

# Emergence of a new world-class copper and gold producer

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# Forward-looking statements

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## **Cautionary Note to U.S. Investors**

The United States Securities and Exchange Commission permits U.S. mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. We use certain terms on this website such as “measured,” “indicated,” and “inferred” “resources,” which the SEC guidelines generally prohibit U.S. registered companies from including in their filings with the SEC. U.S. investors are urged to consider closely the disclosure in our Form 40-F which may be secured from us, or from the SEC's website at [www.sec.gov/edgar.shtml](http://www.sec.gov/edgar.shtml).

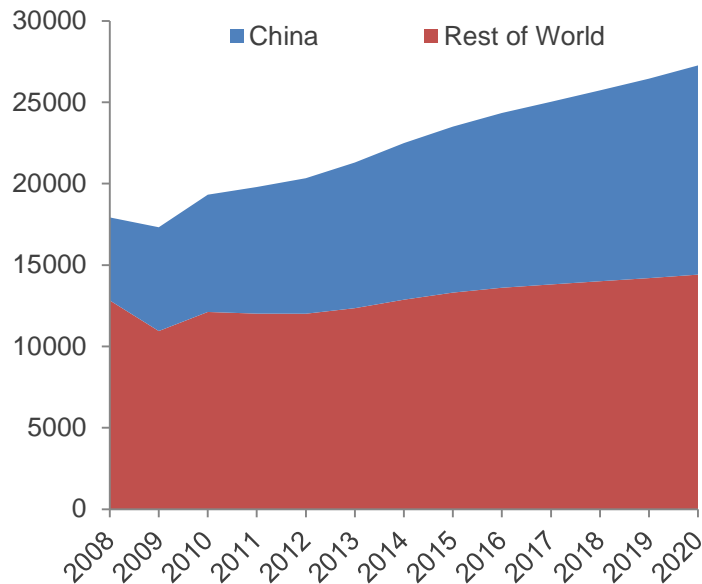
## **Qualified Persons**

The technical information in this presentation is derived from Turquoise Hill Resources’s news releases, each of which has been reviewed by one or more qualified persons (QPs), as defined by NI 43-101. Copies of the releases naming the QPs for the Turquoise Hill Resources are available at SEDAR ([www.sedar.com](http://www.sedar.com)) or on the company’s website.

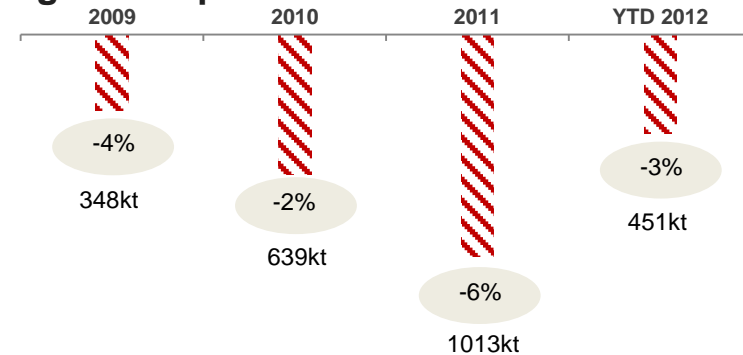
# China continues to drive global demand

## Global copper demand is being driven by China

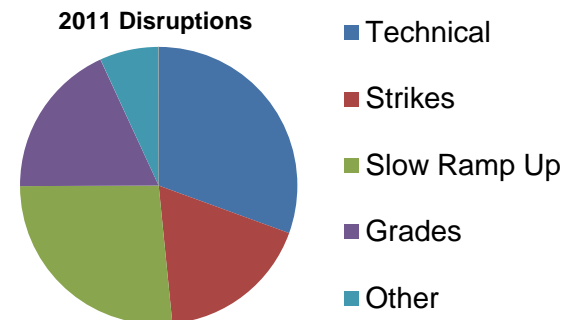
Global refined copper consumption<sup>1</sup>  
kt Cu



## Supply continues to underperform against expectations...



## ...as disruptions continue to plague the industry



1. Brook Hunt, a Wood Mackenzie company, Q2 2012.

2. Wood Mackenzie, Historical forecast is based on the report published in last quarter of the year before.

# Oyu Tolgoi well placed to meet Chinese metals requirements

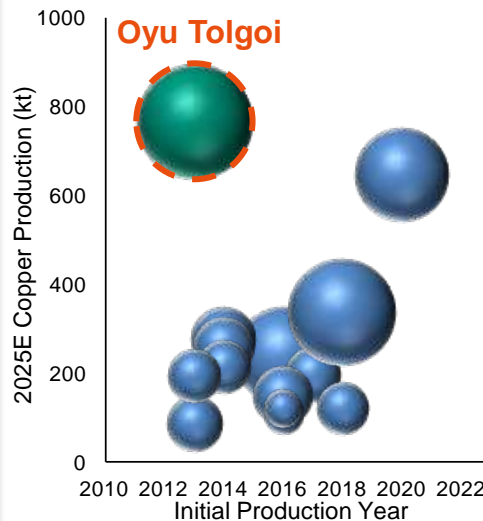


# World-class asset, experienced operator

## Near-term and large scale

- Initial production in H2 2012
- Multi decade mine life
- 3.8 billion tonne resource

