

*This addendum to prospectus is a prospectus for the purpose of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong). If you are in doubt about this addendum to prospectus, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.*

*This is an addendum to prospectus issued by SouthGobi Energy Resources Ltd. which amends the prospectus issued by it on January 15, 2010 (the “**Prospectus**”) in connection with an international offering and listing of its shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). A copy of this addendum having attached thereto the original certificate in the approved manner as to the accuracy of the Chinese translation of this addendum, the original certificate in the approved manner as to the competency of the Chinese translator given by the Joint Sponsors and the original consent letters given by Lynch & Mahoney and American Appraisal China Limited (“**American Appraisal**”), respectively, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility as to the contents of this addendum or any other documents referred to above.*

*The Company issued a clarification announcement on January 19, 2010 (“**Clarification Announcement**”) which clarified certain statements made by Mr. Alexander Molyneux, the Company’s President and Chief Executive Officer and announced the intention to issue an addendum to the Prospectus. This is the addendum referred to in the Clarification Announcement. The Clarification Announcement was for information purposes only, does not constitute part of the Prospectus or an offer for sale of or a solicitation of an offer to buy securities in the United States or in any other jurisdiction where such offer, sale or solicitation is not permitted.*

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*Potential investors should read this addendum in conjunction with the Prospectus which it amends in order to understand the offer of our Shares to which the documents relate, in particular before making an application in response to such offer of our Shares.*

*Unless otherwise indicated, capitalised terms used in this addendum have the same meanings ascribed to them as in the Prospectus.*



## **SOUTHGOBI ENERGY RESOURCES LTD.**

**南戈壁能源有限公司\***

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

*(Stock Code: 1878)*

### **ADDENDUM TO PROSPECTUS**

We are issuing this addendum to prospectus pursuant to Section 1(a)(i) of Part 2 of the Twentieth Schedule to the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) and Rule 11.13 of the Listing Rules. This addendum amends the Prospectus, should be read in conjunction with the Prospectus and is required to be distributed with the Prospectus.

It has come to the Company’s attention that references to the land use rights held by Southgobi sands LLC, an indirectly wholly-owned subsidiary of the Company, as disclosed in the Prospectus should be amended to disclose the additional land use rights (which have been assessed by American Appraisal as having no commercial value) granted by the relevant authorities in Mongolia during 2009.

Further, it has recently come to the Company’s attention that it cannot arrange with Monnis to register its lease with MONNIS Properties LLC for 823.47 square meters of office space in Ulaanbaatar, Mongolia with the State Registration Office of Immovable Property Rights until construction of the Monnis Building has been completed. Lynch & Mahoney have advised that failure to complete the registration process renders the lease unenforceable. The lease has been assessed by American Appraisal as having no commercial value and the Company does not consider the lease to be material to its operations.

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*\* for identification purposes only*

Lastly, certain details regarding compliance with the Law of Mongolia on Implementing Payments in National Banknotes, which was enacted in 2009, in respect of particular leases in Mongolia require updating, including paragraph 4.c. on page IV-10, paragraph 2.c. on page IV-11, and paragraph 2.c. on pages IV-12 and IV-14 of the Prospectus. All such leases have been assessed by American Appraisal as having no commercial value.

Accordingly, this addendum amends the relevant parts of the “Business” section, the “Property Valuation” section in Appendix IV and the “Documents Delivered to the Registrar of Companies and Available for Inspection” section in Appendix VIII to the Prospectus.

