Management's Discussion and Analysis
Year Ended December 31, 2024

(Expressed in United States dollars, except per share amounts and where otherwise noted)

March 12, 2025

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2024 and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. References to "Entrée" and the "Company" are to Entrée Resources Ltd. and/or one or more of its wholly-owned subsidiaries. For further information on the Company, reference should be made to its continuous disclosure (including its most recently filed annual information form ("AIF")), which is available on SEDAR+ at www.sedarplus.ca. Information is also available on the Company's website at www.EntreeResourcesLtd.com. Information on risks associated with investing in the Company's securities is contained in the Company's most recently filed AIF. Technical and scientific information under National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") concerning the Company's material property, including information about mineral resources and reserves, is contained in the Company's most recently filed AIF and in its technical report titled "Entrée/Oyu Tolgoi Joint Venture Project, Mongolia, NI 43-101 Technical Report" with an effective date of October 8, 2021 prepared by Wood Canada Limited ("Wood").

2024 HIGHLIGHTS

Arbitration and Entrée/Oyu Tolgoi JVA

- On December 19, 2024, a partial final award (the "Award") was made by the three-member international arbitration Tribunal appointed in connection with the Company's binding arbitration proceedings against its joint venture partner Oyu Tolgoi LLC ("OTLLC") and Turquoise Hill Resources Ltd. (together, the "Respondents"). The Tribunal ruled in favor of the Company on all issues and dismissed the Respondents' counterclaims.
- As the first step in the implementation of the Award, on February 3, 2025, the Company and OTLLC formally executed and delivered the Joint Venture Agreement appended to the amended 2004 Equity Participation and Earn-In Agreement between the parties. The Joint Venture Agreement (the "Entrée/Oyu Tolgoi JVA"), which has governed joint venture operations and the rights and obligations of the parties since the joint venture was formed in 2008, has an effective date of June 30, 2008, as amended on February 3, 2025.
- In conjunction with the formal execution and delivery of the Entrée/Oyu Tolgoi JVA, the Company assigned to OTLLC an 80% or 70% (depending on the depth of mineralization) beneficial interest in the area covered by the western portion of the Shivee Tolgoi mining licence (the "Shivee West Property"), which was previously 100% owned by the Company. The Entrée/Oyu Tolgoi JVA incorporates amended definitions of "Existing Licenses" and "Properties" to include the Shivee West Property for all purposes under the Entrée/Oyu Tolgoi JVA. The geographic area covered by the Shivee Tolgoi and Javkhlant mining licences is the "Entrée/Oyu Tolgoi JV Property".
- The Entrée/Oyu Tolgoi JVA requires OTLLC, as Manager, to hold title to the Shivee Tolgoi and Javkhlant mining licences (the "Licences") on behalf of the joint venture ("Entrée/Oyu Tolgoi JV") participants. On February 5, 2025, Entrée's wholly owned subsidiary Entrée LLC and OTLLC duly executed and delivered License Transfer Agreements (the "License Transfer Agreements") to affect the transfer of the Licences from Entrée LLC to OTLLC as Manager.
- On February 11, 2025, the parties lodged the License Transfer Agreements and supporting documentation with the Mongolian tax authority for the assessment of tax on the transfer of the Licences in accordance with applicable laws of Mongolia as the next step in the implementation of the Award. Timely transfer of the Licences is required to minimize delays to Lift 1 Panel 1 lateral underground development work planned to be completed in 2025 at the Hugo North Extension deposit.
- Notwithstanding the formal execution of the Entrée/Oyu Tolgoi JVA, the Company and OTLLC have agreed the parties will continue to work towards potential conversion of the Entrée/Oyu Tolgoi JVA into a more

effective agreement of equivalent economic value. The agreement would include a mechanism for the Company to fulfil any obligation under Mongolian law to share with the State up to 34% of its economic benefit from the area of the Licences. Unless and until the parties complete the potential conversion, future development work and mining on the Entrée/Oyu Tolgoi JV Property will be governed by the Entrée/Oyu Tolgoi JVA.

Entrée/Oyu Tolgoi JV Property Update

- First Oyu Tolgoi Lift 1 Panel 1 underground development work on the Entrée/Oyu Tolgoi JV Property commenced in October 2024 in the southwest corner of the Hugo North Extension deposit ("HNE").
    - The work is part of the initial Panel 1 western ore handling truck chute design which, when completed, will include extraction level tipple development, which connects the truck chute chamber on the haulage level, and the supporting ventilation loop with the return air level.
    - At December 31, 2024, OTLLC had completed 48 equivalent metres ("eqm") of lateral development work on the return air level. All development work was in rock classified as waste, and no saleable minerals, concentrates, metals or other saleable mineral end product were produced.
    - Plans to continue development work in 2025 in the southwest corner of HNE in line with the 2025 Oyu Tolgoi Mine Plan approved by the Mineral Resources and Petroleum Authority of Mongolia ("MRPAM") are contingent upon the resolution of certain outstanding issues, including the transfer of the Licences from Entrée LLC to OTLLC as Manager of the Entrée/Oyu Tolgoi JV.
- The 2024 in-fill diamond drilling program at HNE included seven surface holes and 25 underground holes. As at January 27, 2025, a total of ~4,652.1 metres of surface drilling had been completed and ~6,221.1 metres of underground drilling had been completed on the Shivee Tolgoi mining licence. The 2024 drill program will support the Lift 2 Panel 1 Pre-Feasibility Study and the updated resource model for Hugo North (including HNE), which will include Lift 2 mineralization.
- One drill hole (EJD0099) totaling 1,500 metres was drilled at the western edge of the Heruga copper-gold-molybdenum deposit in 2024 to test possible extensions of mineralization to the west. EJD0099 is the first hole drilled at the Heruga deposit since 2012 and is located several hundred metres west of the majority of the previous drilling in the northern half of the deposit. The Entrée/Oyu Tolgoi JV Management Committee had also approved approximately 8,785 metres of diamond drilling in five surface holes on the Heruga deposit in 2024 to increase ore body knowledge and support an Order of Magnitude Study. The drilling was ultimately cancelled due to drill rig availability. No Heruga deposit drilling is currently planned for 2025.
- The 2024 exploration program for the Shivee Tolgoi mining licence focused on the Airport South, Ulaan Khud and North of HNE (the area between HNE and Ulaan Khud, also known as "Ridge") targets, including one inclined diamond drill hole totaling ~1,200 metres at the North of HNE target, one inclined diamond drill hole at the Ulaan Khud target totaling ~1,128 metres, geochemical soil sampling, and gravity/CSAMT geophysical surveys. During 2024, work on the Javkhlant mining licence focused on the Bumbat Ulaan target and the Heruga Trend, including drilling programs and a detailed ground gravity survey, a CSAMT geophysical survey and geological mapping. On the Javkhlant mining licence, one diamond drill hole totaling 640 metres was completed at the West Heruga target, and a total of 1,200 metres of diamond drilling in four holes was completed at Bumbat Ulaan.
- The Company announced analytical results from deposit and regional diamond drilling programs conducted by OTLLC between 2022 and 2024 as they were made available by OTLLC. See the Company's press releases dated February 28, 2024, July 18, 2024, November 4, 2024, and February 27, 2025, available on SEDAR+ at www.sedarplus.ca, OTC Markets at www.otcmarkets.com and on the Company's website at www.EntreeResourcesLtd.com. Additional results will be reported as they become available from OTLLC.

Oyu Tolgoi Underground Development Update

The Oyu Tolgoi project in Mongolia includes two separate land holdings: the Oyu Tolgoi mining licence, which is held by OTLLC and the Entrée/Oyu Tolgoi JV Property, which is a joint venture between Entrée and OTLLC. Rio Tinto International Holdings Ltd. ("Rio Tinto") owns 66% of OTLLC and is the manager of operations at Oyu Tolgoi (see "Overview of Business" below). On January 16, 2025, Rio Tinto announced that the Oyu Tolgoi Lift 1 underground mine continues to successfully ramp-up. Oyu Tolgoi is set to become the world's fourth largest copper mine by 2030 with the operation expected to deliver average mined copper production of ~500 ktpa between 2028 and 2036. Refer to Rio Tinto's press release dated January 16, 2025, titled "Rio Tinto releases fourth quarter production results" available on its website at www.riotinto.com for further details.

- OTLLC has opened a total of 124 Lift 1 draw bells from Panel 0 on the Oyu Tolgoi mining licence, including four draw bells during the quarter ended December 31, 2024. In the fourth quarter 2024, OTLLC delivered 2.1 million tonnes of milled ore from the underground mine on the Oyu Tolgoi mining licence at an average copper head grade of 1.96%.
- Ventilation Shafts 3 and 4 were commissioned during the third quarter 2024 with fresh air now being drawn into the underground mine.
- First ore on the conveyor to surface belt was achieved in October 2024, with the conveyor system now able to transport ore to the surface from a depth of 1,300 metres. Commissioning activities commenced during the second quarter 2024 and are forecast to be progressively completed through to the second quarter 2025, with load and production testing of the conveyor system progressing. Production was 33% higher in the fourth quarter 2024 than in the previous quarter due to the ongoing commissioning activities.
- Construction works for the concentrator conversion remain on schedule. Commissioning activities commenced during the fourth quarter 2024 and are forecast to be progressively completed through to the second quarter 2025.
- Construction of primary crusher 2 is progressing to plan and remains on track to be completed by the end of 2025.
- In November 2024, OTLLC successfully concluded its Collective Labour Agreement negotiations. The agreement will remain in effect for the next three years.
- Production is scheduled to come from Panel 0 and Panel 2 on the Oyu Tolgoi mining licence in 2025. OTLLC is planning to undertake development work in Panel 1 on both the Oyu Tolgoi mining licence and the Entrée/Oyu Tolgoi JV Property.
- The Mongolian regulatory acceptance process for OTLLC's 2023 Oyu Tolgoi Feasibility Study ("OTFS23") for the Lift 1 underground mine is ongoing. The Lift 1 underground mine incorporates the development of three panels (Panels 0, 1, and 2). The Hugo North Extension deposit on the Entrée/Oyu Tolgoi JV Property is located at the northern portion of Panel 1.

