DRASNIN VS TURQUOISE HILL RESOURCES LTD. ET AL.
500-06-001113-204
SETTLEMENT PLAN OF ALLOCATION

PART I – RECITALS:

A. **WHEREAS** by way of an agreement dated December 2, 2025 ("**Settlement Agreement**"), the action styled *Drasnin vs Turquoise Hill Resources Ltd. et al.*, brought in the Superior Court of Québec, Court File No.: 500-06-001113-204 ("**Action**") has been settled amongst the parties on behalf of a Class of investors as defined below in the Definitions section of this Plan of Allocation ("**Settlement**");

B. **AND WHEREAS** subject to the approval of the Superior Court of Québec, which will be sought in due course, the net proceeds of the Settlement, after the deduction of the Court-approved legal fees, expenses and taxes ("**Settlement Distribution Fund**") would be available for distribution to the members of the Class who submit timely and valid claims in accordance with the Court-approved Claim Process ("**Claimants**");

C. **AND WHEREAS** the goal of this Plan of Allocation is to facilitate an efficient, just and fair allocation and distribution of the Settlement Distribution Fund;

D. **NOW THEREFORE**, subject to the approval of the Superior Court of Québec, which will be sought in due course, it is hereby determined that the Settlement Distribution Fund shall be allocated and distributed in accordance with the terms of this Plan of Allocation, as follows.

PART II – DEFINITIONS:

1. For the purposes of this Plan of Allocation, the definitions set out in the Settlement Agreement apply to and are incorporated into this Plan of Allocation and, in addition, the following definitions apply:

   (a) "**ACB**" means the adjusted cost base of the purchase of Eligible Securities on each exchange, inclusive of brokerage commissions, calculated as a weighted average on a per Security basis.

   (b) "**Allocation System**" means the method of determining the Compensable Loss assigned to a claim in order to determine the amount of compensation to be awarded for that claim.

   (c) "**Claim Form**" means a written or online claim in the prescribed form seeking compensation from the Settlement Distribution Fund.

   (d) "**Claim Process**" means the Court-approved process to submit a Claim Form seeking compensation from the Settlement Distribution Fund.

(e) "**Claimants**" means each Class Member who submits a timely and valid Claim Form, or on whose behalf a timely and valid Claim Form is submitted by a person who is authorized to submit the Claim Form, in accordance with the Court-approved Claim Process.

(f) "**Claims Administrator**" means Concilia Services Inc., or any other administration firm appointed by the Court as Claims Administrator to administer the Claim Process, and any employees of such firm.

(g) "**Claims Bar Date**" means the date (at 11:59 PM Eastern Time) to be determined by Court by which a Claim Form must be submitted in order for it to be considered a timely and valid Claim Form.

(h) "**Claims Process Escrow Account**" has the meaning attributed to it in paragraph 25 below.

(i) "**Class**" and "**Class Members**" means, other than the "Excluded Persons" (as defined below), all persons and entities wherever they may reside or may be domiciled who during the "Class Period" purchased or otherwise acquired TRQ's securities in non-U.S. transactions or on an exchange outside of the United States, and held all or some of those securities until after July 15, 2019 or July 31, 2019.

(j) "**Class Counsel**" means KND Complex Litigation and Lex Group Inc.

(k) "**Class Period**" means the period from July 31, 2018 to July 31, 2019, inclusive.

(l) "**Compensable Loss**" is the sum of a Claimant's recoverable investment loss after adjusting *pro rata* for the amount of Settlement Distribution Fund. Compensable Loss = Maximum Entitlement x Pro Rata Adjustment Rate.

(m) "**Court**" means the Superior Court of Québec.

(n) "**Eligible Securities**" means securities of TRQ purchased by Class Members in non-U.S. transactions or on an exchange outside of the United States during the Class Period and held until at least July 16, 2019, which have not opted-out of this action and are otherwise eligible for compensation pursuant to the Settlement.

(o) "**Escrow Account**" has the meaning ascribed in the Settlement Agreement.