The English version of the Prospectus is amended in the following manner:

### **Business**

- (a) at the bottom of page 105 of the Prospectus, reference to “six land use certificates at the Ovoot Tolgoi Complex” in the last sentence of the paragraph above the table setting forth a summary of our mining licences as at the Latest Practicable Date is amended to read “ten land use certificates at the Ovoot Tolgoi Complex”;
- (b) on top of page 106 of the Prospectus, the table setting forth a summary of our land use rights at the Ovoot Tolgoi Complex as at the Latest Practicable Date is replaced by the table as shown in Attachment I hereto in English;
- (c) in the middle of page 123 of the Prospectus, references to “six land use certificates” and “six parcels of land” in the first sentence of the second paragraph under the section headed “Properties” are amended to read “ten land use certificates” and “ten parcels of land” respectively;
- (d) in the middle of page 123 of the Prospectus, reference to “six property interests in Mongolia with an aggregate site-area of 82.85 hectares” in item (i) of the first paragraph under the section headed “Properties” is amended to read “ten property interests in Mongolia with an aggregate site-area of 202.85 hectares and an aggregate length of 40.85 kilometres of road and high voltage land areas”;
- (e) in the middle of page 123 of the Prospectus, reference to “a mine accommodation camp, an equipment maintenance shop, field geology site, explosives magazine, open pit mine and exploration camp” in the second paragraph under the section headed “Properties” is amended to read “a mine accommodation camp, an equipment maintenance shop, an explosives magazine, an exploration camp, a haul road, mining, coal storage, high voltage land area and truck and equipment area”;

### **Appendix IV – Property Valuation**

- (f) pages IV-4 and IV-8 are amended as shown in Attachment II hereto in English;
- (g) on page IV-10, the word “Chingigis” in paragraph 3 is amended to read “Chinggis” and paragraph 4.c. is removed;
- (h) on page IV-11, paragraph 2.c. is added to read “The lease agreement was entered into after July 9, 2009 in US\$. It is not in compliance with National Currency Law.”;
- (i) on pages IV-12 and IV-14, paragraphs 2.c. are removed;
- (j) on page IV-13, paragraph 2.b. is removed;
- (k) on page IV-15, paragraph 2.a. is amended and restated to read “It is confirmed that the lease contract has been duly signed by an authorized representative of Southgobi sands LLC and that a second signature appears on the lease contract from a party purporting to be the authorized landlord” and paragraph 2.b. is added to read “The execution and delivery of the lease contract was duly authorized by Southgobi sands LLC and, when registered with the IPRO, the lease contract will constitute a legal, valid and binding agreement, enforceable in accordance with its terms.”;
- (l) on page IV-18, in paragraph 4, reference to “Land Use Certificate” is amended to read “certificate”, reference to “0002695” is amended to read “0173556”, “November 10, 2005” is amended to read “January 6, 2009” and “land use rights” is amended to read “land possession rights,” paragraph 5.a. is amended and restated to read “To the best of the legal advisor’s knowledge, Southgobi sands LLC’s use of the land covered by the

possession certificate conforms to the stated use.” and paragraph 5.b. is added to read “The execution and delivery of the facilities lease agreement was duly authorized by Southgobi sands LLC and constitutes a legal, valid and binding agreement, enforceable in accordance with its terms and remains in full force and effect as of the date of the legal opinion.”;

#### **Appendix VIII – Documents Delivered to the Registrar of Companies and Available for Inspection**

(m) page VIII-1 is amended by the inclusion of the following items:

- 4A the updated and restated opinion issued by Lynch & Mahoney in respect of certain land use rights of the Group in Mongolia;
- 4B the updated and restated summary of valuations and valuation certificates relating to the property interests of the Group prepared by American Appraisal incorporating changes to Appendix IV to the Prospectus as set out in this addendum; and
- 7A the written consents of Lynch & Mahoney and American Appraisal for the inclusion of their respective names and references in the form and context in which they respectively appear in this addendum and their respective opinions or advice as they are referred to therein.