Corporate

- For the 2024 fiscal year, the Company's operating loss was $4.8 million compared to $4.5 million in 2023. The increase was mainly due to legal costs related to the arbitration proceedings.
- For the 2024 fiscal year, the operating cash outflow before changes in non-cash working capital items was $3.3 million compared to $3.1 million in 2023.
- As at December 31, 2024, the cash balance was $2.4 million and the working capital balance was $2.6 million.
- On January 24, 2025, the Company closed a non-brokered private placement issuing 2,577,700 units at a price of C$2.21 per unit for aggregate gross proceeds of C$5.7 million.

OUTLOOK AND STRATEGY

The Company's primary objective is to fully implement the Award and affect the transfer of the Licences from the Company's Mongolian subsidiary Entrée LLC to OTLLC in accordance with applicable laws of Mongolia. Under the terms of the Entrée/Oyu Tolgoi JVA, the Manager (OTLLC) is required to hold all assets, including the Licences, on behalf of the Entrée/Oyu Tolgoi JV participants. Transfer of the Licences to OTLLC, as Manager and owner of an 80% or 70% participating interest in the Entrée/Oyu Tolgoi JV Property, is necessary to maximize operational efficiencies, provide certainty with respect to taxes and royalties, and minimize delays to Lift 1 Panel 1 lateral development work planned to be completed in 2025 at HNE.

Following the Award, the Company and OTLLC formally executed and delivered the Entrée/Oyu Tolgoi JVA. License Transfer Agreements were then finalized and executed by Entrée LLC and OTLLC and submitted with supporting documentation to the Mongolian tax authority for the assessment of tax on the transfer of the Licences.

Taxes must be assessed by the Mongolian tax authority and paid before the License Transfer Agreements and other documentation necessary to affect the transfer of the Licences may be submitted to MRPAM. In conjunction with the transfer of the Licences to OTLLC, corporate income tax at a rate of 10% of the value of the Licences (with certain deductions allowed) and value added tax (if applicable) will be assessed. The methodology to determine the value of the Licences is set out in Decree No. 302 passed by the Minister of Finance on December 31, 2019. As part of the Award, the Tribunal issued a final and binding declaration that all fees and taxes assessed on the transfer of the Licences pursuant to applicable laws of Mongolia will be for the account of the Entrée/Oyu Tolgoi JV, with OTLLC contributing the Company's 20% share as a loan under Section 10.1 of the Entrée/Oyu Tolgoi JVA.

The Tribunal reserved Entrée's claims for specific performance, and in the alternative equitable damages, and the issue of costs, to a subsequent award, if necessary.

Notwithstanding the formal execution of the Entrée/Oyu Tolgoi JVA that governs development work and mining on the Entrée/Oyu Tolgoi JV Property, the Company and OTLLC remain committed to working towards the potential conversion of the Entrée/Oyu Tolgoi JVA into a more effective agreement of equivalent economic value. The agreement would include a mechanism for the Company to fulfil any obligation under Mongolian law to share with the State up to 34% of its economic benefit from the area of the Licences. Conversion of the Entrée/Oyu Tolgoi JVA would be subject to Toronto Stock Exchange ("TSX") acceptance and the requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") applicable to a related party transaction.

The Minerals Law of Mongolia provides the State may share in up to 34% of the economic benefit derived from exploitation of a mineral deposit of strategic importance (a "Strategic Deposit") where proven reserves were determined through funding sources other than the State budget. The Hugo North Extension copper-gold deposit on the Shivee Tolgoi mining licence and the Heruga copper-gold-molybdenum deposit on the Javkhlant mining licence are part of the Oyu Tolgoi group of deposits. The Oyu Tolgoi group of deposits were classified a Strategic Deposit by Resolution No. 27 dated February 6, 2007, adopted by the Parliament of Mongolia.

If the Company's primary objective of fully implementing the Award and affecting the transfer of the Licences to OTLLC is not achieved in the near term, future lateral development work on the Entrée/Oyu Tolgoi JV Property could be delayed. See "Critical Accounting Estimates, Risks and Uncertainties" below.

OVERVIEW OF BUSINESS

Entrée is a mineral resource company with interests in development and exploration properties in Mongolia, Peru and Australia.

The Company's principal asset is its interest in the Entrée/Oyu Tolgoi JV Property – a carried 20% participating interest in two of the Oyu Tolgoi project deposits, and a carried 20% or 30% participating interest (depending on the depth of mineralization) in the surrounding large, underexplored, highly prospective land package located in the South Gobi region of Mongolia. Entrée's joint venture partner, OTLLC, holds the remaining participating interest.

The Oyu Tolgoi project includes two separate land holdings: the Oyu Tolgoi mining licence, which is held by OTLLC (66% Rio Tinto and 34% the State of Mongolia), and the Entrée/Oyu Tolgoi JV Property, a significant component of the overall project that is under joint venture partnership between OTLLC and Entrée. The Entrée/Oyu Tolgoi JV Property (see Figure 1 below) comprises the Shivee Tolgoi and Javkhlant mining licences, which surround the Oyu Tolgoi mining licence. The Licences are held by the Company's wholly owned subsidiary Entrée LLC on behalf of the Entrée/Oyu Tolgoi JV participants. Under the Entrée/Oyu Tolgoi JVA, Entrée has a 20% participating interest with respect to mineralization extracted from deeper than 560 metres below surface and a 30% participating interest with respect to mineralization extracted from above 560 metres depth.

The Entrée/Oyu Tolgoi JV Property includes the Hugo North Extension (HNE) copper-gold deposit and the majority of the Heruga copper-gold-molybdenum deposit. The resources at Hugo North Extension include a Probable reserve, which is part of the first lift ("Lift 1") of the Oyu Tolgoi underground block cave mining operation. When the Lift 1 underground reaches peak production by ~2030, Oyu Tolgoi is expected to be the fourth largest copper mine in the world.

The Company's corporate headquarters are located in Vancouver, British Columbia, Canada. Field operations are conducted out of local offices in Mongolia.

As at December 31, 2024 and the date of this MD&A, Rio Tinto beneficially owns 32,788,629 common shares, or 16.0% of the outstanding shares of the Company (15.8% as at the date of this MD&A). As at December 31, 2024, Horizon Copper Corp. beneficially owned 49,672,515 common shares, or 24.25% of the outstanding shares of the Company. As at the date of this MD&A, Horizon Copper Corp. beneficially owns 50,297,717 common shares, or 24.25% of the outstanding shares of the Company and holds non-transferable warrants to purchase 312,601 common shares of the Company at a price of C$3.00 per share expiring January 23, 2027.

ENTRÉE/OYU TOLGOI JV PROPERTY– MONGOLIA

On October 21, 2021, the Company filed an amended Technical Report ("2021 Technical Report") for its interest in the Entrée/Oyu Tolgoi JV Property. The 2021 Technical Report has an original effective date of May 17, 2021, and an amended effective date of October 8, 2021.

The 2021 Technical Report discusses a reserve case (the "2021 Reserve Case") based on mineral reserves attributable to the Entrée/Oyu Tolgoi JV Lift 1 of the Hugo North Extension deposit.

The 2021 Technical Report also discusses a Preliminary Economic Assessment on a conceptual second lift ("Lift 2") of the Hugo North Extension deposit (the "2021 PEA"). The 2021 PEA is based on Indicated and Inferred mineral resources from Lift 2, as the second potential phase of development and mining on the Hugo North Extension deposit. Lift 2 is directly below Lift 1 and continues further to the north (see Figure 2 below). There is no overlap in the mineral reserves from the 2021 Reserve Case and the mineral resources from the 2021 PEA. Development and capital decisions will be required for the eventual development of Lift 2 once production commences at Hugo North Extension Lift 1.

In addition, the Heruga deposit, which is not included in either the 2021 Reserve Case or the 2021 PEA, provides a great deal of future potential and with further exploration and development could become a completely standalone underground operation, independent of other Oyu Tolgoi project underground development, and provide considerable flexibility for mine planning and development.

Both the 2021 Reserve Case and the 2021 PEA are based on information supplied by OTLLC or reported within its 2020 Oyu Tolgoi Feasibility Study ("OTFS20") completed by OTLLC in July 2020.

The 2021 Technical Report has been filed on SEDAR+ and is available for review under the Company's profile on SEDAR+ (www.sedarplus.ca) or on www.EntreeResourcesLtd.com.

Summary and Location of Project

At the time the 2021 Technical Report was prepared, the Entrée/Oyu Tolgoi JV Property was divided into two contiguous areas. The Company was in joint venture with OTLLC over the eastern portion of the Shivee Tolgoi mining licence and all of the Javkhlant mining licence (the "Project Property"). The Company retained a 100% interest in the western portion of the Shivee Tolgoi mining licence, known as the "Shivee West Property".

On February 3, 2025, in conjunction with the formal execution and delivery of the Entrée/Oyu Tolgoi JVA, the Company assigned to OTLLC an 80% or 70% (depending on the depth of mineralization) beneficial interest in the Shivee West Property and the parties amended the definitions of "Existing Licenses" and "Properties" in the Entrée/Oyu Tolgoi JVA to include the Shivee West Property for all purposes under the Entrée/Oyu Tolgoi JVA. The Company was engaged in active exploration of the Shivee West Property until 2012. While the Company identified several zones of gold and copper mineralization, no economic zones of precious or base metals mineralization were outlined.

The Entrée/Oyu Tolgoi JV Property (shown on Figure 1 below) completely surrounds OTLLC's Oyu Tolgoi mining licence and forms a significant portion of the overall Oyu Tolgoi project area. Figure 1 also shows the main mineral deposits that form the Oyu Tolgoi trend of porphyry deposits.

