

Turquoise Hill seeks interim order from Arbitration Tribunal to protect viability of its proposed funding strategy

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MONTREAL, Jan. 28, 2021 - [Turquoise Hill Resources Ltd.](#) ("Turquoise Hill" or the "Company") announces that it has filed an application for an interim order before the Tribunal in its arbitration proceedings with Rio Tinto International Holdings Limited (RTIHL) and a related party. The Company is taking this step in response to certain actions taken by Rio Tinto which would be out by Rio Tinto:

- limit the Company's ability to pursue identified financing options for the Oyu Tolgoi project and, more generally, the Company's ability for successfully implementing the Company's funding strategy; and
- pre-empt the ultimate decision of the arbitrator.

Rio Tinto is purporting to use certain procedures under contractual arrangements to compel Turquoise Hill to:

- authorise Rio Tinto to pursue re-profiling negotiations with existing lenders in a manner that the Company considers would render Oyu Tolgoi LLC unable to execute an offering of bonds in 2021; and
- refrain from engaging on funding and other matters with its fellow OT stakeholders, including our valued partner Erdenes Oyu Tolgoi LLC and the Government of Mongolia.

About Turquoise Hill Resources

Turquoise Hill is an international mining company focused on the operation and continued development of the Oyu Tolgoi copper-gold mine in Mongolia, which is the Company's principal and only material mineral resource property. Turquoise Hill's ownership of the Oyu Tolgoi mine is held through a 66% interest in Oyu Tolgoi LLC (Oyu Tolgoi); Erdenes Oyu Tolgoi LLC, a Mongolian state-owned entity, holds the remaining 34% interest.

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Forward-looking statements and forward-looking information

Certain statements made herein, including statements relating to matters that are not historical facts and statements of the Company's beliefs, intentions and expectations about developments, results and events which will or may occur in the future, constitute "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act. Forward-looking statements and information relate to future events or future performance, reflect current expectations and assumptions regarding future events and are typically identified by words such as "anticipate", "could", "should", "expect", "seek", "may", "intend", "likely", "plan", "estimate", "will", "believe" and similar expressions suggesting future outcomes or statements regarding the outlook. These include, but are not limited to, statements and information regarding: discussions with, and the nature of, the Company's relationship and interaction with, the Government of Mongolia on the continued operation and development of the Oyu Tolgoi, including with respect to the definitive estimate and the potential termination, amendment or replacement of the Oyu Tolgoi Underground Mine Development and Financing Plan (the "Underground Plan"); the willingness and ability of the parties to the Underground Plan to amend or replace the Underground Plan; the arbitration proceedings, including the potential benefits and outcome of the arbitration proceedings; the expectations set out in the 2020 Oyu Tolgoi Technical Report ("OTTR2020") regarding timing and amount of future production and potential production delays; statements in respect of the impacts of any delays on the Company's cash flows; expected copper and gold grades; the merits of the class action complaints filed against the Company; the Company's liquidity, funding sources, funding requirements and planning and the status and nature of the Company's ongoing discussions with Rio Tinto plc and its subsidiaries ("Rio Tinto") with respect to future funding plans and requirements (including as contained in the Memorandum of Understanding dated September 9, 2020 (the "MoU")); the amount of any funding gap to complete the Oyu Tolgoi underground project; the amount and potential sources of additional funding; the Company's ability to re-profile its

project debt in line with current cash flow projections; the amount by which a successful re-profiling of the Company's e would reduce the Company's currently projected funding requirements; the Company's and Rio Tinto's understanding r raising of supplemental senior debt and the Company's ability to raise supplemental senior debt; the Company's and R understanding regarding the process for identifying and considering other funding options; the Company's and Rio Tinto understanding regarding the scope and timing for an equity offering by the Company to address any remaining funding; Company's intention to prioritise funding by way of debt and/or hybrid financing over equity funding; the Company's exp the anticipated funding gap; the timing of studies, announcements and analyses; status of underground development; t design for Panel 0 of Hugo North Lift 1 and the related cost and production schedule implications; the re-design studies 1 and 2 of Hugo North Lift 1 and the possible outcomes, content and timing thereof; expectations regarding the possible ore in the two structural pillars to the north and south of Panel 0; the possible progression of a state-owned power plant and related amendments to the Power Source Framework Agreement ("PSFA") as well as power purchase agreements of construction and commissioning of the potential SOPP; sources of interim power; the potential impact of COVID-19 c Company's business, operations and financial condition; capital and operating cost estimates; mill and concentrator thro outcome of formal international arbitration proceedings; anticipated business activities, planned expenditures, corporate and other statements that are not historical facts.

