

SOUTHGOBI RESOURCES LTD. SECURITIES CLASS ACTION

NOTICE OF SETTLEMENT APPROVAL

Read this notice carefully as it may affect your legal rights

THIS NOTICE IS TO:

All persons and entities (other than **Excluded Persons**), wherever they may reside or be domiciled, who:

acquired any SouthGobi Securities during the Class Period and retained some or all of them at the close of trading on November 8, 2013, other than Excluded Persons.

In the above definition:

“**Class Period**” means the period from March 30, 2011 through November 7, 2013 inclusive.

“**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.

(the “**Class**” or the “**Class Members**”)

The Ontario Superior Court of Justice (the “Court”) has approved a Settlement Agreement between the Plaintiff and the Defendant. The Settlement Agreement resolves this litigation in its entirety. This notice contains important details about the Settlements and how to submit a Claim for compensation from the Settlements.

IMPORTANT DEADLINE TO FILE CLAIM FOR COMPENSATION

Claims Bar Deadline (to file a Claim for compensation): **June 15, 2026, at 11:59PM EST**

THE NATURE OF THE CLAIMS ASSERTED

The Plaintiff’s class action was commenced after 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 Plaintiff’s claims were brought pursuant to Part XXIII.1 of Ontario’s *Securities Act*.

SETTLEMENT APPROVAL, FEE APPROVAL AND OTHER MATTERS

On December 2, 2025, the Court approved the Plaintiff’s settlement with SouthGobi. This settlement provides for the payment of C\$6,800,000 by SouthGobi’s insurers in consideration of the full and final settlement of the claims of the Class Members. The Court previously approved the Plaintiff Paiman Rahimi’s settlement with SouthGobi’s auditor

during the Class Period, Deloitte LLP, for C\$200,000. These two amounts are together the “**Settlement Amount**”. The Settlement Amount includes all legal fees, taxes and administrative expenses.

The Settlement Agreements are not an admission of liability, wrongdoing or fault on the part of the Defendant or Deloitte, both of whom have denied, and continue to deny the allegations against them.

The Court awarded Siskinds LLP (“Class Counsel”), total legal fees in the amount of \$1,618,316.80, plus disbursements of \$912,981.34, plus HST. As is customary in such cases, Class Counsel conducted the class action on a contingent fee basis. Class Counsel was not paid as the matter proceeded and funded the expenses of conducting the litigation. Class Counsel’s fees will be deducted from the Settlement Amount before it is distributed to Class Members.

Expenses incurred or payable relating to approval, notification, implementation and administration of the Settlements (“Administration Expenses”) will also be paid from the Settlement Amount before it is distributed to Class Members.

SUBMITTING A CLAIM FOR COMPENSATION FROM THE SETTLEMENTS

Class Members will be eligible for compensation if they submit a completed claim form, including any supporting documentation, with the Claims Administrator, and their Claim satisfies the criteria set out in the Plan of Allocation.

To be eligible for compensation, Class Members must submit their claim form no later than **June 15, 2026, at 11:59PM EST** (“Claims Bar Deadline”).

The most efficient way to file a Claim is to visit the Claims Administrator’s website at **www.southgobiclassactionsettlement.ca** and file an online Claim. The website provides step by step instructions on how to file a Claim. In order to verify Claims, the Claims Administrator will require supporting documentation, including brokerage statements or confirmations evidencing the claimed transactions. Accordingly, Class Members should visit the Claims Administrator’s site as soon as possible so that they have time to obtain the required documentation prior to the Claims Bar Deadline.

While online Claims are recommended and preferred, the Claims Administrator will also accept claim forms filed by email, mail or courier. To obtain a copy of the claim form, Class Members may contact the Claims Administrator to have one sent by email or regular mail. Claim forms sent by mail or courier should be sent to:

SouthGobi Resources Ltd. Settlement Claims Administrator
Epiq Class Action Services Canada Inc.
Attention: SouthGobi Class Action Settlement Administrator
PO Box 507 STN B
Ottawa ON K1P 5P6
Email: Application@SouthGobiClassActionSettlement.ca

If you have questions about how to complete or file a claim form, the documentation required to support a claim, or whether you are a Class Member, please contact the Administrator.

ADDITIONAL INFORMATION

This notice has been approved by the Ontario Superior Court of Justice. The Court offices cannot answer any questions about the matters in this notice. The Orders of the Court and other information in both languages are available on the Administrator’s website at **www.southgobiclassactionsettlement.ca**.

Questions relating to the Action may be directed to the Claims Administrator or Class Counsel:

Questions for **Class Counsel** should be directed to:

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

Questions for the **Claims Administrator** should be directed to:

Epiq Class Action Services Canada Inc.
Attention: SouthGobi Class Action Settlement Administrator
PO Box 507 STN B
Ottawa ON K1P 5P6
Email: Info@SouthGobiClassActionSettlement.ca
Telephone: 1-877-781-1550
Fax: 1-866-262-0816

If you require assistance in the French language, please contact Class Counsel using the contact details above and we will direct your inquiry to an appropriate person.

The publication of this notice was authorized by the Ontario Superior Court of Justice.