The Entrée/Oyu Tolgoi JV Property is located within the Aimag (province) of Ömnögovi in the South Gobi region of Mongolia, about 570 kilometres ("km") south of the capital city of Ulaanbaatar and 80 km north of the border with China.

The Entrée/Oyu Tolgoi JV Property hosts:

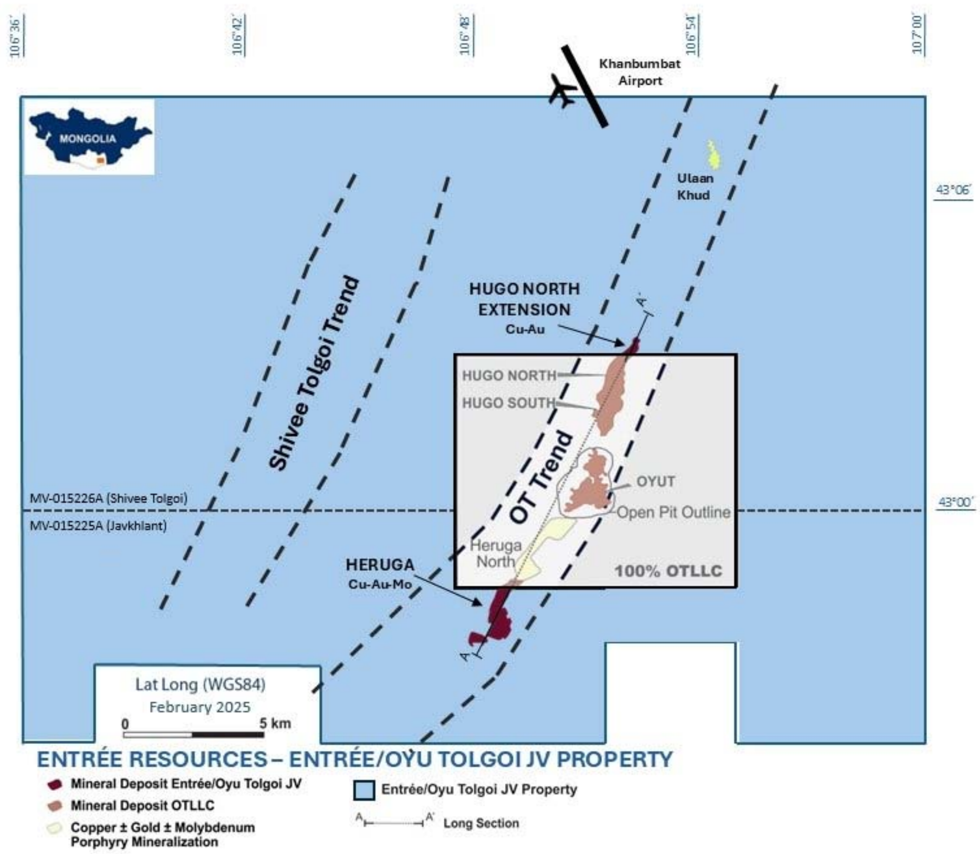
- The Hugo North Extension copper-gold porphyry deposit (Lift 1 and Lift 2):
  - Lift 1 is the upper portion of the Hugo North Extension copper-gold porphyry deposit and forms the basis of the 2021 Reserve Case. It is the northern portion of the Lift 1 Panel 1 underground block cave that is currently in development. First Lift 1 Panel 1 development work on the Entrée/Oyu Tolgoi JV Property commenced in October 2024.

  – Lift 2 is directly below and extends north beyond Lift 1 and is the next potential phase of underground mining on the Entrée/Oyu Tolgoi JV Property, once Lift 1 mining is complete. Mineral resources from Lift 2 form the basis of the 2021 PEA mine plan.

- The Heruga copper-gold-molybdenum porphyry deposit is at the south end of the Oyu Tolgoi Trend of porphyry deposits. Approximately 93% of the Heruga deposit occurs on the Entrée/Oyu Tolgoi JV Property. While Heruga is not included in the 2021 PEA, it provides opportunity for future exploration and potential development.
- A large prospective land package.

Entrée has a 20% or 30% (depending on the depth of mineralization) participating interest in the Entrée/Oyu Tolgoi JV with OTLLC holding the remaining 80% or 70% participating interest. OTLLC has a 100% interest in other Oyu Tolgoi project areas, including the Oyut open pit, which is currently in production, and the Hugo North and Hugo South deposits on the Oyu Tolgoi mining licence.

Figure 1 – Entrée/Oyu Tolgoi JV Property



Notes:

1. Outline of copper ± gold ± molybdenum porphyry mineralization is projected to surface.
2. Entrée has a 20% participating interest in the Hugo North Extension and Heruga deposits.

Figure 1 shows the location of a north-northeast oriented, west-looking longitudinal section (A-A') through the 12.4 km-long trend of porphyry deposits that comprise the Oyu Tolgoi Trend of porphyry deposits. The longitudinal section is shown on Figure 2 with the Entrée/Oyu Tolgoi JV Property to the right (north) and left (south) of the central portion, the Oyu Tolgoi mining licence, held 100% by OTLLC.

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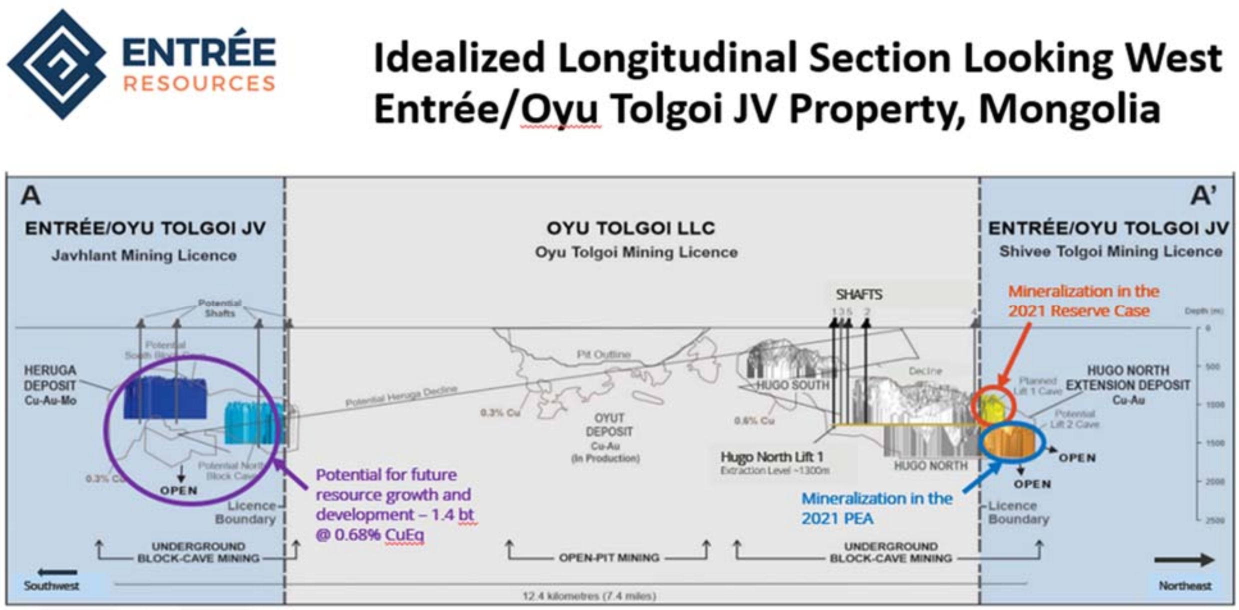
Figure 2 – Section Through the Oyu Tolgoi Trend of Porphyry Deposits



In addition to the two deposits, priority exploration targets have been identified on the Entrée/Oyu Tolgoi JV Property, including Ulaan Khud, Airport South, North of HNE (Ridge), Ductile Shear, East Au, Bumbat Ulaan, Mag West, Railway, West Heruga, and SEIP.

The 2021 Technical Report forms the basis for the scientific and technical information in this MD&A regarding the Entrée/Oyu Tolgoi JV Property. Portions of the information are based on assumptions, qualifications and procedures which are not fully described herein. Reference should be made to the Company's AIF dated March 12, 2025 and to the full text of the 2021 Technical Report, which are available on the Company's website (www.EntreeResourcesLtd.com) or on SEDAR+ (www.sedarplus.ca).

Mineral Resources and Mineral Reserves – Entrée/Oyu Tolgoi JV Property

Entrée/Oyu Tolgoi JV Property mineral reserves are contained within the Hugo North Extension Lift 1 block cave mining plan prepared by OTLLC and used as the basis for OTFS20. The mineral reserve estimate is based on what is deemed minable when considering factors such as the footprint cut-off grade, the draw column shut-off grade, maximum height of draw, consideration of planned dilution and internal waste rock.

The following Entrée/Oyu Tolgoi JV Property Hugo North Extension Lift 1 mineral reserve estimate has an effective date of May 15, 2021.

Table 1 – Entrée/Oyu Tolgoi JV Property Hugo North Extension Lift 1 Mineral Reserve Estimate

Entrée/Oyu Tolgoi JV Property – Mineral Reserve Hugo North Extension Lift 1								
Classification	Tonnage	NSR	Cu	Au	Ag	Contained Metal		
	(Mt)	($/t)	(%)	(g/t)	(g/t)	Cu (Mlb)	Au (Koz)	Ag (Koz)
Probable	40	97.52	1.5	0.53	3.63	1,340	676	4,613

Notes:

1. For the underground block cave, all Indicated mineral resources within the cave outline were converted to Probable mineral reserves. No Proven mineral reserves have been estimated. The estimation includes low-grade Indicated mineral resources and Inferred mineral resource assigned zero grade that is treated as dilution.
2. A column height shut-off net smelter return ("NSR") of $17.84/t was used to define the footprint and column heights. The NSR calculation assumed metal prices of $3.08/lb copper, $1,292.00/oz gold, and $19.00/oz silver. The NSR was calculated with assumptions for smelter refining and treatment charges, deductions and payment terms, concentrate transport, metallurgical recoveries, and royalties using OTLLC's Base Data Template 38.
3. Mineral reserves are reported on a 100% basis. OTLLC has a participating interest of 80%, and Entrée has a participating interest of 20%. Notwithstanding the foregoing, in respect of products extracted from the Entrée/Oyu Tolgoi JV Property pursuant to mining carried out at depths from surface to 560 metres below surface, the participating interest of OTLLC is 70% and the participating interest of Entrée is 30%.
4. Numbers have been rounded as required by reporting guidelines and may result in apparent summation differences.

