

# *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 - 07/31/2019  
**CASE LEADERS:** Salvatore J. Graziano, Michael D. Blatchley, James A. Harrod  
**CASE TEAM:** Alexander Noble

This is a securities fraud class action on behalf of all persons or entities who purchased or otherwise acquired the common stock of Turquoise Hill Resources Ltd. ("Turquoise Hill"); purchased or otherwise acquired call options on Turquoise Hill common stock; sold put options on Turquoise Hill common stock; and/or entered into swap transactions replicating a purchase of Turquoise Hill common stock, 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 "Settlement Class"). The action alleges claims pursuant to Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 against Rio Tinto plc and Rio Tinto Limited (collectively, "Rio Tinto"), Jean-Sébastien Jacques, and Arnaud Soirat (collectively, "Defendants").

## **Lead Plaintiff Has Reached a Proposed Settlement of the Action for \$138.75 Million**

Lead Plaintiff, the Pentwater Funds, on behalf of itself and the Settlement Class, has reached a proposed settlement of the Action for **\$138,750,000** in cash that, if approved, will resolve the Action (the "Settlement").

If you are a member of the Settlement Class, your rights will be affected and you may be eligible for a payment from the Settlement. The Settlement Class consists of:

all persons and entities who purchased or otherwise acquired Turquoise Hill common stock, call options on Turquoise Hill common stock (or sold put options on Turquoise Hill common stock), or entered into swaps replicating a purchase of Turquoise Hill common stock, in domestic transactions or on U.S. exchanges, during period from July 17, 2018 through July 31, 2019, inclusive (the "Class Period"), and were damaged thereby.

Certain persons and entities are excluded from the Settlement Class by definition (see paragraph 32 of the Notice) or may request exclusion from the Settlement Class pursuant to the instructions set forth in the Notice (see paragraph 64 of the Notice).

Please read the Notice to fully understand your rights and options. Copies of the Notice and Claim Form can be found in the Case Documents list on the right of this page.

To be eligible to receive a payment under the proposed Settlement, you **must** submit a Claim Form postmarked (if mailed) or submitted on-line by no later than **September 24, 2025**.

Payments to eligible claimants will be made only if the Court approves the Settlement and a plan of allocation, and only after any appeals are resolved, and after the completion of all claims processing. Please be patient, as this process will take some time to complete.

## **IMPORTANT DATES AND DEADLINES**

September 24, 2025	<b>Claim Filing Deadline.</b> Claim Forms must be <i>postmarked (if mailed) or submitted on-line no later than September 24, 2025.</i>
September 24, 2025	<b>Exclusion Deadline.</b> To exclude yourself from the Settlement Class, you must submit a written request for exclusion so that it is <i>received no later than September 24, 2025</i> , in accordance with the instructions in the Notice.
September 24, 2025	<b>Objection Deadline.</b> Any objections to the proposed Settlement, the proposed Plan of Allocation, or the motion for attorneys' fees and expenses, must be submitted so they are received <i>no later than September 24, 2025</i> , in accordance with the instructions in the Notice.
October 15, 2025 at 10:30 a.m.	<b>Settlement Hearing.</b> The Settlement Hearing will be held on October 15, 2025 at 10:30 a.m., before the Honorable Lewis J. Liman of the United States District Court for the Southern District of New York, in Courtroom 15C of the Daniel Patrick Moynihan United States Courthouse, 500 Pearl St., New York, NY 10007-1312. The Settlement Hearing will be held by the Court to consider, among other things, whether the proposed Settlement is fair, reasonable, and adequate and should be approved; whether the proposed Plan of Allocation is fair and reasonable and should be approved; and whether Lead Counsel's motion for attorneys' fees and expenses should be approved.

### **Background and History of the Litigation**

This case arises from Defendants' alleged scheme to conceal massive cost overruns at the most important project at the sole material business of Turquoise Hill—the development of the Oyu Tolgoi underground mine in Mongolia. Lead Plaintiff alleges that 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, but 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.

Lead Plaintiff alleges that 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. Lead Plaintiff alleges that when 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.

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 included detailed allegations 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 ("TAC") containing additional allegations based on discovery concerning, among other things, Defendant Jacques' scienter. On March 22, 2024, Defendants filed their motion to dismiss the TAC. The motion was fully briefed on May 13, 2024. On November 7, 2024, the Court entered an order granting in part and denying in part Defendants' motion to dismiss the TAC.

On December 20, 2024, Defendants filed their answer to the Third Amended Complaint. Defendants' answer denied Lead Plaintiff's allegations of wrongdoing and asserted various defenses to the claims pled against Defendants.

The Parties conducted substantial discovery. Defendants produced many documents to Lead Plaintiff. The Parties met and conferred and exchanged numerous letters and held telephonic meet and confers concerning disputed discovery issues over several years. Lead Plaintiff also pursued discovery from Defendants through motions to compel resulting in additional discovery. The Parties also conducted discovery outside the United States, including by seeking letters of request from the Court to obtain documents and deposition testimony from witnesses located outside the U.S. The Parties took deposition testimony of non-party witnesses and obtained document productions from those witnesses.

On December 23, 2024, Lead Plaintiff filed a motion for class certification and appointment of class representative and class counsel, which was accompanied by reports from Lead Plaintiff's expert on market efficiency and common damages methodologies and Lead Plaintiff's expert on the domesticity of class members' trades. On April 3, 2025, Defendants filed their opposition to Lead Plaintiff's motion for class certification, including two expert reports of their own.

On February 5, 2025, the Parties engaged in a private mediation session before Hon. Layn Phillips (the "Mediator"). In advance of that session, the Parties exchanged and submitted detailed mediation statements and supporting exhibits to the Mediator. The Parties did not reach a resolution at that time but agreed to continue settlement discussions.

Following the first mediation session, the Parties continued to engage in discovery, in which Lead Plaintiff vigorously pursued additional document productions from Defendants, including through motions to compel discovery. In total, the Parties conducted nine depositions: the depositions of the three experts and four representatives of Lead Plaintiff in connection with the class certification motion and the depositions of non-party fact witnesses outside the U.S.

On April 25, 2025, the Parties attended a second mediation session with the Mediator. The Parties did not reach a resolution at that time but agreed to continue settlement discussions.

On May 1, 2025, the Parties reached an agreement to settle the Action. The agreement's terms were memorialized in a term sheet executed on May 14, 2025 (the "Term Sheet"). The Term Sheet set forth, among other things, the Parties' agreement to settle and release all claims against Defendants and Defendants' Releasees in the Action in return for a cash payment of \$138,750,000 for the benefit of the Settlement Class.

On June 17, 2025, the Parties entered into a Stipulation and Agreement of Settlement (the "Stipulation"), which sets forth the terms and conditions of the Settlement.

On June 26, 2025, the Court preliminarily approved the Settlement, authorized notice to be sent to potential Settlement Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement for October 15, 2025.

## Case Documents

- Notice of (I) Pendency of Class Action and Proposed Settlement; (II) Settlement Hearing; and (III) Motion for Attorneys' Fees and Litigation Expenses ("Notice")
- Proof of Claim and Release Form ("Claim Form")
- June 26, 2025 - Order Preliminarily Approving Settlement and Authorizing Dissemination of Notice of Settlement
- 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
- June 17, 2025 - Stipulation and Agreement of Settlement
- 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