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*(a company continued under the laws of British Columbia, Canada with limited liability)
(Stock Code: 1878)*

SouthGobi announces agreement with CIC for deferral of cash interest payments

This announcement is made by SouthGobi Resources Ltd. (**TSX: SGQ, HK: 1878**) ("SouthGobi" or the "Company") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Exchange") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The Company announces execution of a deferral agreement with China Investment Corporation for the deferral of cash interest payments payable on November 19, 2015.

Please see the attached announcement for more details. The information which is available at www.sedar.com per the attached announcement is also available at www.hkexnews.hk

By order of the Board
SouthGobi Resources Ltd.
Mr. Ningqiao Li
Chairman

Hong Kong, November 24, 2015

As of the date of this announcement, the executive directors are Mr. Ningqiao Li, Mr. Aminbuhe and Mr. Yulan Guo, and the independent non-executive directors are Mr. Pierre Bruno Lebel, Mr. William Gordon Lancaster, Mr. Zhu Liu, Ms. Jin Lan Quan and Mr. Mao Sun.

* *For identification purposes only*



November 24, 2015

SouthGobi announces agreement with CIC for deferral of cash interest payments

HONG KONG – SouthGobi Resources Ltd. (TSX: **SGQ**, HK: **1878**) (the “Company” or “SouthGobi”) today announces the execution of a deferral agreement with China Investment Corporation (“CIC”) for deferral of cash interest payments with below key terms:

1. the Cash Interest payment originally due on May 22, 2015 and deferred to November 19, 2015 (the “2015 Half-Year Interest Payment”) pursuant to the terms of the Deferral Agreement dated July 22, 2015 shall be due and payable as follows:
 - (i) U.S.\$1,000,000 on November 19, 2015;
 - (ii) U.S.\$1,000,000 on December 19, 2015;
 - (iii) U.S.\$1,000,000 on January 19, 2016;
 - (iv) U.S.\$1,000,000 on February 19, 2016;
 - (v) U.S.\$1,000,000 on March 19, 2016;
 - (vi) U.S.\$1,000,000 on April 19, 2016; and
 - (vii) U.S.\$2,000,000 on May 18, 2016;
2. the Cash Interest payment due on November 19, 2015 (the “2015 Issue Date Anniversary Cash Interest Payment”) shall be due and payable in cash on May 18, 2016;
3. the Deferral Fee (as defined in the Deferral Agreement dated July 22, 2015) payment due on November 19, 2015 (the “2015 Deferral Fee Payment”) shall be due and payable in cash on May 18, 2016; and
4. as consideration for the above deferrals, the Company agrees to pay CIC a deferral fee at a rate of 6.4% per annum on the above deferred payments.

About SouthGobi

SouthGobi, listed on the Toronto and Hong Kong stock exchanges, is focused on exploration and development of its metallurgical and thermal coal deposits in Mongolia's South Gobi Region. It has a 100% shareholding in SouthGobi Sands LLC, a Mongolian registered company that holds the mining and exploration licences in Mongolia and operates the flagship Ovoot Tolgoi coal mine. Ovoot Tolgoi produces and sells coal to customers in China.

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FORWARD-LOOKING STATEMENTS

Except for statements of fact relating to the Company, certain information contained herein constitutes forward-looking statements. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the dates the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include any other statements that are not historical facts. Except as required by law, the Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.