The Chinese version of the Prospectus is amended in the following manner:

#### **Business**

- (a) at the bottom of page 105 of the Prospectus, reference to “敖包特陶勒蓋綜合項目的六項土地使用證” in the last sentence of the paragraph above the table setting forth a summary of our mining licences as at the Latest Practicable Date is amended to read “敖包特陶勒蓋綜合項目的十項土地使用證”;
- (b) on top of page 106 of the Prospectus, the table setting forth a summary of our land use rights at the Ovoot Tolgoi Complex as at the Latest Practicable Date is replaced by the table as shown in Attachment I hereto in Chinese;
- (c) in the middle of page 123 of the Prospectus, references to “六份土地使用證” and “六幅土地” in the first sentence of the second paragraph under the section headed “Properties” are amended to read, “十份土地使用證” and “十幅土地” respectively;
- (d) in the middle of page 123 of the Prospectus, reference to “六項於蒙古的物業權益，總佔地面積為 82.85 公頃” in item (i) of the first paragraph under the section headed “Properties” is amended to read “十項於蒙古的物業權益，總佔地面積為 202.85 公頃以及總長 40.85 公里的道路和高壓輸電區域”;
- (e) in the middle of page 123 of the Prospectus, reference to “礦場住宿營地、設備維護車間、煤田地質用地、炸藥庫、露天開採及勘探營地” in the second paragraph under the section headed “Properties” is amended to read “礦場住宿營地、設備維護車間、炸藥庫、勘探營地、運輸道路、採礦、煤炭儲存、高壓供電區域以及卡車、設備區域”。

#### **Appendix IV – Property Valuation**

- (f) pages IV-4 and IV-8 are amended as shown in Attachment II hereto in Chinese;
- (g) on page IV-10, the word “Chingigis” in paragraph 3 is amended to read “Chinggis” and paragraph 4.c. is removed;
- (h) on page IV-11, paragraph 2.c. is added to read “該租賃協定是在 2009 年 7 月 9 日後以美元訂立，並無遵守國家貨幣法的規定。”;
- (i) on pages IV-12 and IV-14, paragraphs 2.c. are removed;
- (j) on page IV-13, paragraph 2.b. is removed;
- (k) on page IV-15, paragraph 2.a. is amended and restated to read “經確認，該租賃合同已由 Southgobi sands LLC 的一名獲授權代表正式簽署，而該租賃合同的第二簽署人為宣稱是獲授權業主的一方” and paragraph 2.b. is added to read “該租賃合同的簽署和交付獲得 Southgobi sands LLC 的正式授權，在 IPRO 登記後，租賃合同將構成一項合法、有效和具有約束力的協議，可根據其條款強制執行。”;

- (l) on page IV-18, in paragraph 4, reference to “土地使用證” is amended to read “證明”, reference to “0002695” is amended to read “0173556”, “2005年11月10日” is amended to read “2009年1月6日” and “土地使用權” is amended to read “土地擁有權”, paragraph 5.a. is amended and restated to read “就法律顧問所知, Southgobi sands LLC 對擁有權證明所涉土地的使用符合所列明的用途。” and paragraph 5.b. is added to read “該租賃合同的簽署和交付獲得 Southgobi sands LLC 的正式授權, 在 IPRO 登記後, 該租賃合同將構成一項合法、有效和具有約束力的協議, 可根據其條款強制執行, 截至法律意見日期具有十足效力及作用。”;

#### **Appendix VIII – Documents Delivered to the Registrar of Companies and Available for Inspection**

(m) page VIII-1 is amended by the inclusion of the following items:

- 4A Lynch & Mahoney 關於本集團於蒙古的若干土地使用權發出的經更新和重列意見;
- 4B 美國評值就本集團物業權益編製的經更新和重列估值概要及估值證書, 其中包括本附件所列對招股說明書附錄四作出的修訂; 及
- 7A Lynch & Mahoney 和美國評值書面同意按本附件所示的形式及所載涵義, 引述其名稱及報告以及他們各自於本附件中所述的意見或建議。

The Directors and the Joint Sponsors have considered the materiality of the amendments as set out in this addendum and have concluded that these amendments are not sufficiently material so as to justify an extension of the offer period, nor are they likely to affect the decisions of a reasonable prospective investor in making an investment decision in respect of our Shares.

