

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

(Stock Code: 1878)

SOUTHGOBI RESOURCES ANNOUNCES RESULTS OF ANNUAL MEETING OF SHAREHOLDERS

VANCOUVER, CANADA – SouthGobi Resources Ltd. (TSX: **SGQ**, HK: **1878**) announced today the results of the Annual Meeting of shareholders held in Vancouver, Canada on May 17, 2011.

Please see the attached announcement for more details.

By order of the Board
SouthGobi Resources Ltd.

Mr. Peter Graham Meredith
Chairman

Hong Kong, 17 May 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*



May 17, 2011

SOUTHGOBI RESOURCES ANNOUNCES RESULTS OF ANNUAL MEETING OF SHAREHOLDERS

VANCOUVER, CANADA – SouthGobi Resources Ltd. (**TSX: SGQ, HK: 1878**) announced today the results of the Annual Meeting of shareholders held in Vancouver, Canada on May 17, 2011.

The majority of shareholders voted in favour of all resolutions at the meeting as set out in the Company's Information Circular dated March 24, 2011, namely:

- **Re-election of Peter Meredith, Alexander Molyneux, Pierre Lebel, John Macken, Andre Deepwell, R. Edward Flood, Robert Hanson, R. Stuart Angus and W. Gordon Lancaster as directors of the Company.**
- **Appointment of Deloitte & Touche as auditors of the Company.**
- **The electronic delivery of the Company's Annual and Interim Reports to shareholders resident in Hong Kong.**
- **Amendments to the Company's Equity Incentive Plan to a) require shareholder approval for any amendment which reduces the exercise price or extends the expiry date of the option period in respect of any options; and b) increase the number of shares available under the share purchase plan from 200,000 to 500,000.**

The Stock Exchange of Hong Kong has granted SouthGobi a waiver from Listing Rule 13.39(4) which requires that any vote of shareholders at a general meeting must be taken by poll. Therefore this notice does not contain the specific information set out in Listing Rule 13.39(5).

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.

Information contacts, SouthGobi Resources

Dave Bartel, Vice President External Affairs and Investor Relations (Hong Kong) +852 2156 7023

Steven Feldman, Investor Relations Manager (Vancouver) +1 604 331 9813

Website: www.southgobi.com

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.