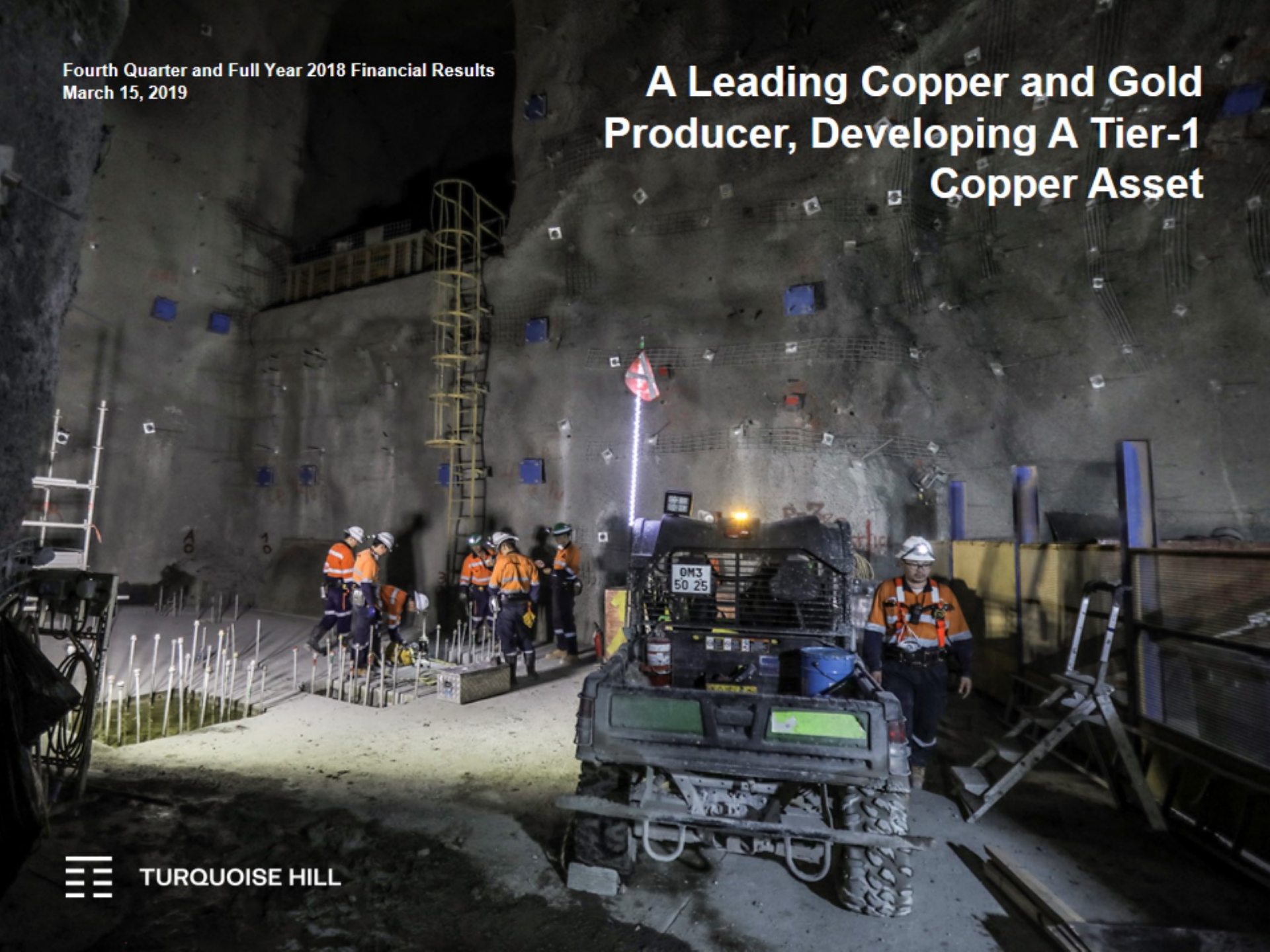


Fourth Quarter and Full Year 2018 Financial Results
March 15, 2019

A Leading Copper and Gold Producer, Developing A Tier-1 Copper Asset



TURQUOISE HILL

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 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, which include, but are not limited to, information regarding the timing and amount of production and potential production delays, statements in respect of the impacts of any delays on the Company’s cash flows, liquidity, funding requirements and planning, statements regarding timing and status of underground development, capital and operating cost estimates, mill throughput, corporate strategies and other statements that are not historical facts, represent the Company’s best judgment as of the date hereof based on information currently available to the Company, including information received from Rio Tinto that is in the process of being independently reviewed by the Company and its Qualified Person. 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 14, 2018 in respect of the year ended December 31, 2017 as supplemented by our Management’s Discussion and Analysis of Financial Condition and Results of Operations for the nine months ended September 30, 2018.

