Management's Discussion and Analysis
Year Ended December 31, 2023

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

March 8, 2024

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, 2023 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").

2023 HIGHLIGHTS

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 Oyu Tolgoi LLC ("OTLLC") and the Entrée/Oyu Tolgoi JV Property, which is a joint venture partnership 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).

- Ramp up of the Oyu Tolgoi Lift 1 underground mine, which incorporates the development of three panels (Panels 0, 1, and 2), continued during 2023. Oyu Tolgoi is set to become the fourth largest copper mine in the world by 2030, with the operation expected to deliver average mined copper production of ~500 thousand tonnes per annum ("ktpa") between 2028 and 2036.
- On March 13, 2023, Rio Tinto announced the commencement of underground production from Oyu Tolgoi Lift 1 Panel 0 on the Oyu Tolgoi mining licence. As at December 31, 2023, 86 Lift 1 Panel 0 draw bells had been opened, including 67 draw bells during 2023.
- Construction of conveyor to surface works continued to plan and was approaching 88% completion at the end of the year. Commissioning is expected in the second half 2024. Construction works for the concentrator conversion also remains on schedule. Commissioning is expected to be progressively completed between the fourth quarter 2024 through to the second quarter 2025. Construction of Primary Crusher 2 commenced in December 2023 and is expected to be completed by the end of 2025.
- Shaft sinking continued during 2023. At the end of December, Shaft 3 reached 923 metres below ground level (82% sunk) and Shaft 4 reached 1,013 metres below ground level (86% sunk). Final depths required for Shafts 3 and 4 are 1,130 metres and 1,176 metres below ground level, respectively. OTLLC expects both shafts to be commissioned in the second half 2024.
- Technical studies for Panels 1 and 2 mine design and schedule optimization were completed by OTLLC during the second quarter 2023. The Hugo North Extension ("HNE") deposit on the Entrée/Oyu Tolgoi JV Property is located at the northern portion of Panel 1. According to Rio Tinto:
  - 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 OTLLC’s 2023 Oyu Tolgoi Feasibility Study ("OTFS23") which has been submitted to and is under review by applicable regulatory bodies in Mongolia. Entrée is currently reviewing OTFS23 but does not anticipate any material changes to underground development cost or schedule for the Entrée/Oyu Tolgoi JV Property.
- Rio Tinto reported during its July 11, 2023 investor site visit that with the technical studies for Panels 1 and 2 completed, attention is shifting to the design of Lift 2. Drilling programs to support a Lift 2 Pre-Feasibility Study are in progress. An updated resource model for Hugo North (including Hugo North Extension) is expected to be completed in 2024 and will include mineralization from Lift 2.

Entrée/Oyu Tolgoi JV Property Update

- First Lift 1 Panel 1 development work on the Shivee Tolgoi mining licence is expected to commence in 2024. Development work will start in the southwest corner of the HNE deposit and will establish the initial Panel 1 western ore handling truck chute, including extraction level tipple development, the truck chute chamber on the haulage level, and the supporting ventilation loop with the return air level. OTLLC has advised the Company all 2024 development will be in rock classified as waste, which will be stockpiled separately and sampled in accordance with OTLLC’s standard sampling protocols and procedures.
- In 2023, OTLLC completed an in-fill diamond drilling program at HNE comprising both underground holes (25 holes totaling ~6,577 metres drilled on the Shivee Tolgoi mining licence) and surface holes (7 holes totaling ~6,753 metres). Additional HNE underground and surface in-fill diamond drilling on the Shivee Tolgoi mining licence is planned for 2024 (~14,128 metres of underground drilling in 25 holes and ~6,840 metres of surface drilling in 4 holes). The principal purpose for the drilling is to support the Lift 2 Pre-Feasibility Study and the updated resource model for Hugo North (including Hugo North Extension).
- OTLLC is also proposing ~8,785 metres of diamond drilling in 5 surface holes on the Heruga deposit (Javhlant mining licence) in 2024 to increase ore body knowledge and support an Order of Magnitude Study. No drilling has been conducted on the Heruga deposit since 2008.
- In 2023, OTLLC completed an exploration program on the Shivee Tolgoi mining licence that included 2,880 metres of diamond drilling in 4 holes and a 40.4 line kilometre dipole-dipole induced polarization geophysical survey at Ulaan Khud South. OTLLC also completed integrated geological-geophysical 3D modelling at the Airstrip and Ductile Shear targets.
- 2023 exploration on the Javhlant mining licence included 2,263.4 metres of diamond drilling in 3 holes and a 39.6 line kilometre dipole-dipole induced polarization geophysical survey at the Railway target. Integrated geological-geophysical 3D modelling was completed at the SEIP, West Mag and East Bumbat Ulaan targets.
- OTLLC is in the process of finalizing an exploration program and budget for 2024. On the Shivee Tolgoi mining licence, the program is expected to focus on the Airstrip and Ulaan Khud South targets, including ~2,500 metres of diamond drilling at Ulaan Khud South and geological and geophysical studies. On the Javhlant mining licence, work will be conducted on the Bumbat Ulaan, East Bumbat Ulaan, and West Heruga targets and will include ~1,800 metres of reverse circulation ("RC") drilling at Bumbat Ulaan, diamond drilling at West Heruga, and geological studies.

