

LETTER TO SECURITYHOLDERS



Entrée Gold Inc.

March 20, 2017

Dear Securityholders:

You are cordially invited to attend the annual general and special meeting of shareholders of Entrée Gold Inc. (“Entrée”) to be held at 10:30 a.m. (Vancouver time) on May 1, 2017 at the offices of Borden Ladner Gervais LLP, 1200 Waterfront Centre, 200 Burrard Street in Vancouver, British Columbia.

At the meeting, among other items of business including the annual election of directors, shareholders as well as shareholders, optionholders and warrant holders voting as a class will be asked to consider and, if thought fit, to pass, with or without variation, a special resolution to approve a statutory plan of arrangement (the “Plan of Arrangement”) under Section 288 of the *Business Corporations Act* (British Columbia). The Plan of Arrangement involves, among other things, the distribution of common shares of Mason Resources Corp. (“Mason Resources”) to current shareholders of Entrée on the basis of 0.45 of a Mason Resources share per outstanding common share of Entrée. Entrée will transfer to Mason Resources all of the issued and outstanding shares of Entrée U.S. Holdings Inc., which indirectly holds the Ann Mason copper-molybdenum project in Nevada and the Lordsburg copper-gold property in New Mexico. Mason Resources will be a separate publicly-listed company following completion of the Plan of Arrangement.

Entrée will continue to hold its 20% carried joint venture interest in a portion of the world class Oyu Tolgoi copper-gold project in Mongolia. The Plan of Arrangement is expected to allow Entrée to focus on (i) its carried joint venture interest in a substantial prospective land package which includes two of the Oyu Tolgoi deposits in Mongolia; and (ii) potentially acquiring other value accreting and synergistic assets. It is also expected that transferring the Ann Mason project and Lordsburg property from Entrée to Mason Resources will accelerate their development and give scope to new acquisitions.

The Plan of Arrangement calls for holders of Entrée warrants to exchange their warrants for replacement warrants to acquire the same number of Entrée shares and 45% of that number of Mason Resources shares. Similarly, holders of Entrée options will exchange their options for replacement options to acquire the same number of Entrée shares and 45% of that number of Mason Resources shares. The exercise prices of the replacement warrants and options will be determined in accordance with the Plan of Arrangement.

The board of directors of Entrée has determined that the Plan of Arrangement is fair and is in the best interests of Entrée and its securityholders and recommends that securityholders vote in favour of the special resolution.

The accompanying notice of meeting and management information circular provide a full description of the Plan of Arrangement and include certain additional information to assist you in considering how to vote in respect of the Plan of Arrangement. You are encouraged to consider carefully all of the information in the accompanying management information circular, including the documents incorporated by reference therein. If you require assistance, you should contact your financial, legal, tax or other professional advisor.

Your vote is important regardless of the number of securities of Entrée that you own. If you are a registered holder of securities of Entrée, we encourage you to complete, sign, date and return the enclosed forms of proxy by no later than 10:30 a.m. (Vancouver time) on April 27, 2017, to ensure that your securities are voted at the meeting in accordance with your instructions, whether or not you are able to attend in person. If you hold your securities through a broker or other intermediary, you should follow the instructions provided by your broker or other intermediary to vote your securities.

If you are a registered Entrée shareholder, we also encourage you to complete and return the enclosed letter of transmittal (“Letter of Transmittal”) together with the certificate(s) (if any) representing your Entrée shares and any other required documents and instruments, to the depository, Computershare, in the enclosed return envelope in accordance with the instructions set out in the Letter of Transmittal so that if the Plan of Arrangement is completed, new Entrée shares and Mason Resources shares can be sent to you as soon as possible after the Plan of Arrangement becomes effective. The Letter of Transmittal contains other procedural information related to the Plan of Arrangement, and should be reviewed carefully. If you hold your Entrée shares through a broker or other intermediary, please contact that broker or other intermediary for instructions and assistance in receiving new Entrée shares and Mason Resources share in exchange for your Entrée shares. Assuming that all conditions to completion of the Plan of Arrangement are satisfied, it is anticipated that the Plan of Arrangement will become effective on or about May 9, 2017.

Provided the Plan of Arrangement is completed, holders of Entrée warrants and options will receive their replacement warrants and options, as applicable, directly from Entrée and Mason Resources, respectively.

On behalf of Entrée, we would like to thank all securityholders for their ongoing support.

Yours very truly,

“Stephen Scott”

Stephen Scott
President, Chief Executive Officer and Director