(p) "**Excluded Persons**" means the Respondents, members of the immediate families of the Individual Respondents, any entity in which the Individual Respondents held a controlling interest, the directors, officers, subsidiaries and affiliates of TRQ and its subsidiaries, and Rio Tinto and its directors, officers, subsidiaries and affiliates and any entity in which Rio Tinto's directors or officers held a controlling interest.

(q) "**Gross Settlement Amount**" means CAD $22,663,980.00.

(r) "**Individual Respondents**" means Respondents Ulf Quellmann, Luke Colton, Brendan Lane, Jean-Sébastien Jacques and Arnaud Soirat.

(s) "**Maximum Entitlement**" means the gross investment loss of a Claimant, and is the maximum amount that is eligible for compensation. If the sum of all Claimants' Maximum Entitlement is less than the Settlement Distribution Fund, then each Claimant's Compensable Loss will equal their Maximum Entitlement.

(t) "**Pro Rata Adjustment Rate**" means the sum of all Claimants' Maximum Entitlement, divided by the Settlement Distribution Fund. If the sum of all Claimant's Maximum Entitlement is less than the Settlement Distribution Fund, the Pro Rata Adjustment Rate will be set at 1, and all Claimants will receive their Maximum Entitlement.

(u) "**Respondents**" means TRQ, Rio Tinto, and the Individual Respondents.

(v) "**Rio Tinto**" means collectively, Rio Tinto PLC, Rio Tinto Limited and Rio Tinto International Holdings Limited.

(w) "**Settlement Distribution Fund**" means the net settlement funds available for allocation and distribution after payment of legal fees, expenses and taxes to be approved by the Court. Class Counsel is requesting payment of legal fees equating to 33% of the Gross Settlement Amount, plus repayment of their out-of-pocket expenses totaling $917,792.31. Class Counsel further estimates the cost of Notice and Settlement Administration to be roughly between 1.78% and 2.38% of the Gross Settlement Amount. As such, Class Counsel's best estimate of the Settlement Distribution Fund available for Claimants is between $13,672,238.43 and $13,808,709.52.

(x) "**TRQ**" means Turquoise Hill Resources Ltd.

PART III – GENERAL:

2. The Claims Administrator shall distribute the Settlement Distribution Fund in accordance with the terms of this Plan of Allocation.

3. The goal of this Plan of Allocation is to distribute the Settlement Distribution Fund among Claimants who submit valid and timely Claim Forms.

4. In the event of circumstances that may not be specifically addressed herein, the Claims Administrator shall address the situation bearing in mind the spirit and goal of this Plan of Allocation.

5. Class Counsel and the Claims Administrator may apply to the Court for guidance and directions as needed to give effect to this Plan of Allocation.

6. All dollar figures indicated herein are in Canadian dollars. For investment losses in other currency, Compensable Loss will be converted to Canadian dollars (using the exchange rate as of the day following the order approving the settlement and this plan of allocation) and paid in Canadian dollars.

PART IV – COMPLETION AND SUBMISSION OF CLAIM FORMS:

7. Other than as specified herein, any person who wishes to claim compensation from the Settlement Distribution Fund must complete and submit a Claim Form by the Claims Bar Date, following which the claim shall be disallowed and it shall be extinguished and forever barred. Notwithstanding this clause, the Claims Administrator may in its discretion allow an otherwise-valid late claim without further order of the Court.

8. A Claim Form may be completed and submitted by the Claimant, or a person who is authorized to complete and submit the Claim Form on behalf of the Claimant.

9. If the Claim Form is completed and submitted by a representative, the person completing and submitting the Claim Form shall certify that he, she or it is authorized to do so on behalf of the Claimant.

PART V – PROCESSING CLAIM FORMS:

10. The Claims Administrator shall develop and make available an electronic and automated process to facilitate the completion, submission and processing of the Claim Forms. That process will be designed and structured to receive each Claimant's information from them, including the particulars of their transactions in TRQ's securities, and determine their eligibility and, if so, their Maximum Entitlement and Compensable Loss, in accordance with the terms of this Plan of Allocation.

