

January 19, 2015

## Press release

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### **Turquoise Hill announces fourth quarter 2014 production**

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VANCOUVER, CANADA – Turquoise Hill Resources today announced the fourth quarter 2014 production for Oyu Tolgoi.

Production for Q4'14 was 50,300 tonnes of copper and 278,000 ounces of gold in concentrates. Higher ore grades during the quarter led to increased metal production over prior quarters, which was partially offset by reduced processing rates as a result of the December concentrator fire. Repairs from the fire were completed on January 2, 2015 and the concentrator has returned to full production.

Full year 2014 production was 148,400 tonnes of copper and 589,000 ounces of gold in concentrates; in-line with the Company's guidance.

Strong concentrate sales continued during Q4'14 with sales exceeding production resulting in an inventory drawdown for the quarter. By year end, marketing and logistics improvements throughout 2014 resulted in concentrate inventories being drawn down to expected levels.

Jeff Tygesen, Turquoise Hill Chief Executive Officer, said, "Despite some operational interruptions during the year, Oyu Tolgoi continued to improve through 2014. We look forward to building on 2014 achievements throughout 2015."

In 2015, Oyu Tolgoi is expected to produce 175,000 to 195,000 tonnes of copper and 600,000 to 700,000 ounces of gold in concentrates. Based on the 2015 mine schedule, production from the high-grade zone is expected to resume in mid-2015.



## Oyu Tolgoi Production Data

All data represents full production and sales on a 100% basis

	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	Full Year 2014	Full Year 2013
Open pit material mined ('000 tonnes)	21,956	21,621	16,861	19,493	<b>18,944</b>	76,919	72,032
Ore Treated ('000 tonnes)	7,835	5,560	7,778	7,029	<b>7,505</b>	27,872	20,317
Average mill head grades:							
Copper (%)	0.49	0.52	0.53	0.59	<b>0.74</b>	0.60	0.47
Gold (g/t)	0.41	0.49	0.60	0.80	<b>1.46</b>	0.86	0.36
Silver (g/t)	1.44	1.52	1.57	1.64	<b>1.65</b>	1.60	1.39
Concentrates produced ('000 tonnes)	129.5	102.9	140.0	134.1	<b>186.7</b>	563.6	290.0
Average concentrate grade (% Cu)	25.4	24.6	25.8	27.3	<b>26.9</b>	26.3	26.4
Production of metals in concentrates:							
Copper in concentrates ('000 tonnes)	32.9	25.3	36.2	36.6	<b>50.3</b>	148.4	76.7
Gold in concentrates ('000 ounces)	74	66	113	132	<b>278</b>	589	157
Silver in concentrates ('000 ounces)	208	163	229	216	<b>286</b>	893	489
Sales of metals in concentrates:							
Copper in concentrates ('000 tonnes)	6.1	13.1	51.6	53.6	<b>67.6</b>	185.8	6.1
Gold in concentrates ('000 ounces)	10	28	126	144	<b>263</b>	561	10
Silver in concentrates ('000 ounces)	36	78	309	323	<b>383</b>	1,093	36
Metal recovery (%)							
Copper	86.4	87.9	87.6	89.3	<b>90.7</b>	89.1	81.6
Gold	71.2	75.5	74.8	74.8	<b>78.6</b>	76.6	66.1
Silver	57.2	59.3	58.6	58.6	<b>71.6</b>	62.3	54.2

## About Turquoise Hill Resources

Turquoise Hill Resources (NYSE, NASDAQ & TSX: TRQ) is an international mining company focused on copper-gold and coal mines in Mongolia. The Company's primary operation is its 66% interest in the Oyu Tolgoi copper-gold-silver mine in southern Mongolia. Turquoise Hill also holds a 47.9% interest in Mongolian coal miner SouthGobi Resources (TSX: SGQ; HK: 1878).

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### Forward-looking statements

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 U.S. *Private Securities Litigation Reform Act of 1995*. Forward-looking information and statements relate to future events or future performance, reflect current expectations or beliefs 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 an outlook. These include, but are not limited to, statements respecting anticipated business activities; planned expenditures; corporate strategies; and other statements that are not historical facts.