Top 15 copper development projects<sup>(1)</sup>



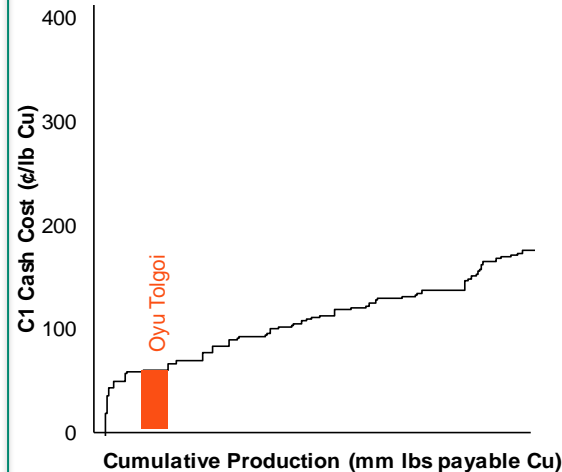
(1) Top 15 copper development projects include: Cobre Panama, Sentinel, Quebrada Blanca, Haquira, Las Bambas, Mansa Mina, Quellaveco Project, Oyu Tolgoi, Galeno, Pebble, Resolution, Sierra Gorda, Agua Rica, El Morro, Toromocho.

Source: Brook Hunt and March 2012 IDOP technical report.

## High grade and low cost

- Ranks in top five copper projects by grade
- Expected to be first-quartile producer
- Significant by-product credits from gold and silver

2020 Composite Cash Cost Curve



Source: Brook Hunt.

## Experienced and innovative operator

- Track record of developing and operating world-class assets
- World leader in block caving underground mining
- Developing and using innovative technologies