Q4 2024 MD&A (table amounts expressed in thousands of US Dollars, except per share amounts and where otherwise noted)

The following Entrée/Oyu Tolgoi JV Property mineral resources estimates reported in the 2021 Technical Report for the Hugo North Extension and Heruga deposits have an effective date of March 31, 2021. Mineral resources for the Hugo North Extension deposit are reported inclusive of those mineral resources that were converted to mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Table 2 – Entrée/Oyu Tolgoi JV Property Mineral Resources Estimates

Entrée/Oyu Tolgoi JV Property – Mineral Resources										
Classification	Tonnage (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)	CuEq (%)	Contained Metal			
							Cu (Mlb)	Au (Koz)	Ag (Koz)	Mo (Mlb)
Hugo North Extension (>0.41% CuEq Cut-Off)										
Indicated	120	1.70	0.58	4.3	n/a	2.04	4,500	2,200	16,000	n/a
Inferred	167	1.02	0.36	2.8	n/a	1.23	3,800	1,900	15,000	n/a
Heruga (>0.41% CuEq Cut-Off)										
Inferred	1,400	0.41	0.40	1.5	120	0.68	13,000	18,000	66,000	370

Notes:

1. Metal prices used for copper equivalent ("CuEq") and cut-off grade calculation for both Hugo North Extension and Heruga are: $3.08/lb copper, $1,292.00/oz gold, $19.00/oz silver and $10.00/lb molybdenum (Heruga only). Metallurgical recoveries used for CuEq and cut-off grade calculation at Hugo North Extension are 93% for copper, 80% for gold and 81% for silver. Metallurgical recoveries used for CuEq and cut-off grade calculation at Heruga are 82% for copper, 73% for gold, 78% for silver and 60% for molybdenum.
2. Mineral resources at Hugo North Extension are constrained within a conceptual mining shape constructed at a nominal 0.50% CuEq grade and above a CuEq grade of 0.41% CuEq. The CuEq formula is CuEq = Cu + ((Au * 35.7175) + (Ag * 0.5773)) / 67.9023 taking into account differentials between metallurgical performance and price for copper, gold and silver.
3. The overall geometry and depth of the Heruga deposit make it amenable to underground mass mining methods. Mineral resources are stated above a CuEq grade. The CuEq formula is CuEq = Cu + ((Au * 37.0952) + (Ag * 0.5810) + (Mo * 0.0161)) / 67.9023 taking into account differentials between metallurgical performance and price for copper, gold, silver and molybdenum.
4. A CuEq break-even cut-off grade of 0.41% CuEq for Hugo North Extension mineralization and covers mining, processing and G&A operating cost and the cost of primary and secondary block cave mine development.
5. A CuEq break-even cut-off grade of 0.41% CuEq is used for the Heruga mineralization and covers mining, processing and G&A operating cost and the cost of primary and secondary block cave mine development.
6. Mineral resources are stated as in situ with no consideration for planned or unplanned external mining dilution.
7. Mineral resources are reported on a 100% basis. OTLLC has a participating interest of 80%, and Entrée has a participating interest of 20%. Notwithstanding the foregoing, in respect of products extracted from the Entrée/Oyu Tolgoi JV Property pursuant to mining carried out at depths from surface to 560 metres below surface, the participating interest of OTLLC is 70% and the participating interest of Entrée is 30%.
8. Numbers have been rounded as required by reporting guidelines and may result in apparent summation differences.

Underground Development Progress – Oyu Tolgoi Project

Underground Development Update

On January 16, 2025, Rio Tinto announced that the Oyu Tolgoi Lift 1 underground mine continues to successfully ramp-up. Oyu Tolgoi is set to become the world's fourth largest copper mine by 2030 with the operation expected to deliver average mined copper production of ~500 ktpa between 2028 and 2036. Refer to Rio Tinto's press release dated January 16, 2025, titled "Rio Tinto releases fourth quarter production results" available on its website at www.riotinto.com for further details.

- OTLLC has opened a total of 124 Lift 1 draw bells from Panel 0 on the Oyu Tolgoi mining licence, including four draw bells during the quarter ended December 31, 2024. In the fourth quarter 2024, OTLLC delivered 2.1 million tonnes of milled ore from the underground mine on the Oyu Tolgoi mining licence at an average copper head grade of 1.96%.
- Ventilation Shafts 3 and 4 were commissioned during the third quarter 2024 with fresh air now being drawn into the underground mine.
- First ore on the conveyor to surface belt was achieved in October 2024, with the conveyor system now able to transport ore to the surface from a depth of 1,300 m. Commissioning activities commenced during the second quarter 2024 and are forecast to be progressively completed through to the second quarter 2025, with load and production testing of the conveyor system progressing. Production was 33% higher in the fourth quarter 2024 than in the previous quarter due to the ongoing commissioning activities.

- Construction works for the concentrator conversion remain on schedule. Commissioning activities commenced during the fourth quarter 2024 and are forecast to be progressively completed through to the second quarter 2025.
- Construction of primary crusher 2 is progressing to plan and remains on track to be completed by the end of 2025.
- In November 2024, OTLLC successfully concluded its Collective Labour Agreement negotiations. The agreement will remain in effect for the next three years.
- Production is scheduled to come from Panel 0 and Panel 2 on the Oyu Tolgoi mining licence in 2025. OTLLC is planning to undertake development work in Panel 1 on both the Oyu Tolgoi mining licence and the Entrée/Oyu Tolgoi JV Property.

Technical studies for Panels 1 and 2 mine design and schedule optimization were completed by OTLLC during the second quarter 2023. The HNE deposit on the Entrée/Oyu Tolgoi JV Property is located at the northern portion of Panel 1. On July 11, 2023, Rio Tinto disclosed that:

- The technical studies have resulted in substantially de-risked, resilient mine designs that provide a pathway to ramp-up, flexibility to pursue value creating opportunities and react to future risks, and improved stability, constructability, and operability. The studies also provide a pathway to bring the panels into production faster and maximize the use of the ventilation system.
- Identified risks associated with the previous Panel 1 mine design have been resolved by increasing draw point and rim drive spacing, relocating the central material handling system and return raises outside of the active caving area, and optimally orienting the extraction drives and drill drives.
- Panel 1 production on the Oyu Tolgoi mining licence is anticipated to commence in ~2027.

The technical studies have been incorporated into OTFS23, which is subject to acceptance by applicable regulatory bodies in Mongolia. Refer to Rio Tinto's Oyu Tolgoi Site Visit materials dated July 11, 2023 (and in particular pages 70-83 of "Financial Community Visit to Oyu Tolgoi Site - Slides") available on its website at www.riotinto.com for further details.

Drilling programs to support OTLLC's Lift 2 Pre-Feasibility Study are in progress. OTLLC will include mineralization from Lift 2 in an updated resource model for Hugo North (including Hugo North Extension).

Entrée/Oyu Tolgoi JV Property Exploration and Development

HNE Lift 1 Panel 1 Underground Development

First Lift 1 Panel 1 underground development work on the Entrée/Oyu Tolgoi JV Property commenced in October 2024.

The Entrée/Oyu Tolgoi JV Management Committee approved a maximum of 212 metres of lateral development work in the southwest corner of HNE in line with the 2024 Oyu Tolgoi Mine Plan approved by the MRPAM. The work is part of the initial Panel 1 western ore handling truck chute design which, when completed, will include extraction level tipple development, which connects the truck chute chamber on the haulage level, and the supporting ventilation loop with the return air level.

In October 2024, OTLLC revised its target for first development work on the Entrée/Oyu Tolgoi JV Property, and at December 31, 2024, OTLLC had completed 48 eqm of development on the return air level. All development work was in rock classified as waste, and no saleable minerals, concentrates, metals or other saleable mineral end product were produced.

In 2025, the Entrée/Oyu Tolgoi JV Management Committee plans to continue development work in the southwest corner of HNE in line with the 2025 Oyu Tolgoi Mine Plan approved by the MRPAM. The work is part of the second Panel 1 western ore handling truck chute design. The timing and scope of Lift 1 Panel 1 development work on the Entrée/Oyu Tolgoi JV Property is contingent upon the resolution of certain outstanding issues, including the transfer of the Licences from Entrée LLC to OTLLC as Manager of the Entrée/Oyu Tolgoi JV. See "Outlook and Strategy" above.

Deposit Drilling

The 2024 in-fill diamond drilling program at HNE included seven surface holes and 25 underground holes. As at January 27, 2025, a total of ~4,652.1 metres of surface drilling had been completed and ~6,221.1 metres of underground drilling had been completed on the Shivee Tolgoi mining licence. The Company has reported analytical results as they have become available from OTLLC.

All underground holes were collared from the Oyu Tolgoi mining licence and drilled onto the Hugo North Extension deposit. All surface holes were drilled entirely on the Shivee Tolgoi mining licence. The 2024 drill program will support OTLLC's Lift 2 Panel 1 Pre-Feasibility Study and updated resource model for Hugo North (including Hugo North Extension), which will include Lift 2 mineralization.

