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SOUTHGOBI RESOURCES LTD.

南戈壁資源有限公司*

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

SouthGobi Resources promotes within to replace CFO

HONG KONG – SouthGobi Resources Ltd. (TSX: SGQ, HK: 1878), appointments Matthew O’Kane, CPA to the role of Chief Financial Officer.

Please see the attached announcement for more details.

By order of the Board
SouthGobi Resources Ltd.

Mr. Peter Graham Meredith
Chairman

Hong Kong, 28 June 2011

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

* *For identification purposes only*



June 28, 2011

SouthGobi Resources promotes within to replace CFO

HONG KONG – Alexander Molyneux, President and CEO of SouthGobi Resources Ltd. (**TSX: SGQ, HK: 1878**), is pleased to announce the appointment of Matthew O’Kane, CPA to the role of Chief Financial Officer, effective July 1, 2011. Mr. O’Kane replaces Terry Krepiakevich, CA. Mr. Krepiakevich, who will remain as a Senior Advisor to the Company over the next reporting period, will be pursuing various business opportunities and will continue to serve on public and private boards.

“We are very pleased to welcome Matthew to his new role at SouthGobi. He brings a strong background in financial management and analysis, and has proven to be a valuable member of our management team,” said Mr. Molyneux. “At the same time, we extend our gratitude and good wishes to Terry. Since joining the Company in 2006, Terry has helped grow SouthGobi from a coal explorer to a successful mine development and operating company, and provided effective financial leadership. We greatly appreciate his dedication and service to the company.”

Mr. O’Kane joined SouthGobi in January, 2011. He has spent the past 16 years in finance roles within the manufacturing industry. During this time he worked for Ford Motor Company both in Australia and in the United States. Prior to joining SouthGobi, he spent over four years as the Finance Director, and an Executive Director, of Volvo Car Australia Pty Ltd, a fully owned subsidiary of Volvo Car Corporation Sweden. He holds a Bachelor degree in Business (Economics and Finance) and an MBA from the Royal Melbourne Institute of Technology, and is a qualified CPA.

About SouthGobi Resources

SouthGobi Resources is focused on exploration and development of its Permian-age metallurgical and thermal coal deposits in Mongolia’s South Gobi Region. The company’s flagship coal mine, Ovoot Tolgoi, is producing and selling coal to customers in China. The company plans to supply a wide range of coal products to markets in Asia.

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Forward-Looking Statements: This document includes forward-looking statements. Forward-looking statements include, but are not limited to, plans to supply a wide range of coal products to markets in Asia; and other statements that are not historical facts. When used in this document, the words such as “plan,” “estimate,” “expect,” “intend,” “may,” and similar expressions are forward-looking statements. Although SouthGobi believes that the expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Important factors that could cause actual results to differ from these forward-looking statements are disclosed under the heading “Risk Factors” in SouthGobi’s Management Discussion and Analysis of Financial Condition and Results of Operations for the year ended Dec. 31, 2010 and quarter ended March 31, 2011 which is available at www.sedar.com.