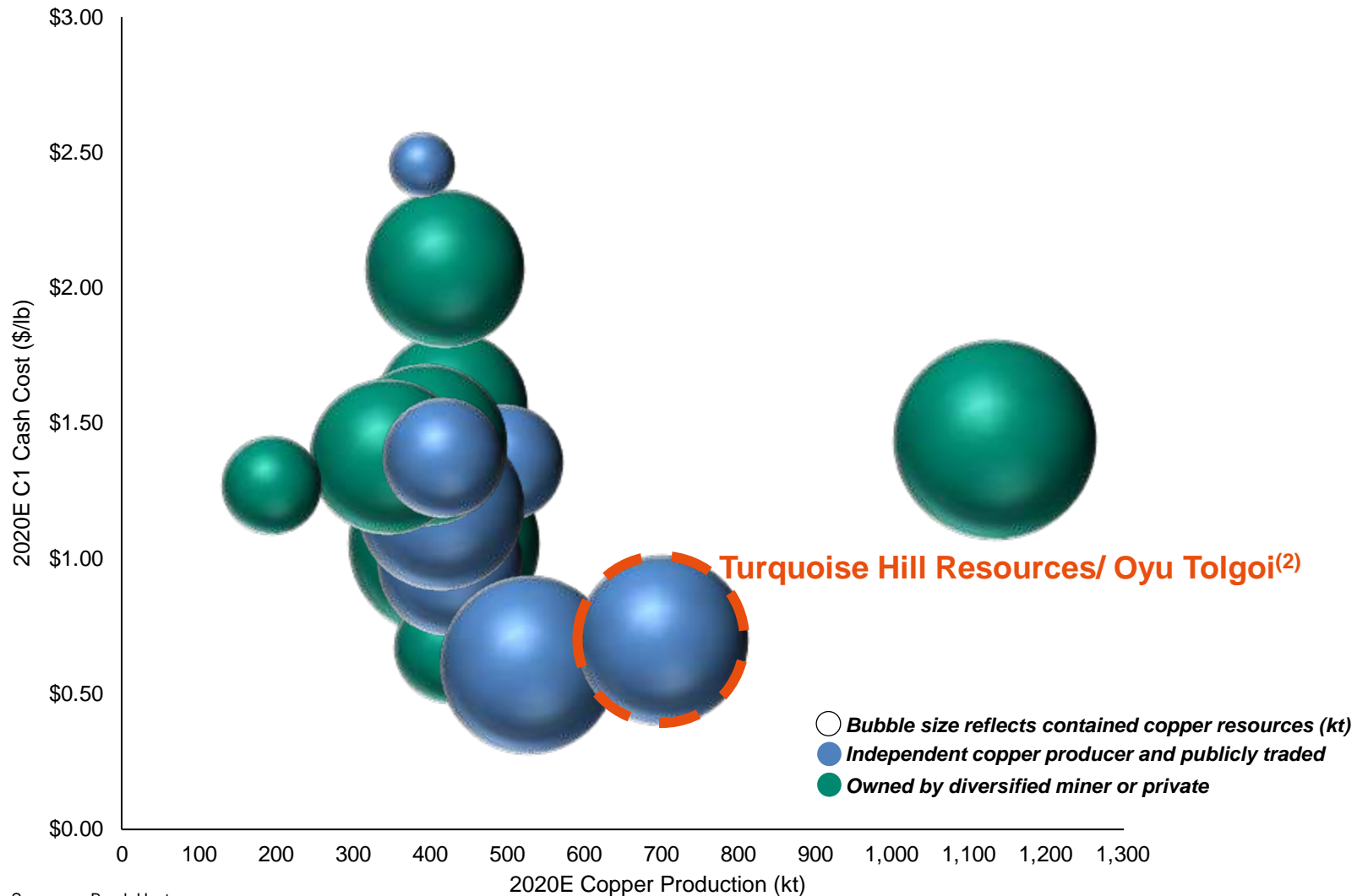
**RioTinto**

Source: Company presentations.



# Unique pure copper/gold exposure

Top 15 producing copper mines (2020)<sup>(1)</sup>



Source: Brook Hunt.

(1) Top 15 producing copper mines in 2020 include: Andina, Antamina, KGHM, Cananea, Cerro Verde, Chuquibambilla, Collahuasi, El Teniente, Escondida, Grasberg, Norilsk, Los Pelambres, Kansanshi, Morenci, Oyu Tolgoi, Radomiro Tomic.

(2) Production and cash cost from March 2012 IDOP technical report.

