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February 22, 2010

## **SouthGobi Energy Resources announces partial exercise of over-allotment option**

**HONG KONG** – SouthGobi Energy Resources Ltd. (**TSX: SGQ, HK: 1878**), (the "Company" or "SouthGobi") announced today that Citigroup Global Markets Canada Inc. and Macquarie Capital Markets Canada, representatives of the Canadian underwriters of its recently closed global equity offering, have partially exercised their over-allotment option and will purchase an additional 228,100 common shares of the Company at a price of C\$17.00 per share for gross proceeds of C\$3,877,700. Closing is expected to occur during the week of February 22, 2010.

This news release has been prepared for publication outside the United States and may not be released (directly or indirectly) in the United States. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States or any other jurisdiction outside of Canada, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Common Shares offered have not been, and will not be, registered under the 1933 Act, or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act and applicable state securities laws. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the issuer and that will contain detailed information about the company and management, as well as financial statements. SouthGobi does not intend to register any part of the Canadian offering in the United States.

### **About SouthGobi Energy Resources**

SouthGobi Energy 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 Energy Resources

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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, 2008, and for nine months ended September 30, 2009, all of which are available at [www.sedar.com](http://www.sedar.com).