Corporate

- For the 2023 fiscal year, the Company’s operating loss was $4.5 million compared to $3.6 million in 2022. The increase from was mainly due to legal costs for both commercial negotiations with OTLLC and Rio Tinto and the arbitration proceedings.
- For the 2023 fiscal year, the operating cash outflow before changes in non-cash working capital items was $3.1 million compared to $2.4 million in 2022.
- Share purchase warrants to purchase 5,139,000 common shares with an exercise price of C$0.60 were exercised resulting in gross proceeds of C$3.1 million being received by the Company for the 2023 fiscal year.

- Stock options to purchase 1,200,000 common shares with exercise prices ranging from C$0.55 to C$0.77 were exercised resulting in gross proceeds of C$0.7 million being received by the Company.
- As at December 31, 2023, the cash balance was $6.1 million and the working capital balance was $6.1 million.
- On September 5, 2023, the Company voluntarily filed a Form 15 with the United States Securities and Exchange Commission for the purpose of terminating the registration of the Company's common shares under Section 12(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and suspending its reporting obligations under Sections 13(a) and 15(d) of the Exchange Act. The Company's common shares have not traded on a national securities exchange in the United States since the Company voluntarily withdrew its common shares from listing on NYSE American LLC in 2019. The Company's shares continue to trade in Canada on the Toronto Stock Exchange ("TSX") under the symbol "ETG" and in the United States on the Over-the-Counter OTCQB Venture Market ("OTCQB") under the symbol "ERLFF".
- The Company's primary objective is to confirm the transfer of the Shivee Tolgoi and Javhlant mining licences from the Company's Mongolian subsidiary to OTLLC as contemplated by the Entrée/Oyu Tolgoi Joint Venture Agreement (the "Entrée/Oyu Tolgoi JVA"), either in conjunction with finalization, execution, and closing of a definitive agreement with OTLLC to restructure or amend the existing Entrée/Oyu Tolgoi JVA to streamline the operating environment for both parties, or enforcement of certain provisions of the 2004 Equity Participation and Earn-in Agreement (the "Earn-in Agreement") and Entrée/Oyu Tolgoi JVA pursuant to binding arbitration proceedings commenced by the Company in May 2022.
- The commencement of binding arbitration proceedings followed protracted discussions with Rio Tinto and OTLLC. The arbitration was commenced in Vancouver, British Columbia under the *International Commercial Arbitration Act* (British Columbia). A three-member Tribunal has been appointed and a merits hearing has been set for April 2024. Notwithstanding the commencement of arbitration proceedings, the Company remains committed to seeking a commercial resolution with Rio Tinto and OTLLC and the parties continue to make progress.
- The Company has also been in discussions with Erdenes Oyu Tolgoi LLC regarding the potential for the Government of Mongolia and Erdenes Oyu Tolgoi LLC to conclude an agreement with the Company for the State to share in 34% of the economic benefit of the Company's interest in the Entrée/Oyu Tolgoi Property. 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 where proven reserves were determined through funding sources other than the State budget. The HNE copper-gold deposit on the Shivee Tolgoi mining licence and the Heruga copper-gold-molybdenum deposit on the Javhlant mining licence are part of the Oyu Tolgoi strategic deposit.