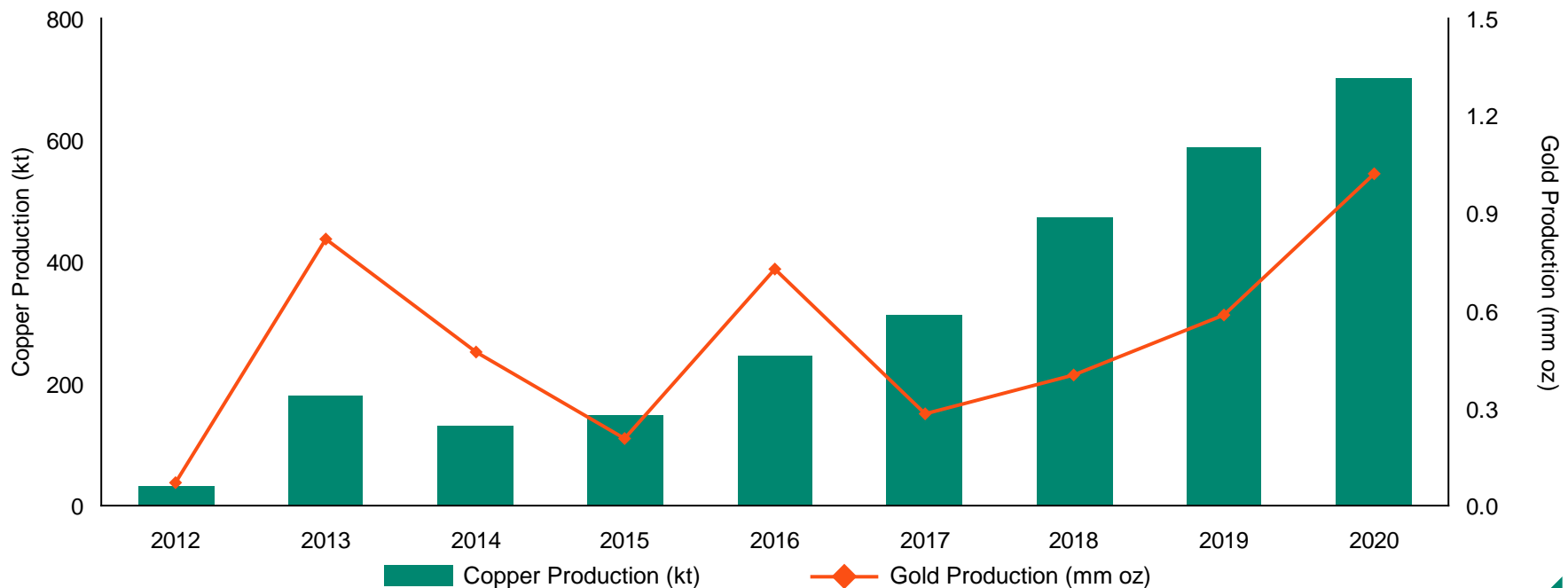
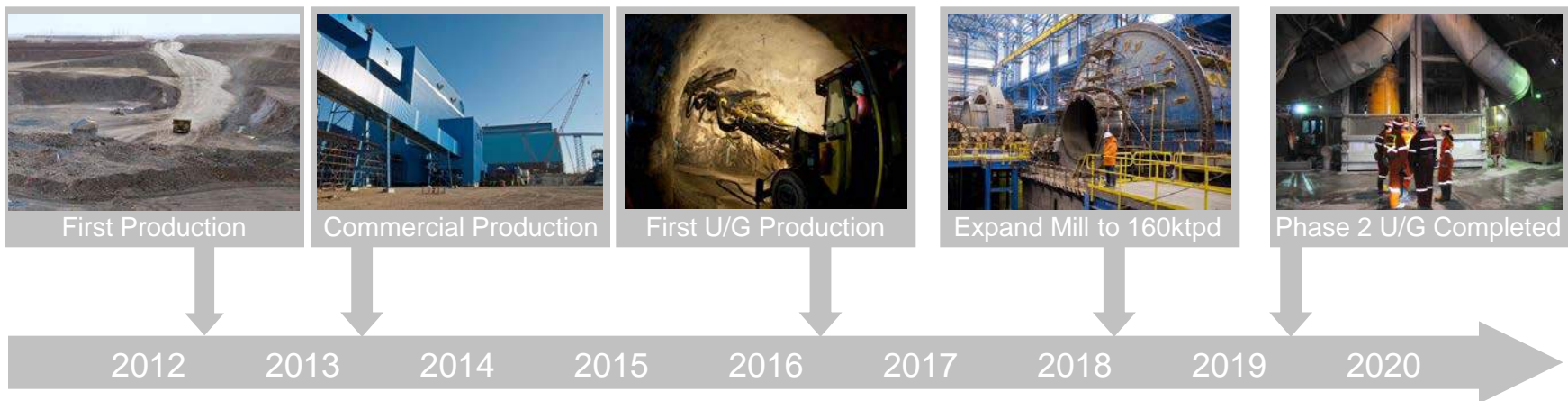
# Counting down to start-up

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- Overall phase one construction topped 97% at end of August 2012
- First delivery of ore to primary crusher in July 2012
- Power infrastructure completed, fully tested and ready for commissioning
- First production of concentrate expected in fourth quarter of 2012
- Start of commercial production planned for first half of 2013



# Staged development with attractive growth profile



Source: IDOP technical report and subject to final feasibility study which is expected to be completed in the second half of 2012.  
Note: Production stated on 100% ownership basis.



# Well capitalized to fund development

<b>Equity Financing</b> (US\$1.8 Bn)	<ul style="list-style-type: none"> <li>▪ Successfully completed US\$1.8 billion rights offering</li> <li>▪ 99.2% of shares taken up in initial subscription, balance taken up in secondary</li> </ul>
<b>Bridge Loan</b> (US\$1.5 Bn)	<ul style="list-style-type: none"> <li>▪ The bridge facility remains undrawn</li> <li>▪ Ensures project development remains on track</li> </ul>
<b>Project Financing</b> (US\$3 - US\$4 Bn)	<ul style="list-style-type: none"> <li>▪ Target agreement by end of 2012</li> <li>▪ Proceeds to repay US\$1.8 billion interim finance facility</li> </ul>
<b>Warrants</b> (US\$0.8 Bn)	<ul style="list-style-type: none"> <li>▪ Rio Tinto holds 74 million Series D Warrants</li> <li>▪ Exercise price of US\$10.37, expiration on May 22, 2015</li> </ul>

**Turquoise Hill**  
Resources Ltd.



# Conclusion

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- Long-term copper outlook remains positive
- Overall phase one construction progressing on schedule and on budget
- Production start-up expected in fourth quarter of 2012 with commercial production to commence in first half of 2013
- Funding plan progressing well with successful \$1.8 billion rights offering
- Project financing moving forward
- Underground feasibility study underway, to be completed by the end of 2012

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# Appendix

# Ore delivered to the coarse-ore storage, shafts #1 and #2 in background





# Stockpiling open-pit ore in the coarse-ore storage building





# First test run of SAG mill #1



# Ball mill test runs

