



ENTRÉE RESOURCES ANNOUNCES FORMAL EXECUTION OF JOINT VENTURE AGREEMENT WITH OYU TOLGOI LLC

Vancouver, B.C., February 3, 2025 – Entrée Resources Ltd. (TSX:ETG; OTCQB:ERLFF – the “**Company**” or “**Entrée**”) is pleased to announce its Joint Venture Agreement with Oyu Tolgoi LLC (“**OTLLC**”), which the parties have been operating under since formation of the Entrée/Oyu Tolgoi joint venture on June 30, 2008 (the “**Joint Venture**”), has been formally executed and delivered by the parties.

Stephen Scott, the Company’s President & CEO commented, “I am extremely happy that the Joint Venture Agreement has finally been executed after 16 years of operation. Despite being a formality, execution is a necessary step to enable the parties to initiate the transfer of the Joint Venture licenses to OTLLC in accordance with applicable Mongolian laws and as provided for under the Joint Venture Agreement. We look forward to continuing to work with our partners towards potential conversion of the Joint Venture Agreement into a more efficient arrangement to the benefit of all stakeholders. I appreciate the resilience and patience of Entrée’s loyal shareholders as we continue this journey together.”

The Joint Venture Agreement is substantially in the form annexed to the 2004 Equity Participation and Earn-in Agreement (as amended and assigned by Turquoise Hills Resources Ltd. (“**Turquoise Hill**”) to OTLLC) and has an effective date of June 30, 2008, as amended on February 3, 2025 (the “**JV Agreement**”).

Execution and delivery of the JV Agreement represents the first step in the implementation of the partial final award (the “**Award**”) made on December 19, 2024, by the three-member international arbitration Tribunal appointed in connection with the Company’s binding arbitration proceedings against OTLLC and Turquoise Hill (see the Company’s [News Release](#) dated December 19, 2024, titled “Entrée Resources Wins Arbitration Decision”).

The next step to be undertaken by the parties to implement the Award is the transfer of title to the Shivee Tolgoi and Javkhlant mining licenses (the “**Licenses**”) from the Company’s wholly owned subsidiary Entrée LLC to OTLLC as Manager of the Joint Venture. All fees and taxes assessed on the transfer of the Licenses pursuant to applicable laws of Mongolia will be for the account of the Joint Venture, with OTLLC contributing Entrée’s 20% share as a loan under Section 10.1 of the JV Agreement. Timely transfer of the Licenses 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.

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

The Company has also agreed with OTLLC that, concurrently with the implementation of the Award, the parties will continue to work towards potential conversion of the JV Agreement into a more effective agreement of equivalent economic value. The agreement would include a mechanism for Entrée to fulfil any obligation under Mongolian law to share with the State up to 34% of Entrée's economic benefit from the License area. Conversion of the JV Agreement would be subject to Toronto Stock Exchange 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.

Shivee West Property

When the Joint Venture was formed in 2008, the Company retained a 100% interest in the western portion of the Shivee Tolgoi license (the “**Shivee West Property**”). Between 2002 and 2012, the Company conducted extensive drilling and exploration work on the Shivee West Property. No economic zones of precious or base metals mineralization were outlined and there are no plans to undertake any exploration work in the future.

Given the significant cost associated with holding the Shivee West Property (US\$350,000 per annum), in 2015 the Company assessed its options to reduce expenditures. Following extensive consultation with tax and legal advisors, the Company determined that including the Shivee West Property in the Joint Venture was preferable to relinquishing the ground, which was the only other viable option identified.

On October 1, 2015, the Company and Entrée LLC entered into a License Fees Agreement with OTLLC (the “**License Fees Agreement**”). Under the License Fees Agreement, the Company recorded its intention to assign an 80% or 70% (depending on the depth of mineralization) beneficial interest in the Shivee West Property to OTLLC by amending the definition of “Properties” in the JV Agreement (the “**Assignment**”). Following the Assignment, the 20% or 30% beneficial interest retained by the Company would become a carried interest subject to the loan provisions of the JV Agreement and all future exploration work would be undertaken by OTLLC as Manager of the Joint Venture. Since 2015, the license fees for the Shivee West Property have been for the account of the Joint Venture participants, with OTLLC contributing Entrée's 20% share as a loan.