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

Disclosure of information scientific or technical nature in this presentation in respect of the Oyu Tolgoi mine was approved by Bernard Peters, Technical Director – Mining, OreWin Pty Ltd., B. Eng. (Mining), FAusIMM (201743) based on information currently available. Bernard Peters is a “qualified person” as that term is defined in NI 43-101. The information received from Rio Tinto is in the process of being independently reviewed. The reader is referred to the 2016 Oyu Tolgoi Technical Report. Ranking analysis is based on Wood Mackenzie data.



Presenters and Agenda

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Ulf Quellmann

Chief Executive Officer

Luke Colton

Chief Financial Officer

Section 1: 2018 highlights

Section 2: Financial update

Section 3: 2019 priorities





- ✓ Industry-leading All-Injury Frequency Rate of 0.16
- ✓ 17% decrease in C1 cash costs to \$1.59/lb produced copper
- ✓ 255% increase in income to \$394 million
- ✓ Exceeded both 2017 production and production guidance
- ✓ Surface infrastructure nearing completion
- ✓ Completed sinking and commissioning of Shaft 5
- ✓ Record kilometres of total underground development
- ✓ Power Source Framework Agreement signed



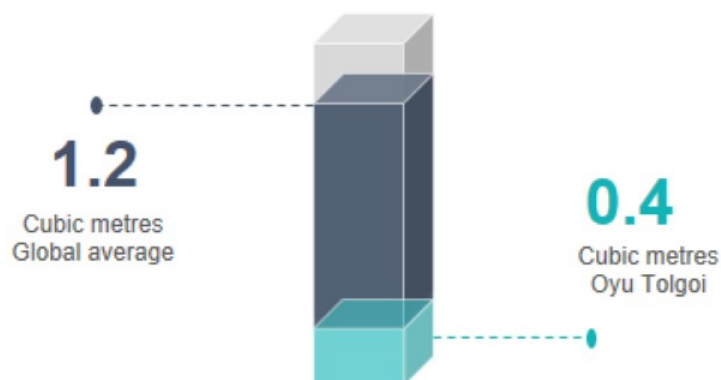
Health, Safety and Environment - The Top Priority

5

- Industry-leading safety performance
- Commitment to internationally recognized environmental standards
 - Water recycling rate of approximately 88%
 - Continuous rehabilitation programs - 1,553 hectares of land to date
 - Approximately 230,000 saplings of Gobi desert native species planted to date
- Oyu Tolgoi awarded the IFC's Volunteer Code of Practice Water Stewardship Award in 2018

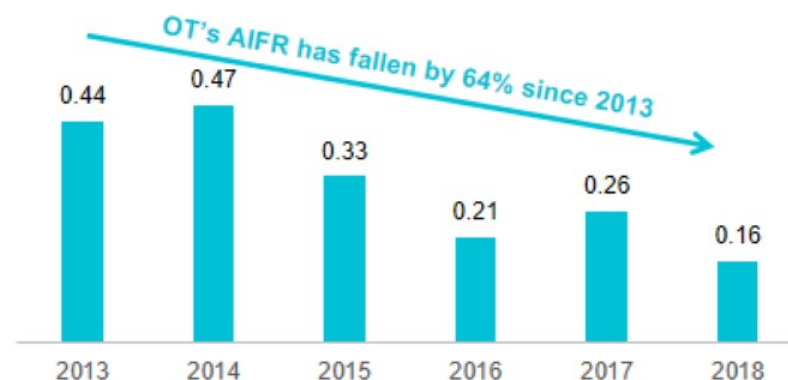
Water Use Efficiency

Cubic metres of water per tonne of ore processed



All Injury Frequency Rate

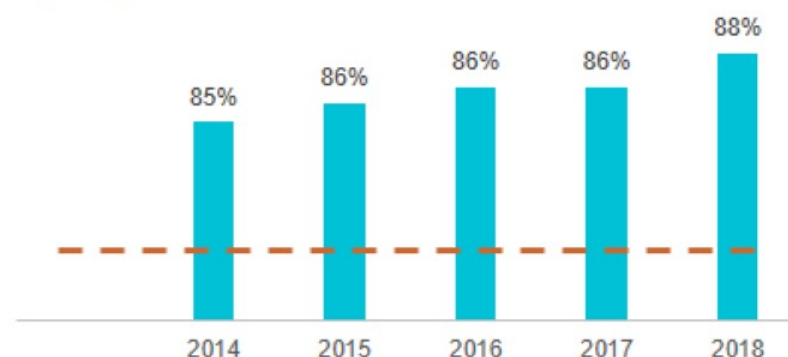
Based on 200,000 Hours of Work Exposure



Annual Water Recycling Rate

Annual water recycling rate (%)

