

SOUTHGOBI RESOURCES LTD. SECURITIES CLASS ACTION

NOTICE OF SETTLEMENT APPROVAL HEARING

To: All persons and entities, other than Excluded Persons, wherever they may reside or be domiciled, who acquired SouthGobi's securities during the Class Period and continued to hold some or all of those securities as of November 8, 2013.

(the "Class" or the "Class Members")

A Settlement May Affect Your Rights. Please Read this Notice Carefully.

This notice is about a certified securities class action against SouthGobi Resources Ltd. ("SouthGobi"). The class action was commenced following SouthGobi's November 2013 restatement of its financial statements. The Plaintiff alleged, among other things, that during the Class Period SouthGobi made misrepresentations by materially overstating its revenues through the improper recognition of revenue on coal sales that were not yet complete, in contravention of applicable accounting standards.

The class action was initially also against:

- (i) SouthGobi's auditor during the Class Period, Deloitte LLP ("Deloitte"). On July 19, 2016, the Ontario Superior Court of Justice approved a C\$200,000 settlement between the Plaintiff Paiman Rahimi and Deloitte.
- (ii) SouthGobi's former Chief Executive Officer, Alexander Molyneux, former Chief Financial Officers, Terry Krepiakevich and Matthew O'Kane, and former audit committee members Gordon Lancaster, Pierre Lebel, and Andre Deepwell (together, the "Individual Defendants"). The action was discontinued against the Individual Defendants pursuant to a consent order dated December 20, 2018, whereby the action was certified against SouthGobi.

On October 2, 2025, the representative plaintiff entered into a Settlement Agreement with SouthGobi, which has the effect of resolving this litigation in its entirety.

ARE YOU INCLUDED IN THE CLASS?

The settlement with SouthGobi is on behalf of all persons and entities (other than Excluded Persons), wherever they may reside or be domiciled, who acquired securities of SouthGobi during the period **March 30, 2011 through November 7, 2013 ("Class Period") and continued to hold some or all of those securities on November 8, 2013**, other than certain excluded persons, described below.

In the above definition,

"Excluded Persons" means the Defendant and any of its controlling shareholders, past and present subsidiaries, affiliates, officers, directors, senior employees, partners, legal representatives, heirs, predecessors, successors and assigns and China Investment

Corporation.

“Securities” means common shares of SouthGobi Resources Ltd., listed for trading on the Toronto Stock Exchange under the symbol “SGQ”, and on the Stock Exchange of Hong Kong under the trading code “1878”, and which, throughout the Class Period, were also admitted to trading on alternative trading venues in Canada, including Alpha Toronto and Chi-X Toronto.

WHAT ARE THE SETTLEMENT BENEFITS?

SouthGobi’s insurers have agreed to pay C\$6,800,000 to settle the class action. The settlement is a compromise of disputed claims and SouthGobi does not admit any wrongdoing or liability. The Settlement Agreement, if approved, will settle, extinguish, and bar all claims relating in any way to or arising out of the proceeding.

WHO ARE THE LAWYERS WHO REPRESENT THE CLASS?

The law firm of Siskinds LLP represents the plaintiff and the Class.

Class Counsel will be paid on the basis of a court-approved contingency fee.

HEARING TO APPROVE SETTLEMENT AGREEMENT, CLASS COUNSEL FEES, AND THE PLAN OF ALLOCATION

On December 2, 2025 at 10:00 a.m., there will be a hearing before the Ontario Superior Court of Justice (“Approval Motion”) at which Class Counsel will seek the Court’s approval of the Settlement Agreement, and a Plan of Allocation for the distribution of the net settlement funds. At the Approval Motion, the Court will determine whether the Settlement Agreement is fair, reasonable and in the best interests of the Class.

In addition to seeking the Court’s approval of the Settlement Agreement, Class Counsel will seek the Court’s approval of legal fees not to exceed 27.5% of the Settlement Amount, less amounts already billed, plus disbursements not to exceed C\$1,150,000 and applicable taxes on the fees and disbursements (“Class Counsel Fees”). At the hearing, Class Counsel will also seek payment of an honorarium to the representative plaintiff in the amount of \$5,000.

Any members of the proposed Class may attend the hearing of the Approval Motion and ask to make submissions regarding the proposed settlement.

OBJECTING TO, OR COMMENTING ON, THE SETTLEMENT

Class Members who wish to comment on or make an objection to the approval of the Settlement Agreement, Class Counsel Fees or the Plan of Allocation should deliver (by email or mail) a written submission to Class Counsel, at the email address provided below, no later than November 27, 2025. Any objections delivered by that date will be filed with the Court.

These objections must be directed to:

SISKINDS LLP

Barristers and Solicitors
275 Dundas Street, Unit 1
London, Ontario N6B 3L1
donna.mcevoy@siskinds.com

For more information about this notice you may contact the Claims Administrator by email at Info@SouthGobiClassActionSettlement.ca or by telephone toll-free at 1- 877-781-1550

INTERPRETATION

If there is a conflict between the provisions of this notice and the Settlement Agreement, the terms of the Settlement Agreement will prevail.

**DISTRIBUTION OF THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO
SUPERIOR COURT OF JUSTICE**