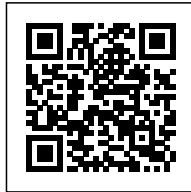


# TURQUOISE HILL REACHES AGREEMENT IN PRINCIPLE WITH RIO TINTO FOR ACQUISITION AT CAD 43 PER SHARE

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Turquoise Hill Resources announced that it has reached an agreement in principle and entered into a term sheet with Rio Tinto in respect of a transaction whereby Rio Tinto would acquire the approximately 49% of the issued and outstanding shares of Turquoise Hill that Rio Tinto does not currently own.

In its final offer, Rio Tinto valued a share of Turquoise Hill Resources at CAD 43, or 49 percent of the company, for a total of USD 3.3 billion. This proposal was supported by the Special Committee and was decided to hold a vote among the shareholders. The acquisition will require the approval of 66.67% of votes cast by TRQ's shareholders (including Rio Tinto) and the approval of a simple majority of the votes cast by minority shareholders of TRQ.

Whether Rio Tinto will buy Turquoise Hill Resources or not will not affect the benefits to Mongolia from the Oyu Tolgoi project. In any case, "Rio Tinto Mongolia" states that the companies will successfully implement the construction of the Oyu Tolgoi underground mine and start sustainable production.

TRQ owns 66 percent of the Oyu Tolgoi copper and gold project, and the Mongolian Government owns 34 percent. Before the deal, Rio Tinto owned 51 percent of TRQ. Oyu Tolgoi, located in the South Gobi Desert, is approximately 80 kilometers north of Mongolia's border with China. It is one of the world's largest

deposits of copper and gold and stands to significantly increase Mongolia's economic growth throughout its development, which is projected at more than 40 years.