Target usage rate



- Commitment to the prosperity of Mongolia
 - 93% of workforce is Mongolian
 - 78% of leadership roles at Oyu Tolgoi are Mongolian
 - Near 1 million hours of training and development in 2018
- \$899 million spent on national procurement in 2018
- Supporting development of public infrastructure
- Significant contributor to the Gobi Oyu Development Support Fund
 - Supported 83 sustainable development projects and programs
 - Benefiting over 65,000 community members

Khanbogd – Oyu Tolgoi sealed road



School and Kindergarten complex



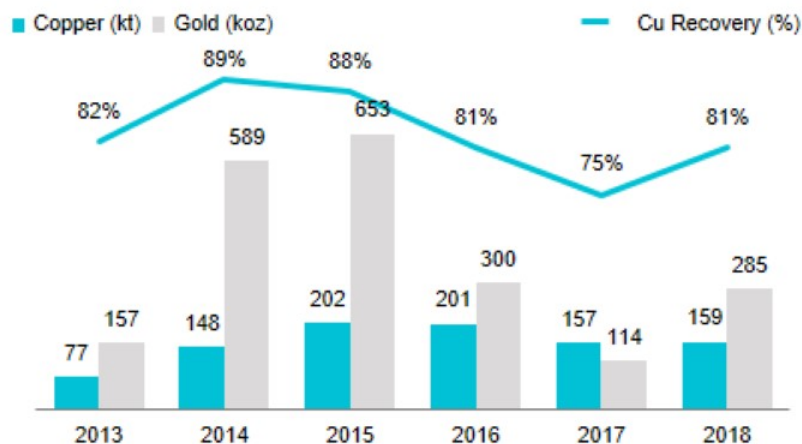
Another Year of Strong Operating Performance in 2018

7

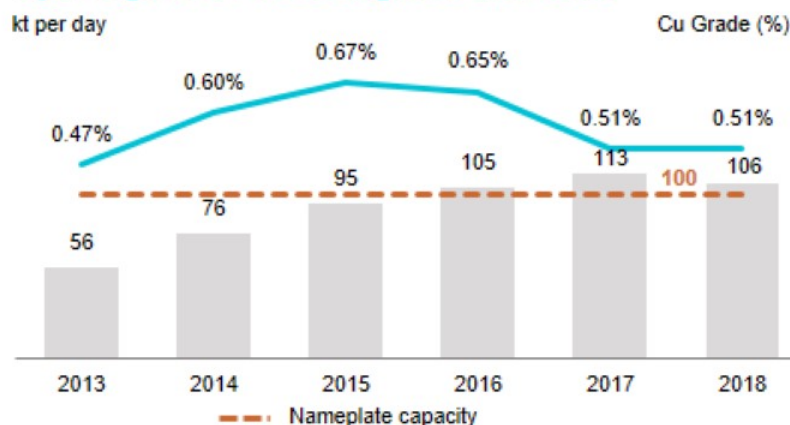
Operational Excellence

- Met or exceeded copper production guidance for 6th consecutive year
- Strong open pit and mill performance
 - Third consecutive year above mill nameplate capacity
- Improved C1 cash costs

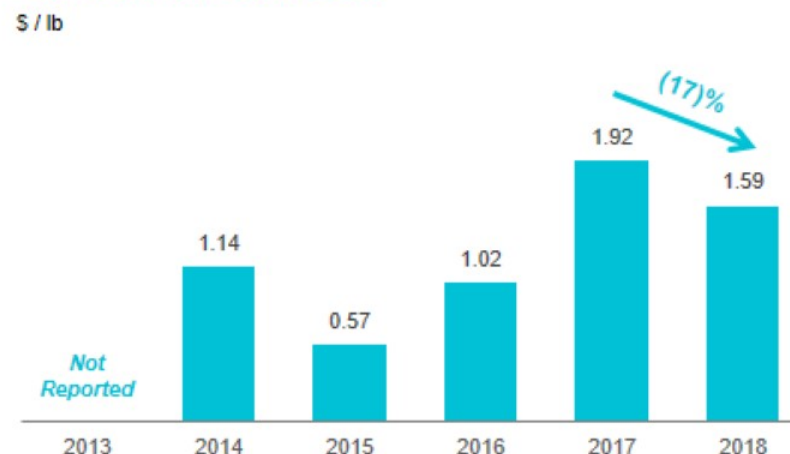
Oyu Tolgoi Metal Production (100% Basis)



Oyu Tolgoi Ore Processing Rate and Grade



Oyu Tolgoi C1 Cash Costs



2018 Development Highlights

- 69% increase in lateral development to 10.3km in 2018
- Shaft 5 completed and commissioned
- Completion of Ore Bin 11
- Sinking of Shaft 2 completed, fit-out ongoing
- 2018 capex of \$1.2 billion, in-line with guidance