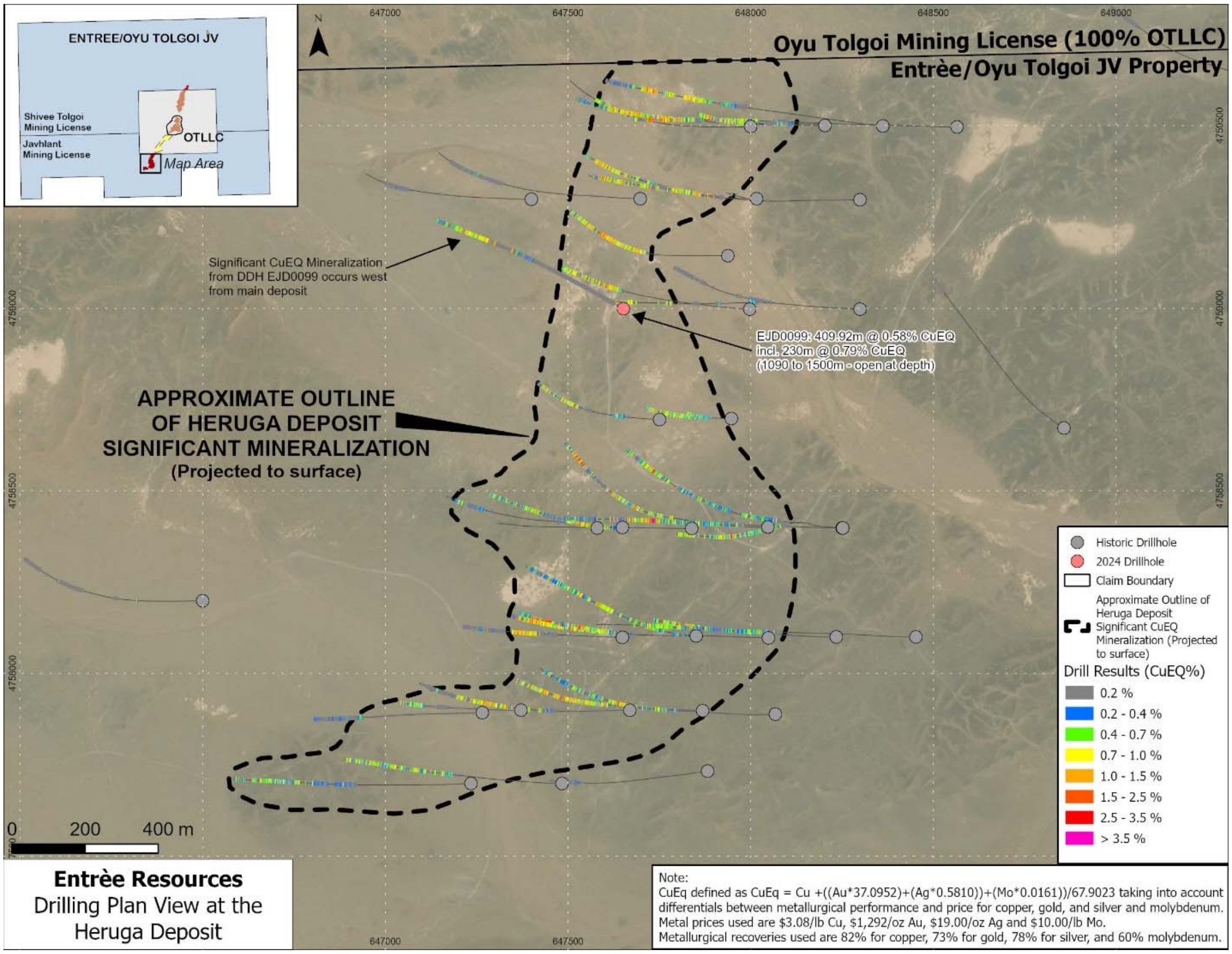
For 2025, the Entrée/Oyu Tolgoi JV Management Committee has approved an in-fill drill program at HNE comprising both underground (19 holes totaling ~8,329 metres drilled on the Shivee Tolgoi mining licence) and surface (five holes totaling ~9,050 metres) diamond drilling. The drilling is intended to focus on gaps in the geological model.

During the 2024 drilling campaign one drill hole (EJD0099) was drilled at the western edge of the Heruga copper-gold-molybdenum deposit to test possible extensions of mineralization to the west (see Figure 4 below).

EJD0099 is the first hole drilled at the Heruga deposit since 2012 and is located several hundred metres west of the majority of the previous drilling in the northern half of the deposit (see Figure 3 below). Although the copper-gold-molybdenum mineralization first appears in drill hole EJD0099 around 872 metres drilled depth, the mineralization is discontinuous, due to the intrusion of several >20 metre thick andesitic dikes, which are essentially devoid of any mineralization. Consistent copper-gold-molybdenum mineralization starts at approximately 1,090 metres drilled depth, within an interbedded sequence of conglomerate, ignimbrite, augite-basalt and quartz-monzonite diorite, cut by occasional unmineralized andesitic dikes, and continues until the end of the hole at 1,500 metres, where it remained in strong copper-gold mineralization (see the Company's press release dated February 27, 2025 titled "Entrée Announces Drill Results from Hugo North Extension and Heruga Deposits"). The grades across this interval appear to be consistent with the average grade of the overall Heruga deposit and provide encouragement that the Heruga deposit remains open to the west in some areas. The prospective area may extend until the West Bat fault, a major structure controlling the mineralization at the Oyu Tolgoi deposit area, however it has not been clearly mapped in the Heruga area.

OTLLC had also proposed approximately 8,785 metres of diamond drilling in five surface holes on the Heruga deposit in 2024 to increase ore body knowledge and support an Order of Magnitude Study. The drilling was ultimately cancelled due to drill rig availability. No Heruga deposit drilling is currently planned for 2025.

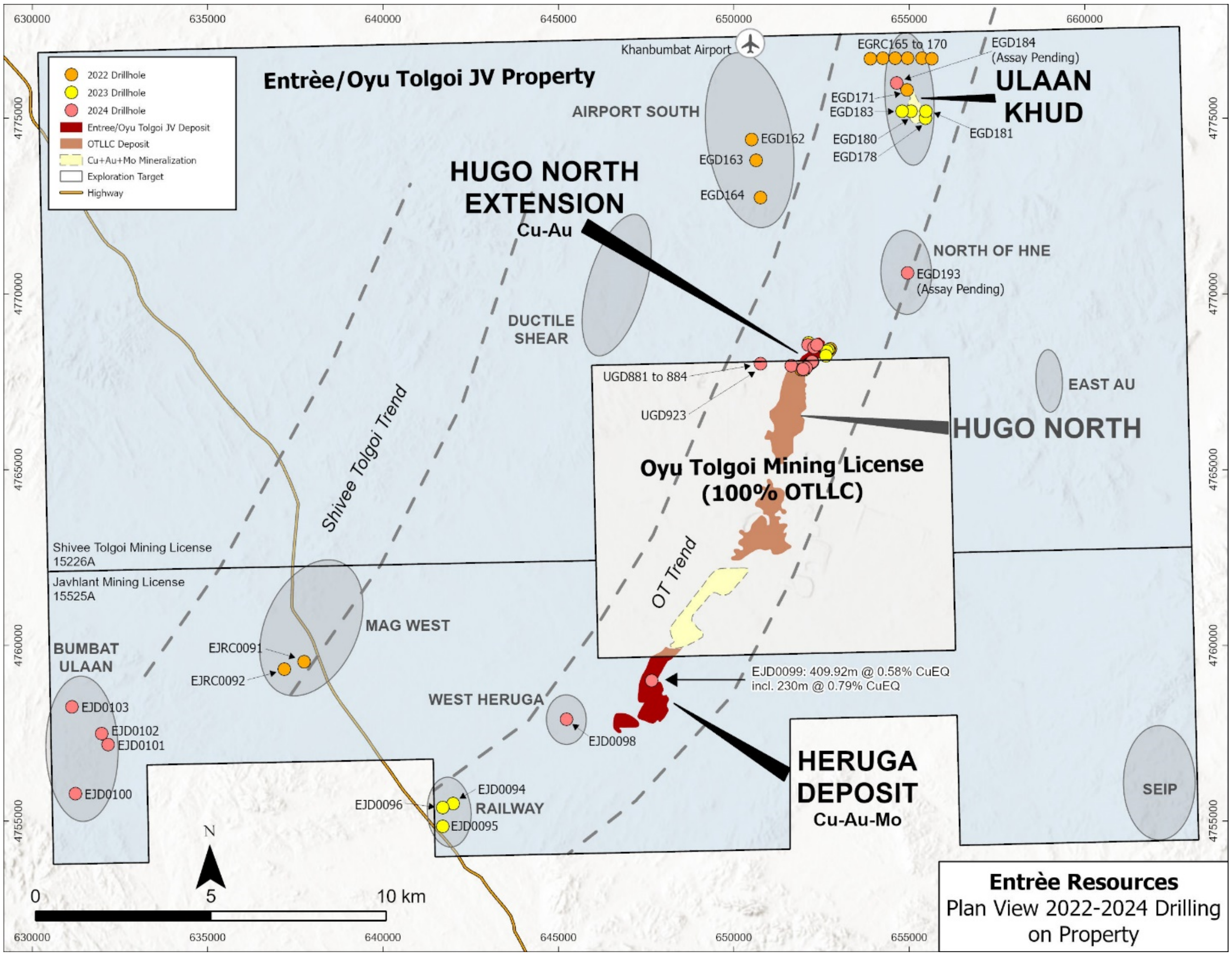
Figure 3: Drilling Plan View of Heruga Deposit



Regional Exploration

The 2024 exploration program for the Shivee Tolgoi mining licence focused on the Airport South, Ulaan Khud and North of HNE (the area between HNE and Ulaan Khud, also referred to as "Ridge") targets, including one inclined diamond drill hole totaling ~1,200 metres at the North of HNE target, one inclined diamond drill hole at the Ulaan Khud target totaling ~1,128 metres, geochemical soil sampling, and gravity/CSAMT geophysical surveys. During 2024, work on the Javkhlant mining licence focused on the Bumbat Ulaan target and the Heruga Trend, including drilling programs and a detailed ground gravity survey, a CSAMT geophysical survey and geological mapping. One diamond drill hole totaling 640 metres was completed at the Heruga West target, and a total of 1,200 metres of diamond drilling in four holes was completed at Bumbat Ulaan.