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 joint venture property (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 Government of Mongolia), and the Entrée/Oyu Tolgoi JV Property, a significant component of the overall project that is under partnership between OTLLC and Entrée. The Entrée/Oyu Tolgoi JV Property (see Figure 1 below) comprises the eastern portion of the Shivee Tolgoi mining licence, and all of the Javhlant mining licence, which mostly surround the Oyu Tolgoi mining licence. Both the Shivee Tolgoi and Javhlant mining licences are held by Entrée. The terms of the Entrée/Oyu Tolgoi joint venture (the "Entrée/Oyu Tolgoi JV") state that 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, 2023 and the date of this MD&A, Rio Tinto beneficially owned 32,788,629 common shares, or 16.1% of the outstanding shares of the Company. As at December 31, 2023 and the date of this MD&A, Horizon Copper Corp. beneficially owned 49,672,515 common shares, or 24.4% of the outstanding shares of the Company.

OUTLOOK AND STRATEGY

Entrée's primary objective is to confirm the transfer of the Shivee Tolgoi and Javhlant mining licences to OTLLC as contemplated by the Entrée/Oyu Tolgoi JVA, either in conjunction with finalization, execution, and closing of an agreement with OTLLC to restructure or amend the existing Entrée/Oyu Tolgoi JVA to streamline the operating environment for both parties, or enforcement of certain provisions of the Earn-in Agreement and Entrée/Oyu Tolgoi JVA pursuant to binding arbitration proceedings commenced by the Company in 2022. The Company currently is registered in Mongolia as the 100% ultimate holder of the licences.

The commencement of arbitration proceedings followed protracted discussions with Rio Tinto and OTLLC to confirm the transfer of the Shivee Tolgoi and Javhlant mining licences to OTLLC. The arbitration was commenced in Vancouver, British Columbia under the *International Commercial Arbitration Act* (British Columbia). A three-member Tribunal has been appointed and a merits hearing has been set for April 2024.

Notwithstanding the commencement of arbitration proceedings, the Company remains committed to seeking a commercial resolution with Rio Tinto and OTLLC and the parties continue to make progress. Any definitive agreement reached between the Company and OTLLC to restructure or amend the existing Entrée/Oyu Tolgoi JVA would be subject to TSX acceptance and the requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* applicable to a related party transaction. There are no assurances that a definitive agreement will be finalized and executed, or if finalized and executed, that the transaction would close.

The Company is also in discussions with Erdenes Oyu Tolgoi LLC (the State-owned company that holds the Government's 34% interest in OTLLC) regarding the potential for the Government of Mongolia and Erdenes Oyu Tolgoi LLC to conclude an agreement with the Company for the State to share in 34% of the economic benefit of the Company's interest in the Entrée/Oyu Tolgoi JV Property. 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 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 Javhlant mining licence are mineral deposits of strategic importance.

ENTRÉE/OYU TOLGOI JV PROPERTY AND SHIVEE WEST PROPERTY – MONGOLIA

2021 Technical Report Highlights

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.

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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.

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"). OTFS20 was completed by OTLLC in July 2020 and discusses the mine plan for Lift 1 of the Hugo North/Hugo North Extension underground block caves on the Oyu Tolgoi mining licence and the Entrée/Oyu Tolgoi JV Property. The Lift 1 mine plan incorporates the development of three panels (Panels 0, 1, and 2), and in order to reach the full sustainable production rate of 95,000 tonnes per day ("tpd") from the underground operations all three panels need to be in production. The Hugo North Extension deposit on the Entrée/Oyu Tolgoi JV Property is located at the northern portion of Panel 1.