2019 Priorities

- Completion of majority of surface infrastructure
- Move past peak workforce
- Commission Shaft 2
- Increase in lateral development
- Complete primary crusher chamber excavation
- Commence Shafts 3 & 4 sinking
- Completion of the Definitive Estimate, including cost and schedule update, and optimized mine design for the ore passes expect towards the end of the year



Establishing the basis for a long-term domestic power solution for Oyu Tolgoi

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- Enables Oyu Tolgoi to comply with the 2009 Investment Agreement obligation to procure power domestically by mid-2023
- Provides safe, secure, long term power supply
- Favorable economics envisaged due to grid connectivity
- Fully endorsed by the Government of Mongolia



Majority of Surface Infrastructure Supporting Underground Development Nearing Completion

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Significant Progress in the Underground Development

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Section 1: 2018 highlights

Section 2: Financial update

Section 3: 2019 priorities



Key Financial Metrics of Turquoise Hill

All values on a consolidated basis unless otherwise stated and in millions of United States dollars except where stated

| | Fourth Quarter of 2018 | Fourth Quarter of 2017 | Change | Full Year 2018 | Full Year 2017 | Change |
|---|------------------------------|------------------------------|--------|----------------|----------------|--------|
| Revenue | 346.2 | 251.7 | 37.5% | 1,180.0 | 939.8 | 25.6% |
| Cash generated from operating activities before interest and tax | 146.1 | 91.1 | 60.4% | 363.0 | 325.8 | 11.4% |
| Basic and diluted income per share attributable to owners of Turquoise Hill (\$ per share) ¹ | 0.05 | 0.03 | 66.7% | 0.20 | 0.09 | 122.2% |
| C1 cash costs | 1.24 | 2.05 | -39.5% | 1.59 | 1.92 | -17.2% |
| All-in-sustaining costs | 2.01 | 2.40 | -16.3% | 2.20 | 2.39 | -7.9% |
| Capital expenditures | 371.8 | 330.4 | 12.5% | 1,304.3 | 917.5 | 42.2% |
| Liquidity (billions of dollars) ² | | | | 3.5 | 4.6 | |

1. Attributable to Turquoise Hill

2. Cash and cash equivalents, and available and undrawn funds under the project finance facility



17% Reduction in C1 Cash Costs over 2018

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Reconciliation of C1 Cash Costs¹



All values on a consolidated basis unless otherwise stated and in United States dollars per pound of copper produced

1. Based on the reconciliation of C1 cash costs in the MD&A

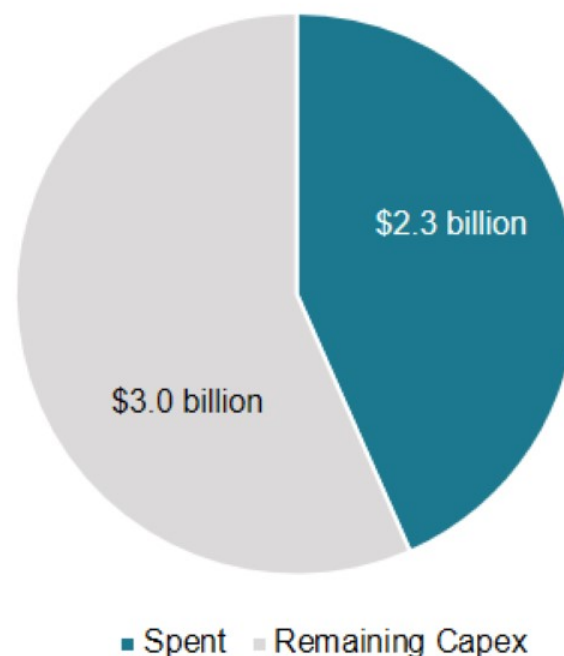


Financing sources¹

- \$4.4 billion project financing facility with attractive terms
 - \$1.9 billion remains undrawn
 - Long-term debt profile
 - No principal repayments until late 2020
- Cash flow from open pit operations
- \$1.6 billion of cash and cash equivalents
- \$1.6 billion of supplemental debt under existing attractive project financing facility

