

# *In re Turquoise Hill Resources Ltd. Securities Litigation*

**COURT:** United States District Court for the Southern District of New York  
**CASE NUMBER:** 1:20-cv-08585-LJL  
**CLASS PERIOD:** 07/17/2018 - 07/31/2018  
**CASE LEADERS:** Salvatore J. Graziano, Michael D. Blatchley  
**CASE TEAM:** Alexander Noble

This is a securities fraud class action on behalf of all persons or entities who purchased or otherwise acquired Turquoise Hill Resources Ltd. (“Turquoise Hill”) securities in domestic transactions or on United States exchanges during the period from July 17, 2018 to July 31, 2019, inclusive (the “Class Period”), and who were damaged thereby (the “Class”). The action alleges claims pursuant to Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 against Rio Tinto plc, Rio Tinto Limited, and Rio Tinto International Holdings Limited (collectively, “Rio Tinto”), Jean-Sébastien Jacques, and Arnaud Soirat (collectively, “Defendants”).

This case arises from Defendants’ scheme to conceal massive cost overruns at the most important project at the sole business of Turquoise Hill—the development of the Oyu Tolgoi underground mine in Mongolia. Throughout the Class Period, the senior executives of Rio Tinto and Turquoise Hill repeatedly assured investors that progress on that development was, at the time, “on plan and on budget,” and that the deadline for achieving sustainable first production—when the mine would begin generating cash flows—remained intact. In reality, from before the start of the Class Period and at the time of Defendants’ statements, the underground expansion project was many months behind schedule and hundreds of millions of dollars over budget.

The truth was revealed in a series of disclosures beginning on February 27, 2019, when Turquoise Hill and Rio Tinto began to disclose the true extent of the cost delays and cost overruns at Oyu Tolgoi. Ultimately, Defendants were forced to disclose that the Oyu Tolgoi underground project was \$1.2 to \$1.9 billion over budget and 16 to 30 months behind schedule. Turquoise Hill shares lost well over 70% of their value when the truth concerning Oyu Tolgoi came to light.

On January 15, 2021, the court appointed BLB&G client the Pentwater Funds— a group of investment funds advised by Pentwater Capital Management LP—as Lead Plaintiff and appointed BLB&G as Lead Counsel for the Class.

On March 17, 2021, the Pentwater Funds filed the Amended Complaint, which detailed evidence of Defendants’ knowledge of the delays and cost-overruns, including reports from by a whistleblower who informed Defendants before the start of the Class Period that the project was “12 months behind schedule,” hundreds of millions of dollars over budget, and “massively underperforming,” and that costs would “rapidly escalate.” On September 16, 2021, the Pentwater Funds filed a Second Amended Complaint containing additional information corroborating the Amended Complaint’s allegations from an independent expert report commissioned by Oyu Tolgoi, as well as additional corroborating information from a former senior consultant to Rio Tinto.

On September 2, 2022, the Court issued an order granting in part and denying in part Defendants’ motions to dismiss, sustaining Section 10(b) claims against Rio Tinto and Defendant Soirat and Section 20(a) claims against Defendant Soirat and Defendant Jacques.

On February 28, 2024, the Pentwater Funds filed a Third Amended Complaint containing additional allegations based on discovery concerning, among other things, Defendant Jacques' scienter. Under the schedule approved by the Court, Defendants will file a motion to dismiss the newly reasserted Section 10(b) claims against Defendant Jacques on March 22, 2024, the Pentwater Funds will file an opposition to the motion on April 22, 2024, and Defendants will file a reply on May 13, 2024.

## Case Documents

- June 18, 2025 - Memorandum of Law in Support of Lead Plaintiff's Unopposed Motion for Preliminary Approval of Settlement and Approval of Notice to the Settlement Class
- February 28, 2024 - Third Amended Complaint
- September 2, 2022 - Opinion and Order Regarding Motion to Dismiss Second Amended Class Action Complaint
- September 16, 2021 - Second Amended Complaint
- March 17, 2021 - Amended Complaint