#### **Certificate of exemption granted in respect of this addendum**

We have applied to the SFC for a certificate of exemption from strict compliance with Section 44A(1) of the Companies Ordinance in relation to the time of the opening of the subscription lists on the ground that strict compliance with Section 44A(1) of the Companies Ordinance would be unduly burdensome.

According to the expected timetable set out in the Prospectus, the Company's application lists will open at 11:45 a.m. on January 20, 2010 and will close at 12:00 noon on the same date (the “*Original Timetable*”). If the requirement under Section 44A(1) of the Companies Ordinance is to be strictly complied with, there would be a delay in the Original Timetable. The Directors consider that as the information contained in this addendum would not affect the substance of the Prospectus which forms the basis of the investors' reasonable decision in subscribing for the Company's Shares, any delay in the Original Timetable due to strict compliance with the requirement under Section 44A(1) of the Companies Ordinance may not be justified.

The SFC has granted a certificate of exemption from strict compliance with Section 44A(1) of the Companies Ordinance in relation to the time of the opening of the subscription lists.

We have also applied for a certificate of exemption from strict compliance with the requirements of Section 342(1) of the Companies Ordinance (except for paragraph 3 of Part I of the Third Schedule to the Companies Ordinance) under Section 342A(1) of the Companies Ordinance in respect of this addendum on the following grounds:

1. Inclusion of the requisite information would be unnecessary.

The information required to be included in a prospectus as prescribed under Section 342(1) of the Companies Ordinance has been disclosed in the Prospectus. As this addendum will be read in conjunction with the Prospectus, the repetition of the requisite information in this addendum would be unnecessary.

2. Strict compliance with Section 342(1) of the Companies Ordinance would be unduly burdensome.

If the requirements under Section 342(1) of the Companies Ordinance are to be strictly complied with, we would have to undertake a considerable amount of work to prepare, update and finalize the information to be included in this addendum. The Directors consider that the benefits of such work to the prospective investors of the Company may not justify the additional work and expenses involved and the delay in the Original Timetable, given that the required information has been included in the Prospectus which will be read in conjunction with this addendum.

The SFC has granted a certificate of exemption from the requirements of Section 342(1) of the Companies Ordinance (except for paragraph 3 of Part I of the Third Schedule to the Companies Ordinance) under Section 342A(1) of the Companies Ordinance in respect of this addendum.

We are of the view that the information contained in this addendum will not have a material impact on the Group's disclosure in the Prospectus and does not contain information which amounts to a significant change or a significant new matter which may affect the substance of the Prospectus. In these circumstances, an exemption from compliance would not prejudice the interests of the investing public.

#### **Director's view on information in the Prospectus and this addendum**

The Directors are of the view that, other than as disclosed in this addendum, all material information relevant to the International Offering and the Group has been disclosed in the Prospectus and the information in the Prospectus, other than as disclosed in this addendum, remains true and accurate in all material respects. We have not authorised anyone to provide you with information that is different from that contained in the Prospectus and this addendum. Any information or representation not contained or made in the Prospectus and this addendum must not be relied on as having been authorised by us, the Joint Global Coordinators, the Joint Bookrunners, the Joint Sponsors, the Joint Lead Managers, the Underwriters, any of their respective directors, agents, employees, advisors or affiliates, or any other person or party involved in the International Offering.

#### **Availability of this addendum**

This addendum will be available at the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company (<http://www.southgobi.com>) after 6 p.m. on January 19, 2010 and will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on January 20, 2010.

Copies of this addendum together with the Prospectus may be obtained during normal business hours on Wednesday, January 20, 2010 at:

Any of the following addresses of the Joint Sponsors and Hong Kong Underwriters:

#### **Citigroup Global Markets Asia Limited**

50<sup>th</sup> Floor  
Citibank Tower  
3 Garden Road  
Central, Hong Kong

#### **Macquarie Capital Securities Limited**

Level 18, One International Finance Centre  
1 Harbour View Street  
Central, Hong Kong

#### **CLSA Limited**

18<sup>th</sup> Floor, One Pacific Place  
88 Queensway  
Hong Kong

#### **ICBC International Securities Limited**

Level 18, Three Pacific Place  
1 Queen's Road East  
Hong Kong

#### **Platinum Securities Company Limited**

22/F, Standard Chartered Bank Building  
4 Des Voeux Road  
Central, Hong Kong

or any of the following branches of Standard Chartered Bank (Hong Kong) Limited, Bank of China (Hong Kong) Limited and The Bank of East Asia, Limited.