Life-of-mine ("LOM") highlights of the production and financial results from the 2021 Reserve Case and the 2021 PEA are summarized as follows:

Entrée/Oyu Tolgoi JV Property	Units	2021 Reserve Case (Lift 1)	2021 PEA (Lift 2)
Entrée Attributable Financial Results			
Cash Flow, pre-tax	US$M	449	1,982
NPV(5%), after-tax	US$M	185	541
NPV(8%), after-tax	US$M	131	306
NPV(10%), after-tax	US$M	104	213
LOM Recovered Metal			
Copper Recovered	Mlb	1,249	4,564
Gold Recovered	koz	549	2,025
Silver Recovered	koz	3,836	15,067
LOM Processed Material			
Probable Reserve Feed		40 Mt @ 1.54% Cu, 0.53 g/t Au, 3.63 g/t Ag	----
Indicated Resource Feed		----	77.9 Mt @ 1.35% Cu, 0.49 g/t Au, 3.6 g/t Ag (1.64% CuEq)
Inferred Resource Feed		----	87.8 Mt @ 1.35% Cu, 0.49 g/t Au, 3.6 g/t Ag (1.64% CuEq)
Average LOM Costs Per Pound Payable Copper			
Cash Costs Before Credits	$/lb	$1.57	$1.10
Cash Costs After Credits (C1)	$/lb	$0.79	$0.30
All-in-Sustaining Costs After Credits (AISC)	$/lb	$1.26	$0.92

Notes:

1. Mineral reserves in the 2021 Reserve Case, and mineral resources in the 2021 PEA mine plan are reported on a 100% basis.
2. Entrée has a 20% interest in the above processed material and recovered metal.
3. The mineral reserves that form the basis of the 2021 Reserve Case are from a separate portion of the Hugo North Extension deposit than the mineral resources in the 2021 PEA.
4. Copper equivalent ("CuEq") is calculated as shown in the notes to the Entrée/Oyu Tolgoi JV Property Mineral Resources table below.
5. 2021 Reserve Case cash flows are discounted to the beginning of 2021.
6. 2021 PEA cash flows are discounted to the beginning of 2027, the assumed beginning of Hugo North Lift 2 development. Attributable Entrée/Oyu Tolgoi JV production is assumed to begin in 2031 and ramps up to stable production in 2043. Final Entrée/Oyu Tolgoi JV attributable production is assumed to conclude in 2056.

7. The 2021 Reserve Case and 2021 PEA are exclusive of each other.
8. Indicated and Inferred resource average expected run-of-mine feed grade of 1.35% copper, 0.49 g/t gold, and 3.6 g/t silver (1.64% CuEq) includes dilution and mine losses.
9. "Cash costs after credits" (C1) and all-in sustaining cost (AISC) are non-IFRS performance measurements. See "Non-IFRS Performance Measurements" below for further information.

All figures shown for both cases are reported on a 100% Entrée/Oyu Tolgoi JV basis, unless otherwise noted as attributable to Entrée. Both cases assume long term metal prices of $3.25/lb copper, $1,591.00/oz gold and $21.08/oz silver.

The economic analysis in the 2021 PEA is based on a conceptual mine plan and does not have as high a level of certainty as the 2021 Reserve Case. The 2021 PEA is preliminary in nature and includes Inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the 2021 PEA will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

In both the 2021 Reserve Case and the 2021 PEA, Entrée is only reporting the production and cash flows attributable to the Entrée/Oyu Tolgoi JV Property, not production and cash flows for other Oyu Tolgoi project areas owned 100% by OTLLC. The production and cash flows from the 2021 Reserve Case and the 2021 PEA are from separate parts of the Hugo North Extension deposit and there is no overlap of the mineralization.

The 2021 Reserve Case and the 2021 PEA are mutually exclusive. If the 2021 Reserve Case is developed and brought into production, the mineralization from Hugo North Extension Lift 2 is not sterilized or reduced in tonnage or grades. 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.

Neither OTFS20 nor the results of the 2021 Reserve Case and 2021 PEA reflect the impacts of the COVID-19 pandemic or other known delays. In particular, OTLLC currently expects first development work on Hugo North Extension Lift 1 in H2 2024 and first production from the Panel 1 undercut (on the Oyu Tolgoi mining licence) in H1 2027 due to later than planned commencement of the Panel 0 undercut on the Oyu Tolgoi mining licence, lateral development scope changes, impacts of COVID-19 on development progression and delays to the forecast completion dates for Shafts 3 and 4. OTLLC currently expects Shafts 3 and 4 to be commissioned in the second half 2024.

