



**SOUTHGOBI RESOURCES LTD.
NOMINATING & CORPORATE GOVERNANCE COMMITTEE
CHARTER**

I. Purpose

The primary objective of the Nominating & Corporate Governance Committee (the “Committee”) of SouthGobi Resources Ltd. (the “Company”) is to assist the Board in fulfilling its oversight responsibilities by: (a) identifying individuals qualified to become Board and committee members and recommending that the Board select such individuals as director nominees for appointment or election to the Board or committee, as the case may be; and (b) developing and recommending to the Board corporate governance guidelines for the Company and making recommendations to the Board with respect to corporate governance practices.

II. Organization

The Committee shall consist entirely of independent non-executive directors of the Company as determined by the Board, each of whom shall satisfy the laws governing the Company and the independence requirements under applicable securities laws, rules and regulations, stock exchange policies and rules and any other regulatory requirements applicable to the Company.

The members of the Committee and the Chair of the Committee shall be appointed (and may be replaced) by the Board. All members shall have a working familiarity with corporate governance practices. The appointment of members of the Committee shall take place annually at the first meeting of the Board after a meeting of shareholders at which directors are elected, provided that if the appointment of members of the Committee is not so made, the directors who are then serving as members of the Committee shall continue as members of the Committee until their successors are appointed. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a director of the Company. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

The Committee may form and delegate authority to individual members or subcommittees when appropriate.

The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

III. Meetings

The Committee shall meet as many times as the Committee deems necessary to carry out its duties effectively, but not less frequently than once per year. Meetings may be held in person, by telephone, by video-conference or by any combination of any of the foregoing, to the extent permitted by the Company's constating documents and applicable corporate law.

A majority of the members of the Committee, present in person, by video-conference, by telephone or by a combination thereof, shall constitute a quorum. Matters decided by the Committee shall be decided by a majority vote. The Chair of the Committee shall have an ordinary vote and not a casting vote.

The Chair of the Committee shall be an independent director who is not the Chair of the Board. In the absence of the appointed Chair of the Committee at any meeting, the members shall elect a temporary Chair from those in attendance at the meeting. The Chair of the Committee, in consultation with the other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each upcoming meeting. The Chair shall ensure that the agenda for each upcoming meeting of the Committee is circulated to each member of the Committee in advance of the meeting.

The Committee will appoint a Secretary who will keep full minutes of all meetings. The Secretary may be the Company's Corporate Secretary or another person who does not need to be a member of the Committee. Draft and final versions of the meeting minutes shall be sent to all members of the Committee within a reasonable time following such meetings, which, in the case of draft meeting minutes, shall be circulated no later than 21 days following the date of the applicable meeting.

The Committee may invite, from time to time, such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee.

IV. Authority and Responsibilities

To fulfill its responsibilities, the Committee shall:

1. Examine the structure, size and diversity (including but not limited to the skills, knowledge, experience, gender, age, cultural and educational background, ethnicity, professional experience and length of service) of the Board and recommend adjustments from time to time, at least annually, to ensure that the Board is of a size and composition that facilitates effective decision making and complements the Company's strategy.
2. Identify and assess the necessary and desirable competencies and characteristics for Board membership and regularly assess the extent to which those competencies and characteristics are represented on the Board.
3. Develop and implement processes to identify and assess necessary and desirable competencies and characteristics for Board membership.

4. Identify individuals qualified to become members of the Board. In identifying suitable candidates, the Committee shall consider candidates on merits and against objective criteria, with due regard to the diversity policy of the Board (the “Diversity Policy”).
5. Make recommendations to the Board for the appointment or re-appointment or election of director nominees.
6. Make recommendations to the Board with respect to membership on committees of the Board (other than the Committee).
7. Make recommendations to the Board with respect to potential successors to the Chief Executive Officer of the Company.
8. Ensure that the Board has established appropriate structures and procedures so that the Board can function with the proper degree of independence from management.
9. Provide a forum (without management present) to receive expressions of concerns regarding management, including any concern regarding the independence of the Board from management.
10. Assess the independence of independent non-executive directors.
11. Regularly review the time required from non-executive directors to perform their duties and assess whether they are satisfying those time requirements.
12. Establish induction programs for new directors.
13. Make recommendations, from time to time, to the Board with respect to continuing education programs for Board members.
14. Ensure succession plans are in place to maintain an appropriate balance of skills and diversity on the Board and periodically review those plans.
15. Recommend the removal of directors for cause (if and when appropriate).
16. Receive comments from all directors as to the Board's performance; oversee the execution of a process for assessing the effectiveness of the Board as a whole, Board committees, and the contribution of individual directors, and report annually to the Board on such assessments.
17. Prepare and recommend to the Board the corporate governance policies and procedures for the Company. Review practices and procedures of the Board in light of ongoing developments in securities law, stock exchanges and regulatory requirements, and industry best practices, relating to matters of corporate governance. Review and reassess the adequacy of the Company’s corporate governance policies, practices and procedures annually and recommend to the Board any changes deemed appropriate by the Committee.