**Standard Chartered Bank (Hong Kong) Limited**

<b>Hong Kong Island</b>	Des Voeux Road Branch	Standard Chartered Bank Building, 4-4A, Des Voeux Road Central, Central
	Central Branch	Shop no. 16, G/F and Lower G/F, New World Tower, 16-18 Queen's Road Central, Central
	Causeway Bay Branch	G/F, Yee Wah Mansion, 38-40A Yee Wo Street, Causeway Bay
	North Point Centre Branch	North Point Centre, 284 King's Road, North Point
<b>Kowloon</b>	Kwun Tong Branch	1A Yue Man Square, Kwun Tong
	Mongkok Branch	Shop B, G/F, 1/F & 2/F, 617-623 Nathan Road, Mongkok
<b>New Territories</b>	Tsimshatsui Branch	G/F, 10 Granville Road, Tsimshatsui
	Shatin Centre Branch	Shop 32C, Level 3, Shatin Shopping Arcade, Shatin Centre, 2-16 Wang Pok Street, Shatin
	Tsuen Wan Branch	Shop C, G/F & 1/F, Jade Plaza, 298 Sha Tsui Road, Tsuen Wan
	Yuen Long Branch	140, Yuen Long Main Road, Yuen Long

**Bank of China (Hong Kong) Limited**

<b>Hong Kong Island</b>	Bank of China Tower Branch	3/F, 1 Garden Road
	Central District (Wing On House) Branch	71 Des Voeux Road Central
	409 Hennessy Road Branch	409-415 Hennessy Road, Wan Chai
	Chai Wan Branch	Block B, Walton Estate, 341-343 Chai Wan Road, Chai Wan
<b>Kowloon</b>	Tsim Sha Tsui East Branch	Shop G02-03, Inter-Continental Plaza, 94 Granville Road, Tsim Sha Tsui
	To Kwa Wan Branch	80N To Kwa Wan Road, To Kwa Wan
	Mong Kok Branch	589 Nathan Road, Mong Kok
<b>New Territories</b>	Kwun Tong Branch	20-24 Yue Man Square, Kwun Tong
	Lucky Plaza Branch	Lucky Plaza, Wang Pok Street, Shatin
	Metro City Branch	Shop 209, Level 2, Metro City Phase 1, Tseung Kwan O

**The Bank of East Asia, Limited**

<b>Hong Kong Island</b>	Main Branch	10 Des Voeux Road Central
	Queen's Road Central Branch	Shop A-C, G/F, Wah Ying Cheong Central Building, 158-164 Queen's Road Central
	Wanchai Branch	Shop A-C, G/F, Easey Commercial Building, 253-261 Hennessy Road, Wanchai
<b>Kowloon</b>	Taikoo Shing Branch	Shop G1010-1011, Yiu Sing Mansion
	Mongkok North Branch	G/F, Kalok Building, 720-722 Nathan Road, Mongkok
	Prince Edward Branch	G/F, Hanley House, 776-778 Nathan Road
	Tsim Sha Tsui Branch	Shop A & B, Milton Mansion, 96 Nathan Road
	Hoi Yuen Road Branch	Unit 1, G/F, Hewlett Centre, 54 Hoi Yuen Road
<b>New Territories</b>	Shatin Plaza Branch	Shop 3-4, Level 1, Shatin Plaza
	Ha Kwai Chung Branch	202 Hing Fong Road

or (1) the depository counter of HKSCC at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong;  
or (2) your stockbroker, who may have this addendum available.