Underground Expenditure

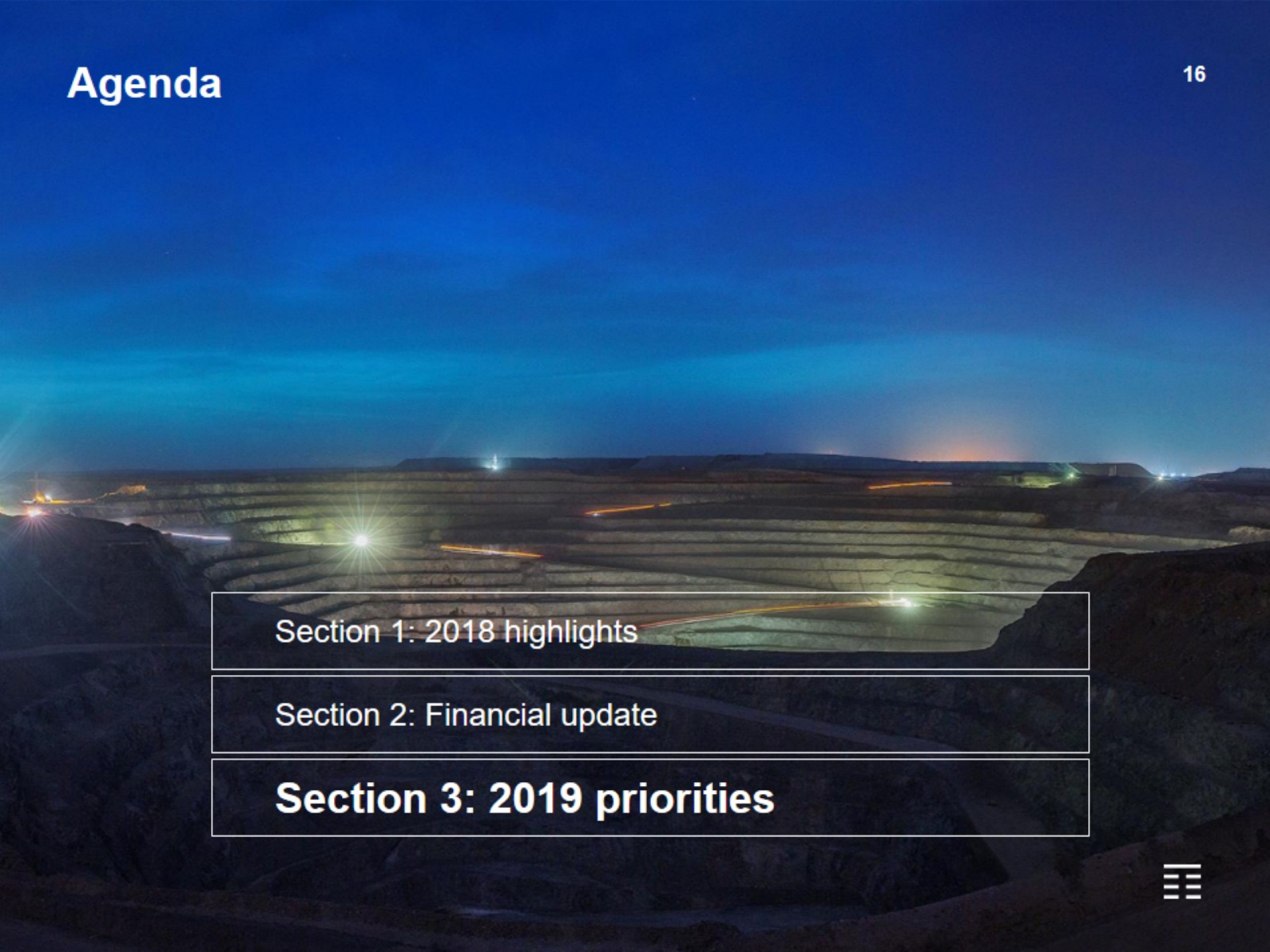
*Oyu Tolgoi Underground Development
Capex²: \$5.3 billion*



1. As at December 31, 2018. Includes uncommitted sources

2. Excludes power station, interest cost, debt repayments and underground sustaining capital





Section 1: 2018 highlights

Section 2: Financial update

Section 3: 2019 priorities



- Uncompromising focus on safety
- Maintain operational excellence at our open pit operation
- Continue to progress the development of the underground project
 - Commission Shaft 2
 - Increase in lateral development
 - Complete primary crusher chamber excavation
 - Commence Shafts 3 & 4 sinking
- Progress outstanding work streams with the Government of Mongolia
- Finalize technical design and commercial arrangements, including financing of the Tavan Tolgoi-based power solution (Oct 2019)
- Complete the definitive estimate report by year end