Figure 4: Plan View of 2022 to 2024 Heruga and Regional Drill Holes



20% of expenditures on the Entrée/Oyu Tolgoi JV Property will be contributed by OTLLC on Entrée's behalf as a Loan in accordance with Article 10 of the Entrée/Oyu Tolgoi JVA.

For additional details, please refer to the Company's press release dated February 27, 2025 titled "Entrée Announces Drill Results from Hugo North Extension and Heruga Deposits", the press release dated November 4, 2024 titled "Entrée Announces Additional Drill Results from the 2023 Program at Hugo North Extension", the press release dated July 18, 2024 titled "Entrée Resources Announces Additional Drill Results and Provides an Update on Underground Development Work", and the press release dated February 28, 2024 titled "Entrée Resources Announces Partial Drill Results for Hugo North Extension and Provides Update on Underground Development Work" available on SEDAR+ at www.sedarplus.ca, OTC Markets at www.otcmarkets.com and on the Company's website at www.EntreeResourcesLtd.com.

2024 Financial Review

Entrée expenses related to Mongolian operations included expenditures of $1.5 million for strategic and administration costs in Mongolia. The Company focused its efforts on affecting the transfer of the Shivee Tolgoi and Javkhlant mining licences to OTLLC as required under the Entrée/Oyu Tolgoi JVA, either in conjunction with finalization, execution, and closing of definitive alternative agreement(s) to streamline the operating environment for both parties, or pursuant to binding arbitration proceedings. Costs were related to legal and tax advisory consultants to assist in the process in the 2024 year, which also included costs related to the arbitration. The costs in the comparative period of 2023 included similar professional fees.

Q4 2024 MD&A (table amounts expressed in thousands of US Dollars, except per share amounts and where otherwise noted)

SUMMARY OF CONSOLIDATED FINANCIAL OPERATING RESULTS

Operating Results

The Company's operating results for the years ended December 31 were:

	2024	2023
Expenses		
Project expenditures	$ 1,539	$ 1,393
General and administrative	1,970	2,002
Share-based compensation	1,208	1,039
Depreciation	118	115
Operating loss	4,835	4,549
Foreign exchange loss (gain)	1,417	(157)
Interest income	(213)	(333)
Interest expense	478	402
Loss from equity investee	3,067	653
Finance costs	43	50
Deferred revenue finance costs	4,694	4,415
Loss for the year	14,321	9,579
Other comprehensive (gain) loss		
Foreign currency translation	(6,186)	1,372
Total comprehensive loss	$ 8,135	$ 10,951
Net loss per common share		
Basic and diluted	$ (0.07)	$ (0.05)
Total assets	$ 3,695	$ 7,215
Total non-current liabilities	$ 74,753	$ 71,521

Operating Loss:

During the year ended December 31, 2024, the Company's operating loss was $4.8 million compared to $4.5 million for the year ended December 31, 2023.

Project expenditures consisted of legal, professional and advisory fees related to the arbitration proceedings and for commercial negotiations regarding the potential conversion of the Entrée/Oyu Tolgoi JVA to an alternate arrangement.

General and administration, share-based compensation, and depreciation expenditures were consistent with 2023.

Non-operating Items:

The foreign exchange loss (gain) in 2024 was primarily the result of movements between the C$ and US dollar as the Company holds its cash in both currencies and the Loan payable to OTLLC is denominated in US dollars (see "Loan Payable to OTLLC" below).

Interest expense was primarily related to the Loan payable to OTLLC pursuant to the Entrée/Oyu Tolgoi JVA and is subject to a variable interest rate.

The amount recognized as a loss from equity investee is related to exploration costs on the Entrée/Oyu Tolgoi JV Property. There was $2.5 million of HNE Lift 2 infill drilling costs that were allocated to Entrée during the year.

Deferred revenue finance costs are related to recording the non-cash finance costs associated with the deferred revenue balance, specifically the Sandstorm stream (see "Deferred Revenue – Sandstorm" below).

Q4 2024 MD&A (table amounts expressed in thousands of US Dollars, except per share amounts and where otherwise noted)

The total assets as at December 31, 2024 were lower than at December 31, 2023 due to a lower cash balance which was partially offset by the capitalization of certain Entrée/Oyu Tolgoi Property costs. The Company capitalized $0.2 million of development costs associated with the commencement of Lift 1 Panel 1 development on the Licences.

The application of the Company's accounting policy for the capitalization of mineral property development costs required determination that key development milestones have been achieved. These milestones include obtaining sufficient financial resources, permits, and licences to develop the mineral property. The Company considered the start of development activities on Lift 1 Panel 1 of the Oyu Tolgoi underground block cave mining operation on the Shivee Tolgoi mining licence as having achieved the development milestone. Accordingly, the Company began capitalizing the development costs incurred on Lift 1 Panel 1 on the Entrée/Oyu Tolgoi JV Property on October 1, 2024.

Total non-current liabilities have increased since December 31, 2023 due to recording the non-cash deferred revenue finance costs each quarter and additions to the Loan payable to OTLLC balance during fiscal 2024.

Quarterly Financial Data – 2 year historic trend

	Q4 24	Q3 24	Q2 24	Q1 24	Q4 23	Q3 23	Q2 23	Q1 23
Project expenditures	$ 202	$ 255	$ 456	$ 626	$ 325	$ 209	$ 459	$ 400
General and administrative	690	396	443	441	633	428	517	424
Share-based compensation	1,208	-	-	-	1,029	-	4	6
Depreciation	27	30	30	31	28	29	29	29
Operating loss	2,127	681	929	1,098	2,015	666	1,009	859
Foreign exchange loss (gain)	1,182	(172)	113	294	(151)	207	(208)	(5)
Interest expense, net	95	69	56	45	22	15	21	11
Loss from equity investee	2,782	152	71	62	447	117	57	32
Deferred revenue finance costs	1,181	1,192	1,168	1,153	1,133	1,112	1,104	1,066
Finance costs	9	12	11	11	12	12	13	13
Net loss	$ 7,376	$ 1,934	$ 2,348	$ 2,663	$ 3,478	$ 2,129	$ 1,996	$ 1,976
Basic/diluted loss per share	$ (0.04)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.01)	$ (0.01)	$ (0.01)
USD:CAD FX Rate[1]	1.44	1.35	1.369	1.355	1.323	1.352	1.324	1.353

1. USD:CAD foreign exchange rate was the quarter ended rate per the Bank of Canada.

Project expenditures in 2024 and 2023 were mainly related to professional fees for arbitration proceedings and to advance a potential conversion of the Entrée/Oyu Tolgoi JVA to an alternative agreement.

General and administrative expenses were higher in Q4 2024 and Q4 2023 due mainly to regulatory costs and compensation costs.

Share-based compensation expenditures in Q4 2024 and Q4 2023 included share options and deferred share unit ("DSU") grants.

Interest expense, net, consists of accrued interest on the Loan payable to OTLLC, net of interest income earned on cash balances.

The loss from equity investee was related to the Entrée/Oyu Tolgoi JV Property and fluctuations were due to exploration activities and foreign exchange changes.

Q4 2024 MD&A (table amounts expressed in thousands of US Dollars, except per share amounts and where otherwise noted)

LIQUIDITY AND CAPITAL RESOURCES

	2024	2023
Cash flows used in operating activities		
- Before changes in non-cash working capital items	$ (3,323)	$ (3,050)
- After changes in non-cash working capital items	(3,530)	(3,096)
Cash flows from financing activities	117	2,700
Net cash outflows	(3,413)	(396)
Effect of exchange rate changes on cash	(300)	78
Cash balance	$ 2,378	$ 6,091

Cash outflows after changes in non-cash working capital items in 2024 were higher compared to 2023 due to higher project expenditures and the timing of invoice payments.

Cash flows from financing activities in 2024 and 2023 were due to funds received from option exercises and also warrant exercises in 2023.

The Company is a development stage company and has not generated positive cash flows from its operations. As a result, the Company has been dependent on equity and production-based financings for additional funding. Working capital on hand at December 31, 2024 was approximately $2.6 million.

On January 24, 2025, the Company closed a non-brokered private placement issuing 2,577,700 units at a price of C$2.21 per unit for aggregate gross proceeds of C$5.7 million. Each unit consists of one common share of the Company and one-half of one non-transferable common share purchase warrant. Each whole warrant (a "Warrant") will entitle the holder to acquire one additional common share of the Company at a price of C$3.00 per share for a period of 2 years. No finder's fees were paid in connection with the private placement.

Management believes it has adequate financial resources to satisfy its obligations over the next 12-month period and beyond.

Loan Payable to Oyu Tolgoi LLC

Under the terms of the Entrée/Oyu Tolgoi JVA, the Company has elected to have OTLLC contribute funds to approved Entrée/Oyu Tolgoi JV programs and budgets on the Company's behalf, each such contribution to be treated as a non-recourse loan ("Loan"). Interest on each Loan advance shall accrue at an annual rate equal to OTLLC's actual cost of capital or the prime rate of the Royal Bank of Canada, plus two percent (2%) per annum, whichever is less, as at the date of the advance. The Loan will be repayable by the Company monthly from ninety percent (90%) of the Company's share of available cash flow from the Entrée/Oyu Tolgoi JV. In the absence of available cash flow, the Loan will not be repayable. The Loan is not expected to be repaid within one year.

