

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 likely to result in an order 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 to successfully implement its 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 likely to 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 Erdemir, 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 Company's 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 mine, 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 the 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 t will operate in the future, including the price of copper, gold and silver; projected gold, copper and silver grades; anticip and operating costs, anticipated future production and cash flows; the anticipated location of certain infrastructure in Hu Lift 1; sequence of mining within and across panel boundaries; the availability and timing of required governmental and approvals for the construction of the SOPP; the ability of the Government of Mongolia to finance and procure the SOPP timeframes anticipated in the PSFA, as amended; the willingness of third parties to extend existing power arrangements and nature of the Company's relationship and interaction with the Government of Mongolia on the continued operation development of the Oyu Tolgoi mine and Oyu Tolgoi LLC internal governance (including the outcome of any such intera discussions); the willingness and ability of the parties to the Underground Plan to amend or replace the Underground P nature and quantum of the current and projected economic benefits to Mongolia resulting from the continued operation Tolgoi; the status and nature of the Company's ongoing discussions with Rio Tinto with respect to future funding plans requirements (including as contemplated by the MoU) as well as the commencement and conclusion of the arbitration p including the potential benefits, timing and outcome of the arbitration proceedings. Certain important factors that could results, performance or achievements to differ materially from those in the forward-looking statements and information among others: copper, gold and silver price volatility; discrepancies between actual and estimated production; mineral r resources and metallurgical recoveries; development plans for processing resources; public health crises such as COV matters relating to proposed exploration or expansion; mining operational and development risks, including geotechnical ground conditions; litigation risks, including the outcome of the class action complaints filed against the Company; regul restrictions (including environmental regulatory restrictions and liability); Oyu Tolgoi LLC or the Government of Mongolia deliver a domestic power source for the Oyu Tolgoi project within the required contractual time frame; communications stakeholder and community relations; activities, actions or assessments, including tax assessments, by governmental events or circumstances (including strikes, blockades or similar events outside of the Company's control) that may affe Company's ability to deliver its products in a timely manner; currency fluctuations; the speculative nature of mineral exp global economic climate; dilution; share price volatility; competition; loss of key employees; cyber security incidents; ad funding requirements, including in respect of the development or construction of a long-term domestic power supply for Tolgoi project; capital and operating costs, including with respect to the development of additional deposits and process facilities; and defective title to mineral claims or property. Although the Company has attempted to identify important fac 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 inten such forward-looking statements and information are based on certain assumptions and analyses made by the Compar management in light of their experience and perception of historical trends, current conditions and expected future deve as well as other factors management believes are reasonable and appropriate in the circumstances. These statements are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ ma 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 Co based its assumptions and analyses on certain factors which are inherently uncertain. Uncertainties and assumptions in among others: the timing and cost of the construction and expansion of mining and processing facilities; the timing and of a long-term domestic power source (or the availability of financing for the Company or the Government of Mongolia t such a source) for Oyu Tolgoi; the ability to secure and draw down on the supplemental debt under the Oyu Tolgoi proj facility and the availability of additional financing on terms reasonably acceptable to Oyu Tolgoi LLC, Rio Tinto and the further develop Oyu Tolgoi as well as the status and nature of the Company's ongoing discussions with Rio Tinto with r future funding plans and requirements (including as contemplated by the MoU); the status and nature of the Company's and interaction with the Government of Mongolia on the continued operation and development of Oyu Tolgoi and Oyu T

internal governance (including the outcome of any such interactions or discussions); the willingness and ability of the pa
Underground Plan to amend or replace the Underground Plan; the nature and quantum of the current and projected ec
benefits to Mongolia resulting from the continued operation of Oyu Tolgoi; the potential impact of COVID-19; the impac
in, changes in interpretation to or changes in enforcement of, laws, regulations and government practices in Mongolia;
availability and cost of skilled labour and transportation; the obtaining of (and the terms and timing of obtaining) necess
environmental and other government approvals, consents and permits; delays, and the costs which would result from d
development of the underground mine (which could significantly exceed the costs projected in OTTR20); projected cop
and silver prices and their market demand; and production estimates and the anticipated yearly production of copper, g
silver at Oyu Tolgoi.

The cost, timing and complexities of mine construction and development are increased by the remote location of a prop
Oyu Tolgoi. It is common in mining operations and in the development or expansion of existing facilities to experience u
problems and delays during development, construction and mine start-up. Additionally, although Oyu Tolgoi has achiev
commercial production, there is no assurance that future development activities will result in profitable mining operation

Readers are cautioned not to place undue reliance on forward-looking information or statements. By their nature, forward
statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute
possibility that the predicted outcomes will not occur. Events or circumstances could cause the Company's actual result
materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. Importa
that could cause actual results to differ from these forward-looking statements are included in the "Risk Factors" section
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
("MD&A").

Readers are further cautioned that the list of factors enumerated in the "Risk Factors" section of the AIF and in the "Ris
Uncertainties" section of the Company's MD&A that may affect future results is not exhaustive. When relying on the Co
forward-looking statements and information to make decisions with respect to the Company, investors and others shou
consider the foregoing factors and other uncertainties and potential events. Furthermore, the forward-looking statemen
information contained herein are made as of the date of this document and the Company does not undertake any oblig
update or to revise any of the included forward-looking statements or information, whether as a result of new informati
events or otherwise, except as required by applicable law. The forward-looking statements and information contained h
expressly qualified by this cautionary statement.

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