Effective February 3, 2025, the definitions of “Existing Licenses” and “Properties” in the JV Agreement have been amended such that the entire Shivee Tolgoi mining license area, including the Shivee West Property, is part of the Joint Venture “Properties” for all purposes under the JV Agreement. No other substantive amendments have been made to the JV Agreement.

Regulatory Approval

OTLLC is a “related party” and the Assignment is a “related party transaction” for the purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) by virtue of the fact that Rio Tinto International Holdings Limited (“**RTIH**”) is a control person of OTLLC and RTIH has beneficial ownership of, or control or direction over, directly or indirectly, common shares of the Company carrying more than 10% of the voting rights attached to all the Company's outstanding common shares. OTLLC was not a related party at the time the other terms and conditions of the JV Agreement were negotiated and agreed, and accordingly only the Assignment is considered a related party transaction.

On January 23, 2025, the Company received Toronto Stock Exchange conditional acceptance of the Assignment.

The Assignment is exempt from the formal valuation and shareholder approval requirements provided under MI 61-101 based on the fact that at the time the Assignment was agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the Assignment, exceeds 25% of the Company's market capitalization.

The Company does not consider the Assignment to be material, and the Assignment does not affect control of the Company. All directors of the Company are independent of OTLLC and RTIH.

A copy of the JV Agreement will be available on the Company's website at www.EntreeResourcesLtd.com, on SEDAR+ at www.sedarplus.ca, and on OTC Markets at www.otcmarkets.com

ABOUT ENTRÉE RESOURCES LTD.

Entrée Resources Ltd. is a Canadian mining company with a unique carried joint venture interest on a significant portion of one of the world's largest copper-gold projects – the Oyu Tolgoi project in Mongolia. Entrée has a 20% or 30% carried participating interest in the Entrée/Oyu Tolgoi Joint Venture, depending on the depth of mineralization. Horizon Copper Corp. and Rio Tinto are major shareholders of Entrée, beneficially holding approximately 24% and 16% of the shares of the Company, respectively. More information about Entrée can be found at www.EntreeResourcesLtd.com.

FURTHER INFORMATION

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This News Release contains forward-looking information within the meaning of applicable Canadian securities laws with respect to corporate strategies and plans; arbitration proceedings, including the potential benefits, timing and outcome of arbitration proceedings; implementation of the Tribunal Award; the Company's plans to continue discussions with OTLLC and Rio Tinto regarding a potential conversion of the JV Agreement; 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 Joint Venture property pursuant to applicable laws of Mongolia; the Company's ability to transfer the Licenses from Entrée LLC to OTLLC; timing and status of Lift 1 Panel 1 underground development and the potential for delay if the Shivee Tolgoi mining license cannot be transferred to OTLLC in a timely fashion; anticipated business activities; dispositions of assets; the ability of the Company to meet its business objectives; 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 Javhlant mining licenses; that the Company will continue to have timely access to detailed technical, financial, and operational information about the Entrée/Oyu Tolgoi Joint Venture 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 license 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, the current economic climate and the significant volatility, uncertainty and disruption arising in connection with the Ukraine conflict; 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 the 2023 Oyu Tolgoi Feasibility Study; applicable taxes and royalty rates; the future ownership of the Shivee Tolgoi and Javhlant mining licenses; 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 practices 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.

Other risks, uncertainties and factors which could cause actual results, performance or achievements of Entrée 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; 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; the impacts of the Ukraine conflict; breaches of the Company's policies, standards and procedures, laws or regulations; trade tensions between the world's major economies; 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 Company's most recently filed MD&A and in the Company's Annual Information Form for the financial year ended December 31, 2023, dated March 8, 2024 filed with the Canadian Securities Administrators and available at www.sedarplus.ca. 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. Accordingly, readers should not place undue reliance on forward-looking information. The Company is under no obligation to update or alter any forward-looking information except as required under applicable securities laws.