Contractual Obligations

As at December 31, 2024, the Company had the following contractual obligations outstanding:

	Total	Less than 1 year	1 - 3 years	3-5 years	More than 5 years
Lease commitments	$ 356	$ 122	$ 234	$ -	$ -

SHAREHOLDERS' DEFICIENCY

The Company's authorized share capital consists of unlimited common shares without par value.

As at December 31, 2024, the Company had 204,799,393 shares issued and outstanding. As at the date of this MD&A, the Company had 207,400,936 shares issued and outstanding.

As noted above, on January 24, 2025, the Company closed a non-brokered private placement issuing 2,577,700 units at a price of C$2.21 per unit for aggregate gross proceeds of C$5.7 million.

Q4 2024 MD&A (table amounts expressed in thousands of US Dollars, except per share amounts and where otherwise noted)

Share Purchase Warrants

As part of the Company's January 24, 2025 private placement, the Company issued 1,288,850 Warrants. Each Warrant entitles the holder to acquire one common share of the Company at a price of C$3.00 per share for a period of 2 years.

At the date of this MD&A, the following Warrants were outstanding:

Number of Warrants (000's)	Warrant exercise price C$	Expiry date
1,289	3.00	January 23, 2027

Stock Option Plan

As at December 31, 2024, the Company had 4,094,996 share options outstanding and exercisable. At the date of this MD&A, the Company had 4,071,153 share options outstanding and exercisable.

Under the Company's Stock Option Plan, an option holder may elect to terminate an option, in whole or in part and, in lieu of receiving shares to which the terminated option relates (the "Designated Shares"), receive the number of shares, disregarding fractions, which, when multiplied by the weighted average trading price of the shares on the TSX during the five trading days immediately preceding the day of termination (the "Fair Value" per share) of the Designated Shares, has a total dollar value equal to the number of Designated Shares multiplied by the difference between the Fair Value and the exercise price per share of the Designated Shares.

During the year ended December 31, 2024, stock options to purchase 771,000 common shares with exercise prices ranging from C$0.365 to C$1.28 were exercised resulting in gross proceeds of C$0.3 million being received by the Company. In addition, stock options to purchase 845,000 Designated Shares with an exercise price of C$0.365 were terminated and an aggregate 683,439 shares were issued.

The following is a summary of share options outstanding and exercisable as at the date of this MD&A:

Number of share options (000`s)	Exercise price per share option (C$)	Expiry date
1,255	0.51	Dec 2025
899	0.77	Dec 2026
1,022	0.82 – 1.14	Apr - Nov 2027
622	1.28	Nov 2028
273	2.06	Nov 2029
4,071		

Deferred share units (DSUs)

DSUs are granted to the Company's directors and executives as a part of compensation under the terms of the Company's Deferred Share Unit Plan (the "DSU Plan"). Typically, DSUs vest when certain conditions as stated in the DSU Plan are met, except in the event of an earlier change of control, in which case, the DSUs will vest fully upon such change of control.

During the year ended December 31, 2024, the Company granted 695,613 DSUs to the Company's directors and executives and recorded share-based compensation of $1.0 million. Each vested DSU entitles the holder to receive one common share of the Company or a cash payment equivalent to the closing price of one common share of the Company on the TSX on the last trading day preceding the DSU's redemption date. The DSUs granted in 2024 vested immediately.

Q4 2024 MD&A (table amounts expressed in thousands of US Dollars, except per share amounts and where otherwise noted)

At December 31, 2024, the following DSUs were outstanding and fully vested:

	Number of DSUs (000's)
Outstanding – December 31, 2023	2,276
Granted	696
Outstanding – December 31, 2024	2,972

DEFERRED REVENUE - SANDSTORM

The Company has an agreement (the "Sandstorm Agreement") to use future payments that it receives from its mineral property interests to purchase and deliver gold, silver and copper credits to Sandstorm Gold Ltd. ("Sandstorm").

Under the terms of the Sandstorm Agreement, Sandstorm provided the Company with a net deposit of C$30.9 million (the "Deposit") in exchange for the future delivery of gold, silver and copper credits equivalent to:

- 28.1% of Entrée's share of gold and silver, and 2.1% of Entrée's share of copper, produced from the Shivee Tolgoi mining licence (excluding the western portion formerly known as the Shivee West Property); and
- 21.3% of Entrée's share of gold and silver, and 2.1% of Entrée's share of copper, produced from the Javkhlant mining licence.

Upon the delivery of metal credits, Sandstorm will make a cash payment to the Company equal to the lesser of the prevailing market price and $220 per ounce of gold, $5 per ounce of silver and $0.50 per pound of copper (subject to inflation adjustments). After approximately 8.6 million ounces of gold, 40.3 million ounces of silver and 9.1 billion pounds of copper have been produced from the Project Property the cash payment will be increased to the lesser of the prevailing market price and $500 per ounce of gold, $10 per ounce of silver and $1.10 per pound of copper (subject to inflation adjustments). To the extent that the prevailing market price is greater than the amount of the cash payment, the difference between the two will be credited against the Deposit.

The Deposit has been accounted for as deferred revenue on the statement of financial position and is subject to foreign currency fluctuations upon conversion to US dollars at each reporting period. The Deposit contains a significant financing component and, as such, the Company recognizes a financing charge at each reporting period and grosses up the deferred revenue balance to recognize the significant financing element that is part of this contract at a discount rate of 8%.

Further information in relation to the Sandstorm Agreement is available in the Company's AIF dated March 12, 2025.

OTHER DISCLOSURES

Off-Balance Sheet Arrangements

Entrée has no off-balance sheet arrangements except for the contractual obligation noted above.

Related Party Transactions

The Company's related parties include key management personnel and directors. Direct remuneration paid to the Company's directors and key management personnel for the years ended December 31 were as follows:

	2024	2023
Directors' fees	$ 200	$ 216
Salaries and benefits	$ 995	$ 951
Share-based compensation	$ 1,199	$ 1,010

As of December 31, 2024, included in the accounts payable and accrued liabilities balance on the consolidated statement of financial position is $0.04 million (December 31, 2023 - $0.04 million) due to the Company's directors and key management personnel.

Q4 2024 MD&A (table amounts expressed in thousands of US Dollars, except per share amounts and where otherwise noted)

Upon a change of control of the Company, amounts totaling $1.3 million (December 31, 2023 - $1.4 million) may become payable to certain officers and management personnel of the Company.

Financial Instruments

a) *Fair value classification of financial instruments*

The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices). Level 3 inputs are for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash and cash equivalents, receivables, deposits, accounts payable and accrued liabilities, loan payable and lease liabilities.

The carrying values of cash and cash equivalents, receivables and accounts payable and accrued liabilities approximate their fair value due to their short terms to maturity.

The following table summarizes the classification and carrying values of the Company's financial instruments at December 31, 2024:

	FVTPL	Amortized cost (financial assets)	Amortized cost (financial liabilities)	Total
Financial assets				
Cash and cash equivalents	$ -	$ 2,378	$ -	$ 2,378
Receivables	-	226	-	226
Deposits	-	12	-	12
Total financial assets	$ -	$ 2,616	$ -	$ 2,616
Financial liabilities				
Accounts payable and accrued liabilities	$ -	$ -	$ 145	$ 145
Lease liabilities	-	-	348	348
Loan payable	-	-	15,934	15,934
Total financial liabilities	$ -	$ -	$ 16,427	$ 16,427

CRITICAL ACCOUNTING ESTIMATES, RISKS AND UNCERTAINTIES

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ materially from those estimates.

Measurement of the Company's assets and liabilities is subject to risks and uncertainties, including those related to reserve and resource estimates; title to mineral properties; future commodity prices; costs of future production; future costs of restoration provisions; changes in government legislation and regulations; future income tax amounts; the availability of financing; and various operational factors. The Company's estimates identified as being critical are substantially unchanged from those disclosed in the MD&A for the year ended December 31, 2024.

Entrée is a mineral exploration and development company and is exposed to a number of risks and uncertainties due to the nature of the industry in which it operates and the present state of development of its business and the foreign jurisdictions in which it carries on business; some of these risks and uncertainties have been discussed elsewhere in this MD&A. The discussion in this MD&A is not inclusive of all material risks and uncertainties. The material risks and uncertainties affecting Entrée, their potential impact, and the Company's principal risk-management strategies are substantially unchanged from those disclosed in the Company's AIF dated March 12, 2025 in respect of the year ended

December 31, 2024, which is available on SEDAR+ at www.sedarplus.ca, OTC Markets at www.otcmarkets.com and on the Company's website at www.EntreeResourcesLtd.com.

DISCLOSURE CONTROLS AND PROCEDURES

Management is responsible for establishing and maintaining disclosure controls and procedures, which provide reasonable assurance that material information relating to the Company and its subsidiaries is accumulated and communicated to management to allow timely decisions regarding required disclosure. Management has evaluated the effectiveness of its disclosure controls and procedures as of December 31, 2024 and believes its disclosure controls and procedures are effective.

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only a reasonable and not absolute assurance that the objectives of the control system are met. Further, the design of a control system reflects the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls is also based in part on certain assumptions about the likelihood of certain events, and there can be no assurance that any design can achieve its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management, including the Chief Executive Officer and Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting ("ICFR"). The Company's ICFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS, as issued by the International Accounting Standards Board. The Company's ICFR includes policies and procedures that: pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated financial statements in accordance with IFRS, as issued by the International Accounting Standards Board, and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the consolidated financial statements.

Because of their inherent limitations, ICFR can provide only reasonable assurance and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Evaluation of Effectiveness of ICFR

The Company's management (with the participation of the Chief Executive Officer and Chief Financial Officer) conducted an evaluation of the effectiveness of the Company's ICFR as of December 31, 2024. This evaluation was based on the criteria set forth in the 2013 Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on its evaluation, management concluded that it is effective and that no material weakness relating to design or operations exists.

FORWARD LOOKING INFORMATION

This MD&A contains forward-looking information within the meaning of applicable Canadian securities laws.