Forward-looking statements and information are made based upon certain assumptions and other important factors that, if untrue, 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. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including the price of copper, gold and silver, anticipated capital and operating costs, anticipated future production and cash flows, the ability to complete the disposition of certain of its non-core assets, the ability and timing to complete project financing and/or secure other financing on acceptable terms, and the evolution of discussions with the Government of Mongolia on a range of matters including the implementation of the Investment Agreement, project development costs, operating budgets, the payment of taxes and taxation matters, management fees and governance and the existence or filing of legal proceedings against the Company and its officers and directors. 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 reserves and resources and metallurgical recoveries, mining operational and development risks, litigation risks, regulatory restrictions (including environmental regulatory restrictions and liability), activities or assessments by governmental authorities, currency fluctuations, the speculative nature of mineral exploration, the global economic climate, dilution, share price volatility, competition, loss of key employees, additional funding requirements, capital and operating costs for the construction and operation of the Oyu Tolgoi mine 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. All such forward-looking information and statements 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 appropriate in the circumstances. These statements, however, 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 information or statements.

With respect to specific forward-looking information concerning the construction and development of the Oyu Tolgoi mine, 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 impact of the decision announced by the Company to delay the funding and development of the Oyu Tolgoi underground mine pending resolution of outstanding matters with the Government of Mongolia associated with the development and operation of the Oyu Tolgoi mine and to satisfy all conditions precedent to the availability of Oyu Tolgoi Project Financing; the approval of the underground feasibility study for the Oyu Tolgoi Project by Oyu Tolgoi's shareholders; the impact of changes in, changes in interpretation to or changes in enforcement of, laws, regulations and government practices in Mongolia; the availability and cost of skilled labour and transportation; the availability and cost of appropriate smelting and refining arrangements; the obtaining of (and the terms and timing of obtaining) necessary environmental and other government approvals, consents and permits; the availability of funding on reasonable terms; the timing and availability of a long-term power source for the Oyu Tolgoi mine; delays, and the costs which would result from delays, in the development of the underground mine (which could significantly exceed the costs projected in the Feasibility Study and in the updated technical report); projected copper, gold and silver prices and demand; and production estimates and the anticipated yearly production of copper, gold and silver at the Oyu Tolgoi mine.

The cost, timing and complexities of mine construction and development are increased by the remote location of a property such as the Oyu Tolgoi mine. It is common in new mining operations and in the development or expansion of existing facilities to experience unexpected problems and delays during development, construction and mine start-up. Additionally, although the Oyu Tolgoi mine has achieved commercial production, there is no assurance that future development activities will result in profitable mining operations. In addition, funding and development of the underground component of the Oyu Tolgoi mine have been delayed until matters with the Government of Mongolian can be resolved and a new timetable agreed. These delays can impact project economics.

This press release contains references to estimates of mineral reserves and mineral resources. The estimation of reserves and resources is inherently uncertain and involves subjective judgments about many relevant factors. The mineral resource estimates contained therein are inclusive of mineral reserves. Further, mineral resources that are not mineral reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation (including future production from the Oyu Tolgoi mine, the anticipated tonnages and grades that will be achieved or the indicated level of recovery that will be realized), which may prove to be unreliable. There can be no assurance that these estimates will be

accurate or that such mineral reserves and mineral resources can be mined or processed profitably. See the discussion under the headings “Language Regarding Reserves and Resources” and “Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Resources” in the Company’s MD&A filed on SEDAR and EDGAR.

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 in the Company’s Annual Information Form dated as of March 26, 2014 in respect of the year ended December 31, 2013 (the “AIF”).

Readers are further cautioned that the list of factors enumerated in the “Risk Factors” section of the AIF that may affect future results is not exhaustive. When relying on the Company’s forward-looking information and statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Furthermore, the forward-looking information and statements herein are made as of the date hereof and Turquoise Hill does not undertake any obligation to update or to revise any of the included forward-looking information or statements, whether as a result of new information, future events or otherwise, except as required by applicable law. The forward-looking information and statements contained herein are expressly qualified by the cautionary statement.