By order of the Board  
**SOUTHGOBI ENERGY RESOURCES LTD.**  
**Alexander Alan Molyneux**  
*President and Chief Executive Officer*

Hong Kong, January 19, 2010

*The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this addendum and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, (i) the information contained in this addendum is accurate and complete in all material respects and not misleading; (ii) there are no other facts the omission of which would make any statement in this addendum misleading and (iii) all opinions expressed in this addendum have been arrived at after due and careful consideration and are found on bases and assumptions that are fair and reasonable.*

*As at the date of this document, the executive Director is Mr. Alexander Alan Molyneux, the non-executive Directors are Mr. Peter Graham Meredith, Mr. John Anthony Macken and Mr. Raymond Edward Jr. Flood and the independent non-executive Directors are Mr. Pierre Bruno Lebel, Mr. Robert William Hanson, Mr. Andre Henry Deepwell and Mr. Robert Stuart Angus.*

*This addendum is not, and is not intended to be, an offer or sale of securities of the Company in the United States. Securities of the Company may not be offered or sold in the United States without registration or an exemption from registration under the United States Securities Act of 1933, as amended. There is not and is not currently intended to be any public offering of the Company's securities in the United States.*

*The Offer Shares are not qualified for sale in Canada and may not be offered and sold in Canada or to persons ordinarily resident in Canada, directly or indirectly, on behalf of the Company. Any offering of Shares in Canada may only occur pursuant to the separate Canadian Offering.*

**ATTACHMENT I TO THIS ADDENDUM  
(IN ENGLISH)**

The following table sets forth a summary of our land use rights at the Ovoot Tolgoi Complex as at the Latest Practicable Date:

<u>Use</u>	<u>Area (hectares)</u>	<u>Length (km)</u>	<u>Registered Holder</u>	<u>Expiration Date</u>
Mine accommodation camp . . . . .	2.25	—	SGS	January 2013
Equipment maintenance shop . . . . .	2.40	—	SGS	January 2013
Explosives magazine . . . . .	1.70	—	SGS	September 2013
Exploration camp . . . . .	4.60	—	SGS	September 2013
Haul road . . . . .	—	33.60	SGS	January 2014
Mining . . . . .	170.80	—	SGS	January 2014
Coal storage . . . . .	19.10	—	SGS	January 2014
High voltage land area . . . . .	—	3.15	SGS	April 2014
Truck, equipment area . . . . .	2.00	—	SGS	July 2014
High voltage land area . . . . .	—	4.10	SGS	July 2014

**ATTACHMENT I TO THIS ADDENDUM  
(IN CHINESE)**

下表載列於本招股說明書財務數據截至日期本公司於敖包特陶勒蓋綜合項目的土地使用權概要：

<u>用途</u>	<u>面積 (公頃)</u>	<u>長度 (公里)</u>	<u>註冊持有人</u>	<u>到期日</u>
礦場住宿營地 . . . . .	2.25	—	SGS	2013年1月
設備維護車間 . . . . .	2.40	—	SGS	2013年1月
炸藥庫 . . . . .	1.70	—	SGS	2013年9月
勘探營地 . . . . .	4.60	—	SGS	2013年9月
運輸道路 . . . . .	—	33.60	SGS	2014年1月
採礦 . . . . .	170.80	—	SGS	2014年1月
煤炭儲存 . . . . .	19.10	—	SGS	2014年1月
高壓供電區域 . . . . .	—	3.15	SGS	2014年4月
卡車、設備區域 . . . . .	2.00	—	SGS	2014年7月
高壓供電區域 . . . . .	—	4.10	SGS	2014年7月

**ATTACHMENT II TO THIS ADDENDUM  
(IN ENGLISH)**

**APPENDIX IV**

**PROPERTY VALUATION**

**SUMMARY OF VALUATION**

**Group I – Property interests rented and occupied by the Group in Canada**

<u>No.</u>	<u>Property</u>	<u>Market value in existing state as at December 31, 2009</u>
		(C\$)
1.	Portion of the Office unit on Level 3, World Trade Centre, No. 999 Canada Place, Vancouver, British Columbia V6C 3E1, Canada	No Commercial Value

