



Building value for shareholders

Strong production, financial strength, underground preparation

Forward-looking statements

This presentation includes certain “forward-looking information” within the meaning of applicable Canadian securities legislation and “forward-looking statements” within the meaning of the “safe harbour” provisions of the United States Private Securities Litigation Reform Act of 1995.

All statements and information, other than statements of historical fact, are forward-looking statements and information that involve various risks and uncertainties. There can be no assurances that such statements or information, including any statements relating to the status of the Company’s relationship and interaction with the Government of Mongolia on the continued development of the Oyu Tolgoi project and Oyu Tolgoi LLC internal governance, will prove accurate and actual results and future events could differ materially from those expressed or implied in such statements. Such statements and information contained herein represent the Company’s best judgment as of the date hereof based on information currently available. The Company does not assume any obligation to update any forward-looking statements or information or to conform these forward-looking statements or information to actual results, except as required by law.

For a more detailed list of specific forward-looking statements and information applicable to the Company, refer to the “Forward-Looking Information and Forward-Looking Statements” section of the Annual Information Form dated as of March 17, 2016 in respect of the year ended December 31, 2015 and in the forward-looking statements contained in the Company’s press release dated May 18, 2015 announcing the agreement to develop the underground mine.

All amounts are in U.S. dollars, unless otherwise stated.

Milestones toward realizing Oyu Tolgoi's true value

Open pit operating at record levels

- Excellent safety performance for 2015
- Achieved number of operational records during year
- Concentrator performance improving; currently averaging above nameplate capacity
- Copper production exceeded guidance, gold production met target

Robust financial performance

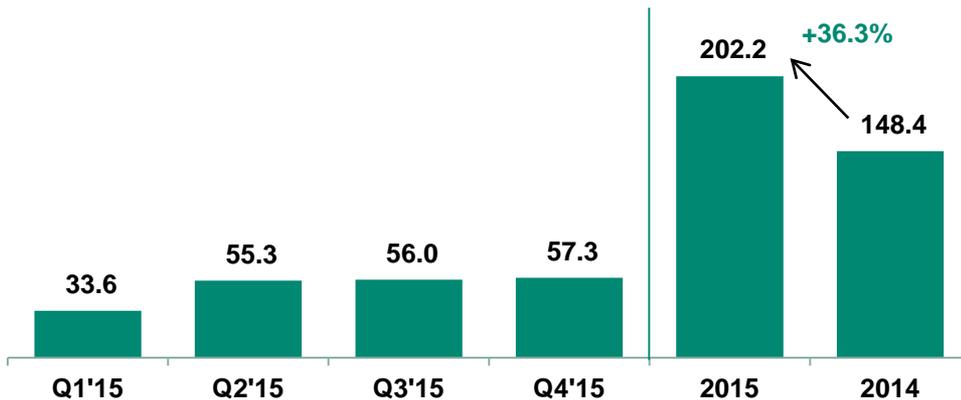
- Revenue of \$1.6 billion for 2015
- Operating cash flow of \$650.5 million for year
- Cash of \$1.3 billion at year end

Strong progress toward re-starting underground construction

- May 2015 - Underground Development Plan resolved shareholder issues and maintained Investment Agreement
- December 2015 - Signing of \$4.4 billion project finance facility
- Targeting mid-2016 re-start

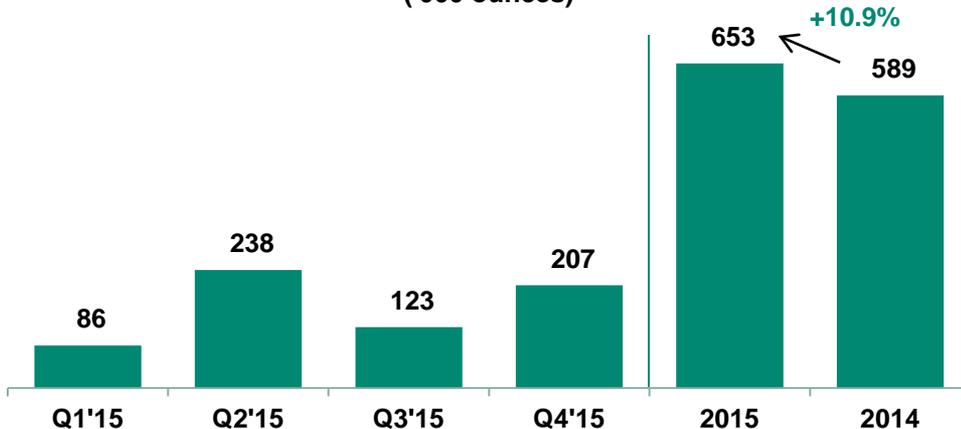
Production highlights

Copper production ('000 tonnes)