Forward-looking information includes, but is not limited to, statements with respect to corporate strategies and plans; requirements for additional capital; uses of funds and projected expenditures; arbitration proceedings, including the potential benefits, timing and outcome of arbitration proceedings; the Company's plans to continue discussions with OTLLC and Rio Tinto regarding a potential conversion of the Entrée/Oyu Tolgoi JVA; the Company's plans to continue discussions with the Government of Mongolia regarding the potential for the State to share in 34% of the economic benefit of the Company's interest in the Entrée/Oyu Tolgoi JV Property pursuant to applicable laws of Mongolia; the Company's ability to transfer the Shivee Tolgoi and Javkhlant mining licences to OTLLC pursuant to the License Transfer Agreements; the potential for Entrée to be included in or otherwise receive the benefits of the Oyu Tolgoi Investment Agreement; the expectations set out in OTFS20 and the 2021 Technical Report on the Company's interest in the Entrée/Oyu Tolgoi JV Property; timing and status of Oyu Tolgoi underground development; the expected timing of development work on the Shivee Tolgoi mining licence and the potential for delay if the Shivee Tolgoi mining licence cannot be transferred to OTLLC in a timely fashion; the nature of the ongoing relationship and interaction between OTLLC and Rio Tinto and the Government of Mongolia and Erdenes Oyu Tolgoi LLC with respect to the continued operation and development of Oyu Tolgoi; the technical studies for Lift 1 Panels 1 and 2, OTFS23, the Lift 2 Pre-Feasibility Study, and the updated resource model for Hugo North (including Hugo North Extension) Lifts 1 and 2 and the possible outcomes, content and timing thereof; timing and amount of production from Lifts 1 and 2 of the Entrée/Oyu Tolgoi JV Property, potential production delays and the impact of any delays on the Company's cash flows, expected copper, gold and silver grades, liquidity, funding requirements and planning; future commodity prices; the estimation of mineral reserves and resources; projected mining and process recovery rates; estimates of capital and operating costs, mill and concentrator throughput, cash flows and mine life; capital, financing and project development risk; mining dilution; potential actions by the Government of Mongolia with respect to the Shivee Tolgoi and Javkhlant mining licences and Entrée's interest in the Entrée/Oyu Tolgoi JV Property; potential size of a mineralized zone; potential expansion of mineralization; potential discovery of new mineralized zones; potential metallurgical recoveries and grades; plans for future exploration and/or development programs and budgets; permitting time lines; anticipated business activities; proposed acquisitions and dispositions of assets; and future financial performance.

In certain cases, forward-looking information can be identified by words such as "plans", "expects" or "does not expect", "is expected", "budgeted", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", "will be taken", "occur" or "be achieved". While the Company has based this forward-looking information on its expectations about future events as at the date that such information was prepared, the information is not a guarantee of Entrée's future performance and is based on numerous assumptions regarding present and future business strategies; the correct interpretation of agreements, laws and regulations; the commencement and conclusion of arbitration proceedings, including the potential benefits, timing and outcome of arbitration proceedings; the potential benefits, timing and outcome of discussions with the Government of Mongolia, Erdenes Oyu Tolgoi LLC, OTLLC, and Rio Tinto; the future ownership of the Shivee Tolgoi and Javkhlant mining licences; that the Company will continue to have timely access to detailed technical, financial, and operational information about the Entrée/Oyu Tolgoi JV Property, the Oyu Tolgoi project, and government relations to enable the Company to properly assess, act on, and disclose material risks and opportunities as they arise; local and global economic conditions and the environment in which Entrée will operate in the future, including commodity prices, projected grades, projected dilution, anticipated capital and operating costs, including inflationary pressures thereon resulting in cost escalation, and anticipated future production and cash flows; the anticipated location of certain infrastructure and sequence of mining within and across panel boundaries; the construction and continued development of the Oyu Tolgoi underground mine; the status of Entrée's relationship and interaction with the Government of Mongolia, Erdenes Oyu Tolgoi LLC, OTLLC, and Rio Tinto; and the Company's ability to operate sustainably, its community relations, and its social licence to operate.

With respect to the construction and continued development of the Oyu Tolgoi underground mine, important risks, uncertainties and factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking information include, amongst others, an uncertain and unstable global economic and political environment, including China U.S. tensions and the indirect impacts of war in Ukraine and conflict in the Middle East, which could lead to falling commodity prices, trade actions (including increased tariffs, retaliations, and sanctions), and government efforts to exert more control over natural resources or to protect domestic economies by changing contractual, regulatory, or tax measures; the impacts of climate change and the transition to a low-carbon future; the nature of the ongoing relationship and interaction between OTLLC, Rio Tinto, Erdenes Oyu Tolgoi LLC and the

Government of Mongolia with respect to the continued operation and development of Oyu Tolgoi; the continuation of undercutting in accordance with the mine plans and designs in OTFS23; applicable taxes and royalty rates; the future ownership of the Shivee Tolgoi and Javkhlant mining licences; the amount of any future funding gap to complete the Oyu Tolgoi project and the availability and amount of potential sources of additional funding; the timing and cost of the construction and expansion of mining and processing facilities; inflationary pressures on prices for critical supplies for Oyu Tolgoi resulting in cost escalation; the ability of OTLLC or the Government of Mongolia to deliver a domestic power source for Oyu Tolgoi (or the availability of financing for OTLLC or the Government of Mongolia to construct such a source) within the required contractual timeframe; sources of interim power; OTLLC's ability to operate sustainably, its community relations, and its social license to operate in Mongolia; the impact of changes in, changes in interpretation to or changes in enforcement of, laws, regulations and government practises in Mongolia; delays, and the costs which would result from delays, in the development of the underground mine; the anticipated location of certain infrastructure and sequence of mining within and across panel boundaries; projected commodity prices and their market demand; and production estimates and the anticipated yearly production of copper, gold and silver at the Oyu Tolgoi underground mine.

The 2021 PEA is based on a conceptual mine plan that includes Inferred mineral resources. Numerous assumptions were made in the preparation of the 2021 PEA, including with respect to mineability, capital and operating costs, including inflationary pressures thereon resulting in cost escalation, production schedules, the timing of construction and expansion of mining and processing facilities, and recoveries, that may change materially once production commences at Hugo North Extension Lift 1 and additional development and capital decisions are required. Any changes to the assumptions underlying the 2021 PEA could cause actual results to be materially different from any future results, performance or achievements expressed or implied by forward-looking information relating to the 2021 PEA.

Other risks, uncertainties and factors which could cause actual results, performance or achievements of the Company to differ materially from future results, performance or achievements expressed or implied by forward-looking information include, amongst others, unanticipated costs, expenses or liabilities; discrepancies between actual and estimated production, mineral reserves and resources and metallurgical recoveries; the impacts of geopolitics on trade and investment; trade tensions between the world's major economies; development plans for processing resources; matters relating to proposed exploration or expansion; mining operational and development risks, including geotechnical risks and ground conditions; regulatory restrictions (including environmental regulatory restrictions and liability); risks related to international operations, including legal and political risk in Mongolia; risks related to the potential impact of global or national health concerns; risks associated with changes in the attitudes of governments to foreign investment; risks associated with the conduct of joint ventures, including the ability to access detailed technical, financial and operational information; risks related to the Company's significant shareholders, and whether they will exercise their rights or act in a manner that is consistent with the best interests of the Company and its other shareholders; inability to upgrade Inferred mineral resources to Indicated or Measured mineral resources; inability to convert mineral resources to mineral reserves; conclusions of economic evaluations; fluctuations in commodity prices and demand; changing foreign exchange rates; the speculative nature of mineral exploration; the global economic climate; dilution; share price volatility; activities, actions or assessments by Rio Tinto or OTLLC and by government stakeholders or authorities including Erdenes Oyu Tolgoi LLC and the Government of Mongolia; the availability of funding on reasonable terms; the impact of changes in interpretation to or changes in enforcement of laws, regulations and government practices, including laws, regulations and government practices with respect to mining, foreign investment, strategic deposits, royalties and taxation; the terms and timing of obtaining necessary environmental and other government approvals, consents and permits; the availability and cost of necessary items such as water, skilled labour, transportation and appropriate smelting and refining arrangements; unanticipated reclamation expenses; changes to assumptions as to the availability of electrical power, and the power rates used in operating cost estimates and financial analyses; changes to assumptions as to salvage values; ability to maintain the social license to operate; accidents, labour disputes and other risks of the mining industry; global climate change; global conflicts; natural disasters; the impacts of civil unrest; breaches of the Company's policies, standards and procedures, laws or regulations; increasing societal and investor expectations, in particular with regard to environmental, social and governance considerations; the impacts of technological advancements; title disputes; limitations on insurance coverage; competition; loss of key employees; cyber security incidents; misjudgements in the course of preparing forward-looking information; and those factors discussed in the section entitled "Critical Accounting Estimates, Risks and Uncertainties" in this MD&A and in the section entitled "Risk Factors" in the AIF. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events, or otherwise. Accordingly, readers should not place undue reliance on forward-looking information.

TECHNICAL INFORMATION

Robert Cinits, P.Geo., has approved the technical disclosure in this MD&A. Mr. Cinits is a Qualified Person ("QP") as defined by NI 43-101.

Cautionary Note to United States Investors - Canadian Disclosure Standards in Mineral Resources and Mineral Reserves

All mineral reserve and mineral resource estimates included in this MD&A have been prepared in accordance with NI 43-101, which incorporates by reference the definitions of the terms ascribed by the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") in the *CIM Definition Standards for Mineral Resources and Mineral Reserves*, adopted by the CIM Council on May 10, 2014, as may be amended from time to time by the CIM.

NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral properties. NI 43-101 differs from the disclosure requirements of the United States Securities and Exchange Commission generally applicable to U.S. companies.

Accordingly, descriptions of mineral deposits contained in this MD&A may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.