The Company continues to monitor the situation in Mongolia including with respect to possible delays to commencement of Panel 1. The Company will assess the potential impact of any delays as it becomes aware of them and will update the market accordingly.

The cash flows in the 2021 Reserve Case and 2021 PEA are based on certain assumptions regarding taxes and royalties, including that Entrée will ultimately have the benefit of the standard royalty rate of 5% of sales value, payable by OTLLC under the 2009 Oyu Tolgoi Investment Agreement (the "Oyu Tolgoi Investment Agreement") among the Government of Mongolia, OTLLC, Rio Tinto and Turquoise Hill Resources Ltd. ("Turquoise Hill"). Unless and until Entrée finalizes agreements with the Government of Mongolia or other Oyu Tolgoi stakeholders or enforces certain provisions of the Earn-in Agreement and Entrée/Oyu Tolgoi JVA pursuant to binding arbitration proceedings, there can be no assurance that the Entrée/Oyu Tolgoi JV will not be subject to additional taxes and royalties, such as the surtax royalty which came into effect in Mongolia on January 1, 2011, which could have an adverse effect on Entrée's future cash flow and financial condition. In the course of finalizing such agreements or enforcing such provisions, Entrée may have to make certain concessions, including with respect to sharing 34% of the economic benefit of Entrée's interest in the Entrée/Oyu Tolgoi JV Property with the State.

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

The "Entrée/Oyu Tolgoi JV Project" (shown on Figure 1 below) comprises the Entrée/Oyu Tolgoi JV Property and the Shivee West Property (see "Shivee West Property Summary" below). The Entrée/Oyu Tolgoi JV Project 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.

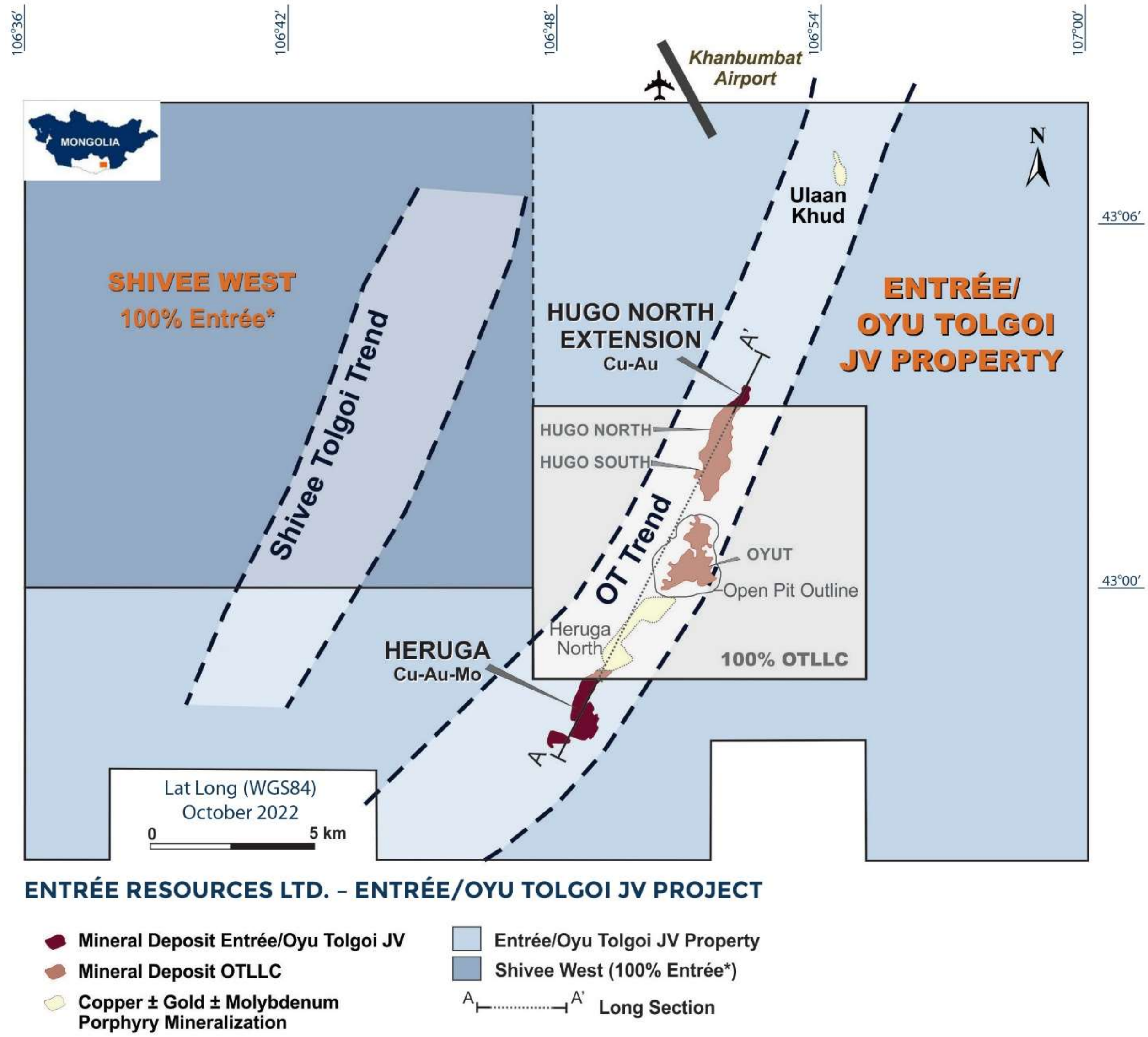
The Entrée/Oyu Tolgoi JV Project is located within the Aimag (province) of Ömnögovi in the South Gobi region of Mongolia, about 570 kilometres ("km") south of the capital city of Ulaanbaatar and 80 km north of the border with China.