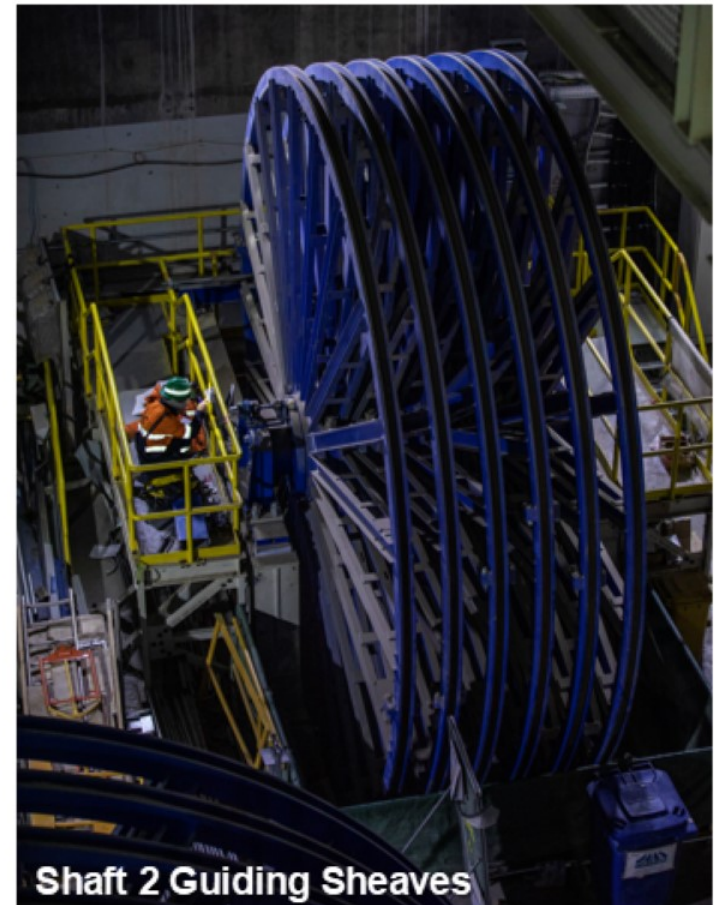


Turquoise Hill: A Leading Copper and Gold Producer

Developing the Next Tier-1 Copper Asset

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- ✓ Strong safety record
- ✓ Proven track record of operational excellence
- ✓ Well advanced in transforming a world class copper and gold deposit into a tier-1 operation
- ✓ Agreed framework to secure long-term power solution
- ✓ Flexible financing strategy
- ✓ Industry leading copper growth profile
- ✓ Significant future cash flows expected from underground



Shaft 2 Guiding Sheaves



Appendix

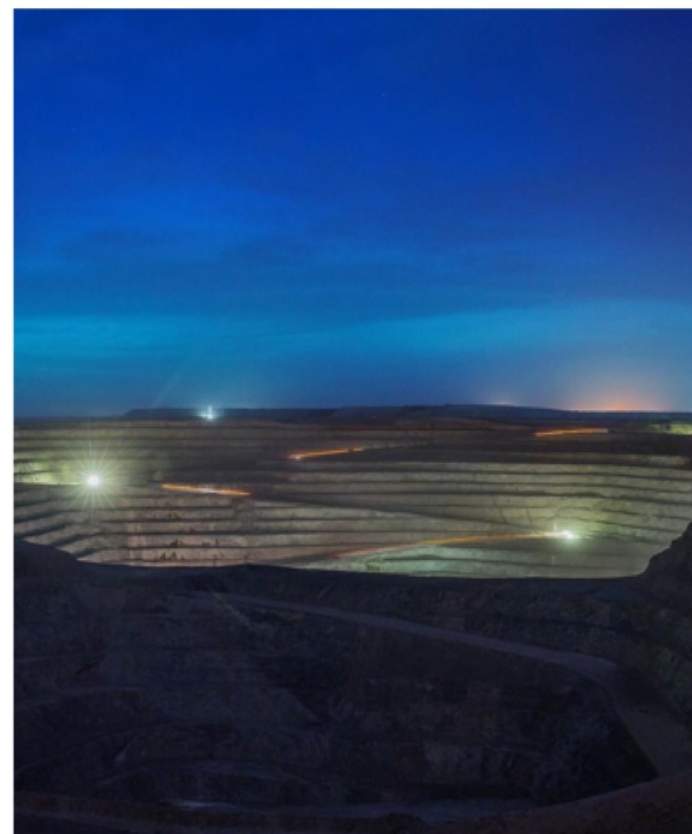


Operational guidance

| | |
|---|-------------------|
| Mill throughput (million tonnes) | 40 |
| Copper production (tonnes) | 125,000 – 155,000 |
| Gold production (ounces) | 180,000 – 220,000 |
| Underground lateral development (kilometres) ¹ | 15 - 16 |

Financial guidance

| | |
|------------------------------------|---------------|
| Operation cash costs (\$ million) | 800 - 850 |
| C1 cash costs (\$/lb) ² | 1.75 – 1.95 |
| Capital expenditure | |
| Open pit (\$ million) | 150 – 180 |
| Underground (\$ million) | 1,300 – 1,400 |



1. Under review
2. Unit cost guidance assumes the midpoint of expected 2019 copper and gold production ranges and a gold price of \$1,281 per ounce