**Group II – Property interests rented and occupied by the Group in Mongolia**

<u>No.</u>	<u>Property</u>	<u>Market value in existing state as at December 31, 2009</u>
		(MNT/US\$)
2.	Temporary structures together with various land parcels located at Umnugobi Aimag, Mongolia	No Commercial Value
3.	A residential apartment – Apartment 22, located at Building-8, 1 <sup>st</sup> Khoroo, Chinggis Avenue, Sukhbaatar District, Ulaanbaatar, Mongolia	No Commercial Value

**ATTACHMENT II TO THIS ADDENDUM  
(IN ENGLISH)**

**APPENDIX IV**

**PROPERTY VALUATION**

**VALUATION CERTIFICATE**

**Group II – Property interests rented and occupied by the Group in Mongolia**

No.	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at December 31, 2009 (MNT)
2.	Temporary structures together with various land parcels located at Umnugobi Aimag, Mongolia	<p>The property comprises temporary structures together with various land parcels. The total site area of Land Parcels I-IV, VI-VII and IX is about 202.85 hectares while the total length of Land Parcels V, VIII and X is about 40.85 kilometres. The temporary structures were completed in about January 2008.</p> <p>The land parcels were rented by Southgobi sands LLC from Umnugobi Aimag Land Office for a term of 5 years at an aggregated annual land fee of MNT20,460,375.</p>	The property was occupied for mine accommodation camp, equipment maintenance shop, explosives magazine, exploration camp, haul road, mining, coal stockpile, high voltage land area, and truck, equipment area uses as of the date of valuation.	No Commercial Value

*Note:*

1. Pursuant to ten land use agreements entered into between Umnugobi Aimag Land Office, an independent third party, and Southgobi sands LLC, an indirectly 100% owned subsidiary of the Company, ten land parcels of the property were rented by the latter party for a term of 5 years at a total annual land fee of MNT20,460,375.
2. Pursuant to Land Use Certificates, issued by Governor of Umnugobi Aimag or Gurvantes soum of Umnugobi Aimag, Southgobi sands LLC was permitted to use the property for various purposes.
- 2A. The salient details of the land use agreements and the land use certificates are as follows:

Land Parcel	Cert. No.	Cert. and Agreement Date	Site Area (Hectares)	Length (km)	Uses	Land Use Term	Annual Land Fee (MNT)
I	No. 0004759	10-Jan-08	2.25	–	Mine Accommodation Camp	5 years	180,000
II	No. 0004760	10-Jan-08	2.40	–	Equipment Maintenance Shop	5 years	384,000
III	No. 0004768	26-Sep-08	1.70	–	Explosives Magazine	5 years	170,000
IV	No. 0004770	26-Sep-08	4.60	–	Exploration Camp	5 years	230,000
V	No. 0004762	9-Jan-09	–	33.60	Haul Road	5 years	252,000
VI	No. 0004778	9-Jan-09	170.80	–	Mining	5 years	17,080,000
VII	No. 0004780	6-Jan-09	19.10	–	Coal Storage	5 years	1,910,000
VIII	No. 0006419	8-Apr-09	–	3.15	High Voltage Land Area	5 years	23,625
IX	No. 0006421	31-Jul-09	2.00	–	Truck, Equipment Area	5 years	200,000
X	No. 0006422	31-Jul-09	–	4.10	High Voltage Land Area	5 years	30,750
<b>Total:</b>			<b>202.85</b>	<b>40.85</b>			<b>20,460,375</b>

3. The Mongolia legal opinion states, inter alia that:
  - a. The legal advisor has obtained written confirmation from the relevant authority that the relevant certificate is in full force and effect as of the date of confirmation.