- 2015 copper production beat guidance
- Productivity improvements led to increased mill throughput during 2015
- Q1'16 average throughput exceeded nameplate capacity by ~6%
- Copper production for 2016 expected to be similar to 2015

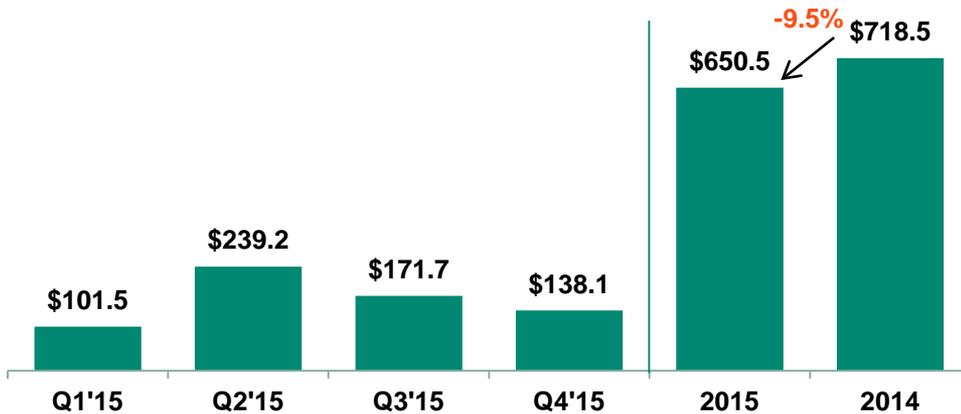
Gold production ('000 ounces)



- Gold production for 2015 met guidance
- Lower gold production expected in 2016 due to mining sequence/lower grades
- Majority of 2016 gold production expected in first half
- >90% of 2016 concentrate production under contract

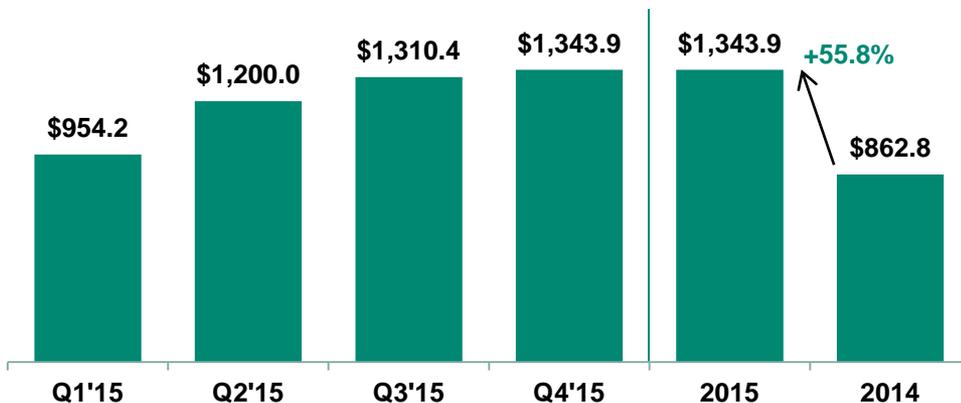
Financial highlights

Operating cash flow (\$'000,000)



- Consecutive quarters of positive operating cash flow in challenging market
- Expected 2016 operating cash costs of \$800 million
- Expected 2016 capex \$300 million; \$280 million sustaining capital

Cash position (\$'000,000)



- Reflects 2015 operating cash flow and \$482.0 million in shareholder loan repayments
- Competitive unit costs and significant by-product credits
- Indicative of strong balance sheet

Underground: next steps

Project Finance

- Signed in December 2015
- Drawdown expected Q2'16 after board approvals
- Low-cost financing
- Aligns stakeholders and de-risks project