11. Each person submitting a Claim Form shall certify that:

    (a) He, she or it, or the person on whose behalf the Claim Form is being submitted, is an eligible Claimant;

    (b) He, she or it, or the person on whose behalf the Claim Form is being submitted, is not an Excluded Person; and

    (c) He, she or it is providing information that is true and correct.

12. The Claim Process is intended to be expeditious, cost effective and "user friendly" and to minimize the burden on Claimants. The Claims Administrator shall, in the absence of reasonable grounds to the contrary, assume the Claimants to be acting honestly and in good faith.

13. The Claim Process is also intended to prevent fraud and abuse. If, after reviewing any Claim Form, the Claims Administrator believes that the claim contains unintentional errors

which would materially exaggerate the Compensable Loss to be awarded to the Claimant, then the Claims Administrator may disallow the claim in its entirety or make such adjustments so that an appropriate Compensable Loss is awarded to the Claimant. If the Claims Administrator believes that the claim is fraudulent or contains intentional errors which would materially exaggerate the Compensable Loss to be awarded to the Claimant, then the Claims Administrator shall disallow the claim in its entirety and the Claimant shall be barred from subsequent claims arising from any settlement or judgment in this class proceeding. The Claims Administrator shall conduct test audits of the Claim Forms, meaning that it shall test random samples of the Claim Forms, to be received from Claimants, in order to verify the accuracy of the Claim Forms.

PART VI – IRREGULAR CLAIMS OR CLAIM FORMS:

14. Where a Claim Form contains minor omissions or errors, the Claims Administrator may in its discretion correct such omissions or errors if the information necessary to correct the error or omission is readily available to the Claims Administrator.

15. If the Claims Administrator identifies a Claim Form that is materially untrue or inaccurate, the Claims Administrator may in its discretion disallow the claim in its entirety.

16. Where the Claims Administrator disallows a claim in its entirety, the Claims Administrator shall send to the Claimant at the address provided by the Claimant or the Claimant's last known email or postal address, a notice advising the Claimant that he, she or it may request the Claims Administrator to reconsider its decision. For greater certainty, a Claimant is not entitled to a notice or a review where a claim is allowed but the Claimant disputes the determination of Compensable Loss or his, her or its individual compensation.

17. Any request for reconsideration must be received by the Claims Administrator within 21 days of the date of the notice advising of the disallowance. If no request is received within this time period, the Claimant shall be deemed to have accepted the Claims Administrator's determination and the determination shall be final and not subject to further review by any court or other tribunal.

18. Where a Claimant files a request for reconsideration with the Claims Administrator, the Claims Administrator shall advise Class Counsel of the request and conduct an administrative review of the Claimant's complaint.

19. Following its determination in an administrative review, the Claims Administrator shall advise the Claimant of its determination. In the event the Claims Administrator reverses a disallowance, the Claims Administrator shall send the Claimant at the Claimant's last known email or postal address, a notice specifying the revision to the Claims Administrator's disallowance.

20. The determination of the Claims Administrator in an administrative review is final and is not subject to further review by any court or other tribunal.

PART VII – ALLOCATION SYSTEM:

A. GENERAL

21. Each Claimant's Compensable Loss shall be determined in accordance with this section of the Plan of Allocation unless otherwise specified herein.

22. Each Claimant's Compensable Loss shall be determined through the following process:

(a) First, the Claimant's gross loss (their "Maximum Entitlement") shall be determined using the calculations outlined in the tables at paragraph 23 below;

(b) Second, all Claimants' Maximum Entitlement shall be added together. If the sum of all Claimants' Maximum Entitlement is less than the Settlement Distribution Fund then each Claimant will be paid the full amount of their Maximum Entitlement. In other words, if the sum of all Claimants' Maximum Entitlement is less than the Settlement Distribution Fund, the Pro Rata Adjustment Rate will equal 1 and each Claimant's Compensable Loss will equal their Maximum Entitlement. If the sum of all Claimants' Maximum Entitlement exceeds the Settlement Distribution Fund, then the Pro Rata Adjustment Rate shall be calculated using the calculation in subparagraph (c);

(c) Third, if the sum of all Claimants' Maximum Entitlement exceeds the Settlement Distribution Fund, the Settlement Distribution Fund will be divided by the sum of all Claimant's Maximum Entitlement to arrive at the Pro Rata Adjustment Rate:

Pro Rata Adjustment Rate = Sum of All Claimants' Maximum Entitlement/ Settlement Distribution Fund

(d) Finally, a Claimant's Compensable Loss shall be calculated by multiplying each Claimant's Maximum Entitlement by the Pro Rata Adjustment Rate.