**ATTACHMENT II TO THIS ADDENDUM  
(IN CHINESE)**

**附錄四**

**物業估值**

**估值概要**

**第一類— 貴集團於加拿大租用及佔用的物業權益**

編號	物業	於 2009 年 12 月 31 日現況下的市值 (加元)
1.	World Trade Centre, No. 999 Canada Place, Vancouver, British Columbia V6C 3E1, Canada 第三層的部分辦公單位	無商業價值

**第二類— 貴集團於蒙古租用及佔用的物業權益**

編號	物業	於 2009 年 12 月 31 日現況下的市值 (圖格里克/美元)
2.	位於蒙古 Umnugobi Aimag 的暫時性的 構築物連同多幅土地	無商業價值
3.	位於蒙古烏蘭巴托 Apartment 22, Building-8, 1 <sup>st</sup> Khoroo, Chinggis Avenue, Sukhbaatar District 的住宅公寓	無商業價值

**ATTACHMENT II TO THIS ADDENDUM  
(IN CHINESE)**

**附錄四**

**物業估值**

**估值證書**

**第二類— 貴集團於蒙古租用及佔用的物業權益**

編號	物業	概況及年期	佔用詳情	於2009年 12月31日 現況下的市值 (圖格里克)
2.	位於蒙古 Umnugobi Aimag 的暫時性的構築物 連同多幅土地	該物業包括一個臨時構築物連同多幅土地，第I-IV、第VI-VII及第IX幅土地總佔地面積約為202.85公頃，第V、第VIII及第X幅土地總長度約為40.85公里。該臨時構築物於2008年1月左右落成。  該等土地由 Umnugobi Aimag Land Office 租予 Southgobi sands LLC，租期為五年，每年總土地費為 20,460,375 圖格里克。	截至估值日，該物業佔用作礦場住宿營地、設備維護車間、炸藥庫、勘探營地、運輸道路、採礦、煤炭儲存、高壓供電區域以及卡車、設備區域。	無商業價值

**附註：**

- 根據獨立第三方Umnugobi Aimag Land Office與 貴公司間接持有100%權益的子公司Southgobi sands LLC 訂立的十份土地使用協議，物業的十幅土地由後者按每年合共 20,460,375 圖格里克的土地費租用，租期為五年。
- 根據 Umnugobi Aimag 或 Umnugobi Aimag，Gurvantes soum 地方長官簽發的土地使用證，Southgobi sands LLC 獲准使用該物業作多種用途。
- 2A. 該等土地使用協議和土地使用證的具體詳情如下：

土地	證書編號	證書及 協議日期	佔地面積 (公頃)	長度 (公里)	用途	土地使用 期限	年度土地費 (圖格里克)
I	第 0004759 號	08 年 1 月 10 日	2.25	—	礦場住宿營地	5 年	180,000
II	第 0004760 號	08 年 1 月 10 日	2.40	—	設備維護車間	5 年	384,000
III	第 0004768 號	08 年 9 月 26 日	1.70	—	炸藥庫	5 年	170,000
IV	第 0004770 號	08 年 9 月 26 日	4.60	—	勘探營地	5 年	230,000
V	第 0004762 號	09 年 1 月 9 日	—	33.60	運輸道路	5 年	252,000
VI	第 0004778 號	09 年 1 月 9 日	170.80	—	採礦	5 年	17,080,000
VII	第 0004780 號	09 年 1 月 6 日	19.10	—	煤炭儲存	5 年	1,910,000
VIII	第 0006419 號	09 年 4 月 8 日	—	3.15	高壓供電區域	5 年	23,625
IX	第 0006421 號	09 年 7 月 31 日	2.00	—	卡車、設備區域	5 年	200,000
X	第 0006422 號	09 年 7 月 31 日	—	4.10	高壓供電區域	5 年	30,750
		<b>總計：</b>	<b>202.85</b>	<b>40.85</b>			<b>20,460,375</b>

3. 蒙古法律意見列明 (其中包括)：

a. 法律顧問已向有關機關取得書面確認，截至確認日期相關證書具有十足效力及作用。