Feasibility Study

- Revised development schedules submitted August 2015
- Updated CAPEX estimate completed Q1'16
- Incorporates productivity improvements

Board Approvals

- Expected Q2'16
- Approvals by Turquoise Hill, Rio Tinto and Oyu Tolgoi boards

Underground Re-start

- Target mid-2016
- Early works underway since August 2015
- Leverage existing infrastructure
- Large resource base provides optionality

Medium-term timeline

2015 – 2016

- Project finance **signed**
- **Complete** feasibility study
- Board **approvals**
- **Drawdown** project finance

2016 – 2021

- Hugo North Lift 1 construction
- Additional \$1.6 billion project financing debt

2021 – 2026

- First draw bell production
- Ramp-up to full production
- Hugo North Lift 2 drilling

2026 +

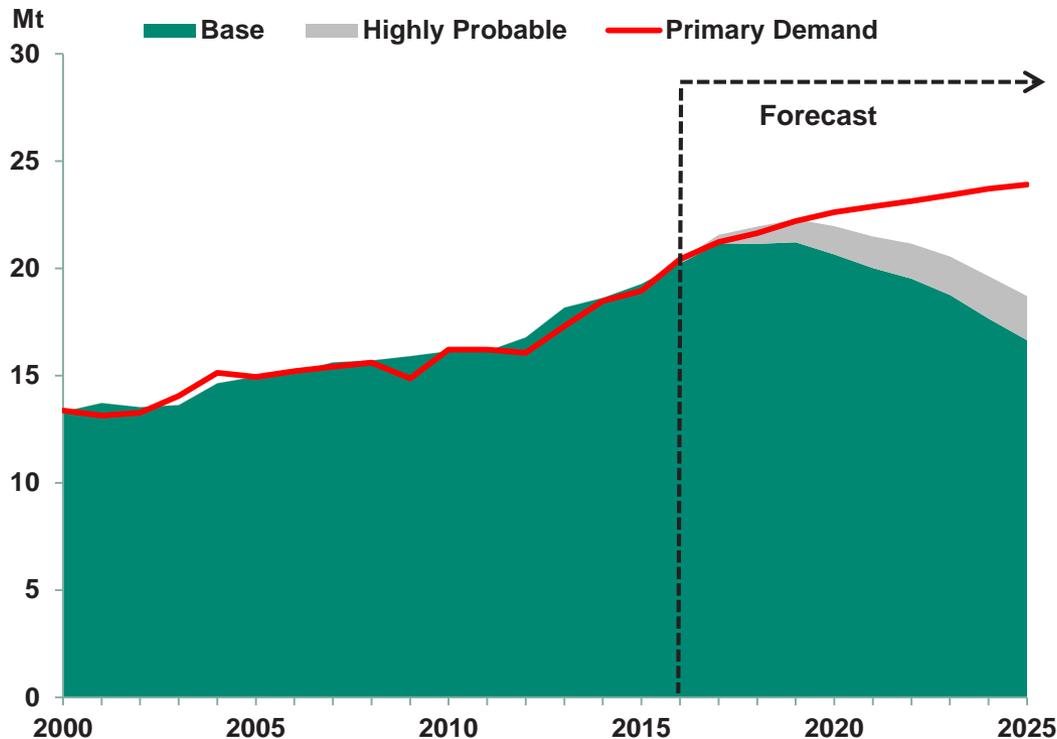
- Hugo North Lift 2
- Hugo South

Additional exploration

Evaluate concentrator expansion options

Long-term copper fundamentals strong

Copper mine supply/demand outlook



Source: Wood Mackenzie (Q1'16 Long-Term Outlook)

- Copper market likely to see small surplus in coming years.
- Ongoing attrition at existing mines driven by declining grades
- Continued demand growth requires new capacity in the medium-term
- Market anticipates smaller surplus at end of decade and deficit from 2020
- China now largest buyer of gold and continues to be largest consumer of copper

Turquoise Hill – a long-term growth opportunity

- **Pure copper and gold exposure**
- **Positive operating cash flow** and focusing on asset optimization
- Agreed path forward for development of the **high-grade underground mine**
- Significant growth, development and **expansion opportunities**
- Resources located near China with **further prospectivity**