The Entrée/Oyu Tolgoi JV Property comprises the eastern portion of the Shivee Tolgoi mining licence and all of the Javhlant mining licence, and 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 on the Oyu Tolgoi mining licence. The 2021 Reserve Case assumes initial development production will start on the Entrée/Oyu Tolgoi JV Property in H2 2022.
  - 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 Project



Notes:

1. *The Shivee West Property is subject to a License Fees Agreement between Entrée and OTLLC and may ultimately be included in the Entrée/Oyu Tolgoi JV Property.
2. Outline of copper ± gold ± molybdenum porphyry mineralization is projected to surface.
3. 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 project. 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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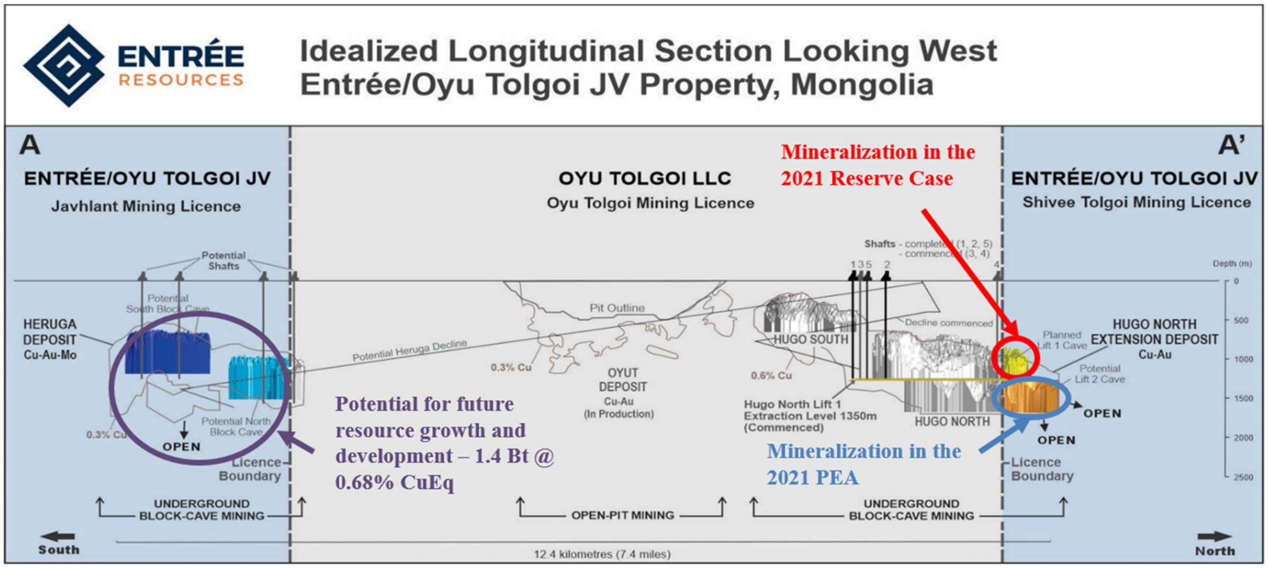
Figure 2 – Section Through the Oyu Tolgoi Trend of Porphyry Deposits