COMPENSABLE LOSS = Maximum Entitlement x Pro Rata Adjustment Rate

B. CALCULATING MAXIMUM ENTITLEMENT:

23. The Maximum Entitlement of each such Claimant shall be determined as follows:

Time of Sale of Securities on TSX (including shares purchased on TSX that were held after March 14, 2022)	Damages
Sold prior to July 15, 2019	No damages
Sold between July 16, 2019 and August 15, 2019	(# of Eligible Securities sold) x (ACB – Sale Price)
Sold between August 16, 2019 and March 13, 2022	Lesser of: (i) (# of Eligible Securities sold) x (ACB – Sale Price); and

	(ii) (# of Eligible Securities sold) x (ACB – CAD$0.65)
Still held as of March 14, 2022	(# of Eligible Securities) x (ACB – CAD$0.65)

24. A Claimant's damages from each exchange shall be added together (and if necessary, converted to Canadian Dollars), to arrive at their Maximum Entitlement.

PART VIII – DISTRIBUTION OF THE SETTLEMENT DISTRIBUTION FUND:

25. After deducting such fees and disbursements as may be authorized by the Court from the Escrow Account, Class Counsel shall transfer the remaining balance in the Escrow Account to an account designated by the Claims Administrator to be the Claims Process Escrow Account. All interest earned on the amount in the Claims Process Escrow Account shall accrue to the benefit of the Class Members and shall become and remain part of the Claims Escrow Account for distribution to Claimants.

26. After the Claimants' Compensable Losses are determined, the Claims Administrator shall make payments to such Claimants from the Claims Process Escrow Account on a prorated basis, subject to the following terms:

   (a) Payments will be made in Canadian currency. Compensable Losses in other currencies will be converted to CAD based on the exchange rate as of the day following the order approving the settlement and this plan of allocation.

   (b) The Claims Administrator shall not make payments to Claimants whose allocation is less than CAD $25.00. Such amount shall instead be added to the Claims Process Escrow Account and distributed in accordance with paragraph 27, and these Claimants will not be eligible for payment.

   (c) The Claims Administrator shall make payment to a Claimant by either bank transfer or by cheque to the Claimant at the address provided by the Claimant or the last known postal address for the Claimant. If, for any reason, a Claimant does not cash a cheque within 6 (six) months or does not accept the bank transfer within thirty (30) days after the date of the cheque or transfer, the cheque or transfer shall be cancelled and the Claimant shall forfeit the right to compensation.

PART IX – REMAINING AMOUNTS IN THE ESCROW ACCOUNT:

27. If the Claims Process Escrow Account is in a positive balance (whether by reason of tax refunds, un-cashed cheques or deposits, or otherwise) after one hundred and eighty (180) days from the date of distribution of the Settlement Distribution Fund, the Claims Administrator shall, if feasible, allocate such balance among Claimants with valid and approved claims with allocations exceeding $25.00 in an equitable and economic fashion. Thereafter or if not feasible, any remaining funds will be distributed as follows:

a) The Regulation respecting the percentage withheld by the Fonds d'aide aux actions collectives, c. F-3.2.0.1.1, r.2 will apply to 21.69% of the portion of any remaining balance (representing the percentage of the population of Canada that resides in Québec, according to Statistics Canada).

b) If the Claims Administrator determines, at its discretion, that funds that cannot be economically allocated among Claimants, the Claims Administrator shall, after payment is made to the Fonds d'aide aux actions collectives, hold the balance in the Escrow Account pending further directions of the Court, and if appropriate, the Parties shall seek *cy-près* payment of such excess fund to a recipient to be approved by the Court.