18. Review and monitor the Diversity Policy and identify measurable objectives for promoting diversity under the policy. Report to the Board on the achievement of the measurable objectives.
19. Review any proposed changes to the Company's constating documents as such documents relate to corporate governance matters.
20. Review and monitor the Company's policies and practices on compliance, and ensure systems are in place to verify compliance, with legal, regulatory, corporate governance and disclosure requirements.
21. Review and monitor the training and continuous professional development of directors and senior management.
22. Review the Company's corporate governance disclosure in its annual report.
23. Review and assess the adequacy of, and the duties and responsibilities set out in, this Charter annually and recommend to the Board any changes deemed appropriate by the Committee.
24. Assist the Board in dealing with conflict of interest issues as contemplated by the Company's code of business conduct, *The Way We Work*.
25. At the request of an individual director, consider and, if deemed advisable, authorize the engagement by any individual director of an outside advisor for such director at the expense of the Company.
26. Review its own performance annually, seeking input from the Board.
27. Confirm to the Board annually that all responsibilities outlined in this Charter have been carried out.
28. Review and assess the effectiveness of the Company's Board Diversity Policy annually and recommend to the Board any changes deemed appropriate by the Committee.
29. Perform any other activities consistent with this Charter, the Company's constating documents and governing law, as the Committee or the Board deems necessary or appropriate.

V. Reporting

The Committee shall report regularly to the Board, including on matters set out in applicable stock exchange regulations, and shall submit the minutes of all meetings of the Committee to the Board (which minutes shall ordinarily be included in the papers for the next full Board meeting after the relevant meeting of the Committee). The Committee shall also report to the Board on the proceedings and deliberations of the Committee at such times and in such manner as the Board may require.

VI. Resources and Independent Advice

The Committee shall be provided with sufficient resources by the Company to perform its duties. The Committee shall have ability to engage independent professional advisors as it sees fit, at the expense of the Company, including the sole authority to: (i) determine the extent of funding necessary for payment of compensation to any search firm and the authority to determine the extent of funding necessary for payment of compensation to any other professionals retained to advise the Committee; and (ii) retain and terminate a search firm to be used to identify director candidates and the authority to retain other professionals to assist it with any background checks.

VII. Appointing new directors

In fulfilling its responsibility to identify individuals qualified to become members of the Board, the Committee will consider: (i) the independence of each nominee; (ii) the experience and background of each nominee; (iii) the competencies and skills that are necessary for the Board and its committees to meet their respective mandates; (iv) the competencies and skills that the Board considers each director standing for re-election to possess; (v) the competencies and skills that each nominee will bring to the Board; (vi) the past performance of directors being considered for re-election; (vii) whether or not each nominee can devote sufficient time and resources to his or her duties as a member of the Board; (viii) applicable regulatory requirements; and (ix) such other criteria as may be established by the Board or the Committee from time to time.

Each nominee will be considered on the basis of merit and suitably extensive enquiries to find candidates should be made, including:

1. regularly assessing and identifying the necessary and desirable skills, experience and knowledge that the Board, as a whole, should possess;
2. regularly assessing and identifying the skills, experience, diversity and knowledge represented on the Board;
3. regularly assessing and determining the time commitment needed from each Board member to adequately perform his or her duties;
4. making suitable inquiries of others (which may include engaging the services of professional executive search and recruitment consultants) for candidates;
5. interviewing each candidate and conducting background and reference checks; and
6. ensuring that each candidate has the necessary skills, experience and knowledge to perform his or her duties and responsibilities as a director and is able to devote the time necessary to perform those duties and responsibilities.

Amendments

At least annually, this charter will be fully evaluated by the Committee and any appropriate updates will be recommended to the Board for consideration. The Committee shall have the authority to make minor technical amendments to this charter from time to time as required.

Approved – May 25, 2004
Amended – November 15, 2005
Amended – March 11, 2010
Reviewed – August 2, 2011
Amended – March 14, 2012
Reviewed – August 6, 2013
Amended – March 18, 2014
Amended – November 4, 2014
Amended – November 10, 2015
Amended – November 8, 2017
Amended – November 2018
Reviewed – November 6, 2019
Amended – November 23, 2020