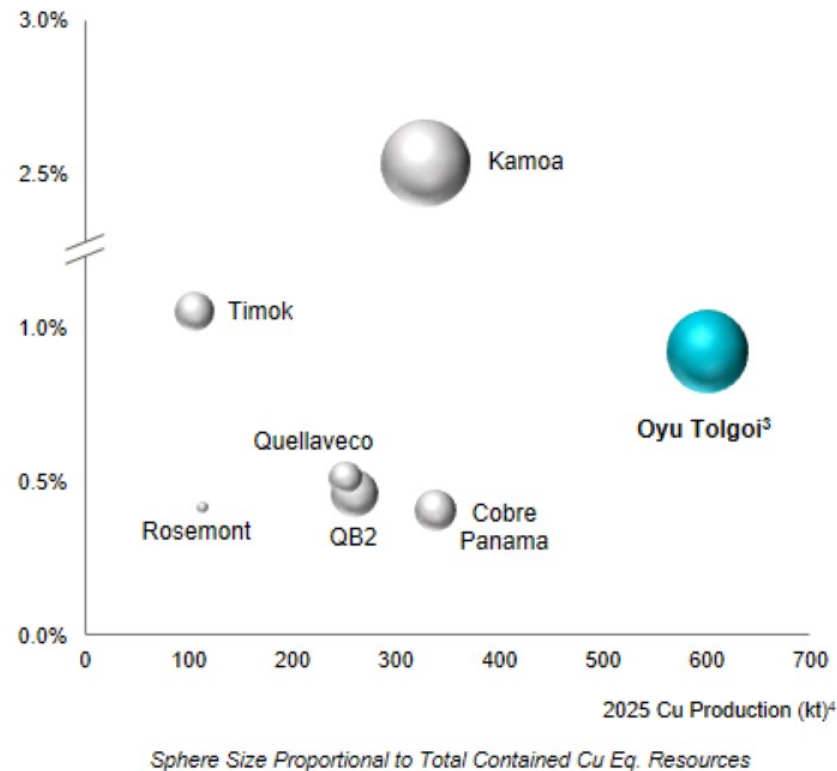


Oyu Tolgoi Underground: Attractive Fundamentals Relative to Other Copper Projects

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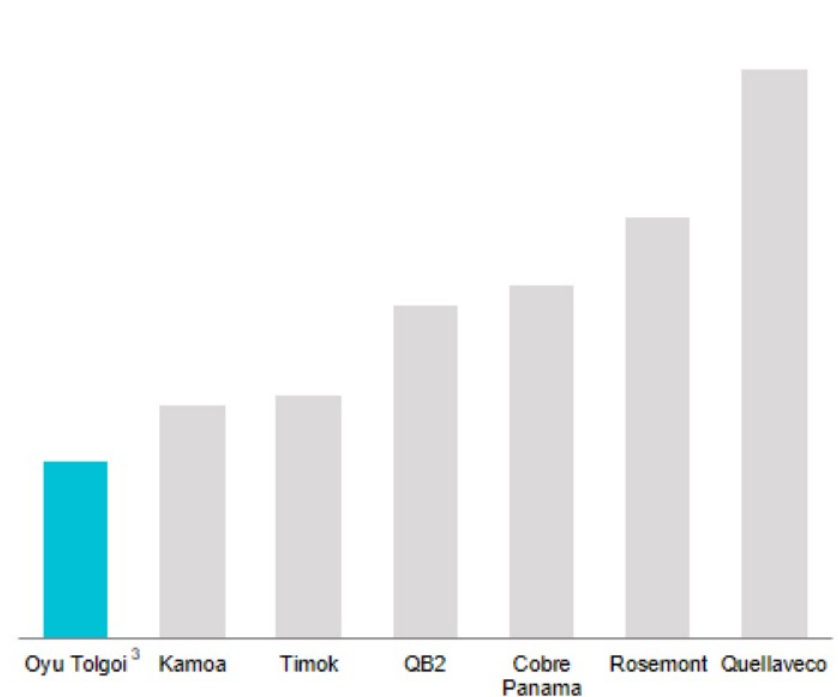
Unique Ore Body Size and Grade...

Cu Eq. Grade (%)¹



...Resulting In Low Capital Intensity²

LOM Capital Intensity (\$ 000 / tpa Cu Eq.)



Source: S&P Market Intelligence, Wood Mackenzie

1. Cu Eq. calculations supplied by S&P Market Intelligence and do not factor in recoveries
2. Capital intensity defined as development CAPEX / LOM average production
3. Oyu Tolgoi production based on average copper and gold production from 2025 to 2030
4. Based on payable metal