Forward-looking statements and information are made based upon certain assumptions and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such statements or information. There can be no assurance that statements or information will prove to be accurate. Such statements and information are based on numerous assumptions regarding present and future business strategies, local and global economic conditions, and the environment in which the Company will operate in the future, including the price of copper, gold and silver; projected gold, copper and silver grades; anticipated and operating costs, anticipated future production and cash flows; the anticipated location of certain infrastructure in Hugo North Lift 1; sequence of mining within and across panel boundaries; the availability and timing of required governmental and regulatory approvals for the construction of the SOPP; the ability of the Government of Mongolia to finance and procure the SOPP within the timeframes anticipated in the PSFA, as amended; the willingness of third parties to extend existing power arrangements; the nature and of the Company's relationship and interaction with the Government of Mongolia on the continued operation and development of the Oyu Tolgoi mine and Oyu Tolgoi LLC internal governance (including the outcome of any such internal discussions); the willingness and ability of the parties to the Underground Plan to amend or replace the Underground Plan; the nature and quantum of the current and projected economic benefits to Mongolia resulting from the continued operation of the Oyu Tolgoi; the status and nature of the Company's ongoing discussions with Rio Tinto with respect to future funding plans and requirements (including as contemplated by the MoU) as well as the commencement and conclusion of the arbitration proceedings, including the potential benefits, timing and outcome of the arbitration proceedings. Certain important factors that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements and information include, among others: copper, gold and silver price volatility; discrepancies between actual and estimated production; mineral resource estimates and metallurgical recoveries; development plans for processing resources; public health crises such as COVID-19; matters relating to proposed exploration or expansion; mining operational and development risks, including geotechnical risks, ground conditions; litigation risks, including the outcome of the class action complaints filed against the Company; regulatory restrictions (including environmental regulatory restrictions and liability); Oyu Tolgoi LLC or the Government of Mongolia to deliver a domestic power source for the Oyu Tolgoi project within the required contractual time frame; communications with stakeholders and community relations; activities, actions or assessments, including tax assessments, by governmental authorities; events or circumstances (including strikes, blockades or similar events outside of the Company's control) that may affect the Company's ability to deliver its products in a timely manner; currency fluctuations; the speculative nature of mineral exploration; the global economic climate; dilution; share price volatility; competition; loss of key employees; cyber security incidents; additional funding requirements, including in respect of the development or construction of a long-term domestic power supply for the Oyu Tolgoi project; capital and operating costs, including with respect to the development of additional deposits and processing facilities; and defective title to mineral claims or property. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements and information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Such forward-looking statements and information are based on certain assumptions and analyses made by the Company's management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are reasonable and appropriate in the circumstances. These statements and information are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements or information.

With respect to forward-looking information concerning the continued operation and development of Oyu Tolgoi, the Company has based its assumptions and analyses on certain factors which are inherently uncertain. Uncertainties and assumptions include, among others: the timing and cost of the construction and expansion of mining and processing facilities; the timing and availability of a long-term domestic power source (or the availability of financing for the Company or the Government of Mongolia to develop such a source) for Oyu Tolgoi; the ability to secure and draw down on the supplemental debt under the Oyu Tolgoi project facility and the availability of additional financing on terms reasonably acceptable to Oyu Tolgoi LLC, Rio Tinto and the Company to further develop Oyu Tolgoi as well as the status and nature of the Company's ongoing discussions with Rio Tinto with respect to future funding plans and requirements (including as contemplated by the MoU); the status and nature of the Company's relationship and interaction with the Government of Mongolia on the continued operation and development of Oyu Tolgoi and Oyu Tolgoi LLC.

Readers are cautioned not to place undue reliance on forward-looking information or statements. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes will not occur. Events or circumstances could cause the Company's actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. Important factors that could cause actual results to differ from these forward-looking statements are included in the "Risk Factors" section of the Company's annual information form for the year ended December 31, 2019 ("AIF"), as supplemented by the "Risks and Uncertainties" section of the Company's third quarter 2020 management's discussion and analysis dated September 30, 2020 ("MD&A").

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