certain rights in and obligations under the subscription agreement between the Company and Novel Sunrise dated February 24, 2015, including Novel Sunrise's right to nominate a certain number of individual(s) for appointment or election to the board of directors of the Company while its beneficial interests in the Company's issued and outstanding common shares exceed 10%.

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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