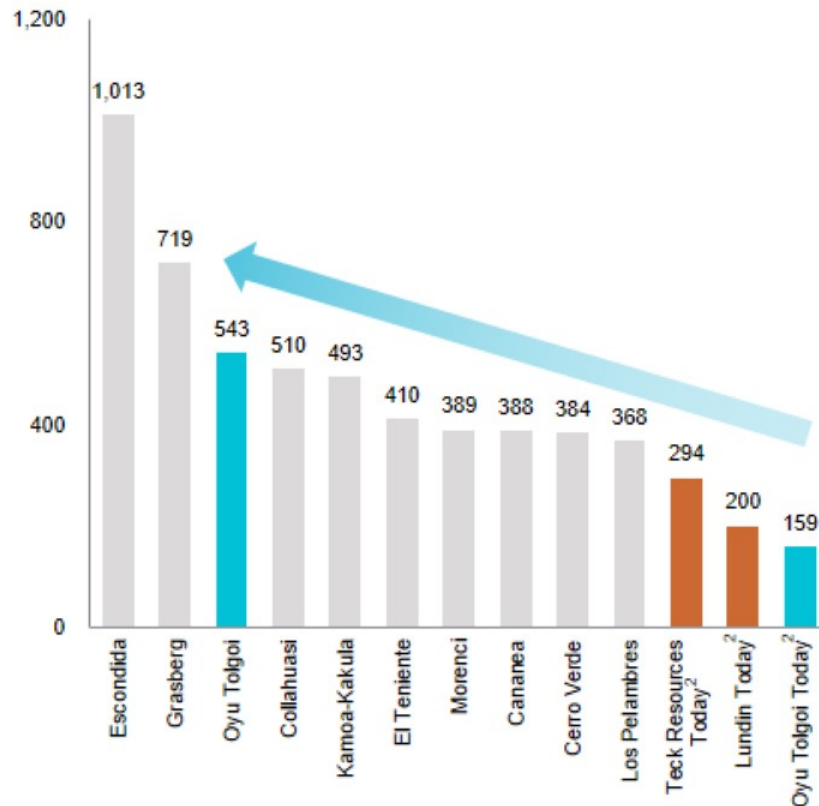
Oyu Tolgoi is Forecast to be the World's Third Largest Copper Mine by 2030

22

First quartile cash costs expected when fully ramped up¹

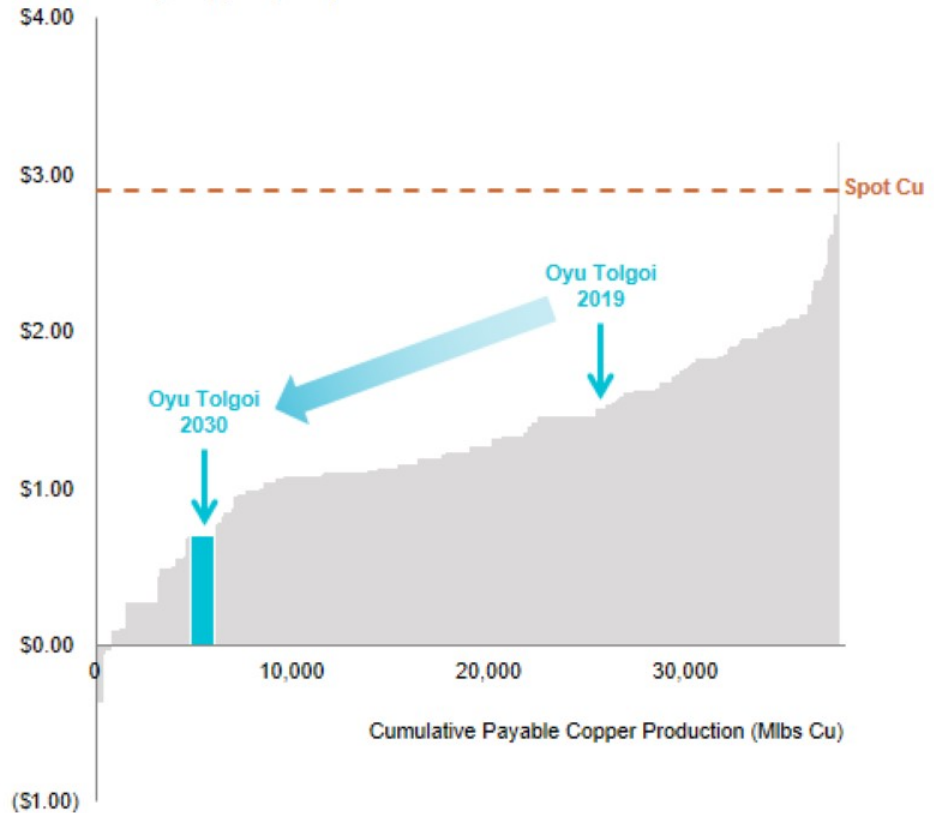
Top 10 Copper Producing Mines in 2030

Paid Metal (kt Cu)



2030 Cash Cost by Mine

C1 Cash Cost (\$ / lb) (Composite)



Source: Wood Mackenzie, Capital IQ

1. First quartile cash costs based on mid-point of Oyu Tolgoi production using 2030 Wood Mackenzie C1 composite cost curve
2. 2018 copper produced as reported by the Company, prior to payables



turquoisehill.com

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TRQ: TSX, NYSE & NASDAQ

Turquoise Hill is an international mining company focused on the operation and development of the Oyu Tolgoi copper-gold mine in southern Mongolia.