In addition to the two deposits, priority exploration targets have been identified on the Entrée/Oyu Tolgoi JV Property, including Ulaan Khud South, Airstrip, Ductile Shear, Ridge, Eagle, East Au, Bumbat Ulaan, East Bumbat Ulaan, West Mag, Railway, Raven, West Heruga, North SEIP, SEIP, and Castle Rock. Additional targets exist on the Shivee West Property that remain to be further explored.

The 2021 Technical Report forms the basis for the scientific and technical information in this MD&A regarding the Entrée/Oyu Tolgoi JV Project. 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 8, 2024 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

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 1 – 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 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.

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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.

Entrée/Oyu Tolgoi JV Property mineral reserves are contained within the Hugo North Extension Lift 1 block cave mining plan. The mine design work on Hugo North Lift 1, including the Hugo North Extension, was prepared by OTLLC and was 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 2 – 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 NSR of $17.84/t was used to define the footprint and column heights. The NSR calculation assumed metal prices of $3.08/lb Cu, $1,292.00/oz Au, and $19.00/oz Ag. 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.

Shivee West Property Summary

The Shivee West Property comprises the northwest portion of the Entrée/Oyu Tolgoi JV Project and adjoins the Entrée/Oyu Tolgoi JV Property and OTLLC's Oyu Tolgoi mining licence (see Figure 1 above).

To date, no economic zones of precious or base metals mineralization have been outlined on the Shivee West Property. However, zones of gold and copper mineralization have previously been identified at Zone III/Argo Zone and Khoyor Mod. There has been no drilling on the ground since 2011, and no exploration work has been completed since 2012. In 2015, in light of the ongoing requirement to pay approximately $350,000 annually in licence fees for the Shivee West Property and a determination that no further exploration work would likely be undertaken in the near future, Entrée began to examine options to reduce expenditures in Mongolia. These options included reducing the area of the mining licence, looking for a purchaser or partner for the Shivee West Property, and rolling the ground into the Entrée/Oyu Tolgoi JV. Management determined that it was in the best interests of Entrée to roll the Shivee West Property into the Entrée/Oyu Tolgoi JV, and Entrée entered into a License Fees Agreement with OTLLC on October 1, 2015. The License Fees Agreement provides the parties will use their best efforts to amend the terms of the Entrée/Oyu Tolgoi JVA to include the Shivee West Property in the definition of Entrée/Oyu Tolgoi JV Property. Entrée determined that rolling the Shivee West Property into the Entrée/Oyu Tolgoi JV would provide the joint venture partners with continued security of tenure; Entrée shareholders would continue to benefit from any exploration or development that the Entrée/Oyu Tolgoi JV Management Committee approves on the Shivee West Property; and Entrée would no longer have to pay licence fees, as the parties agreed that the licence fees would be for the account of each joint venture participant in proportion to their respective interests, with OTLLC contributing Entrée's 20% share charging interest at prime plus 2%. To date, no amended Entrée/Oyu Tolgoi JVA has been entered into and Entrée retains a 100% interest in the Shivee West Property.

Underground Development Progress – Oyu Tolgoi Project

Underground Development Update

Ramp up of the Oyu Tolgoi Lift 1 underground mine, which incorporates the development of three panels (Panels 0, 1, and 2), continued during 2023. Oyu Tolgoi is set to become the fourth largest copper mine in the world by 2030, with the operation expected to deliver average mined copper production of ~500 ktpa between 2028 and 2036.

On March 13, 2023, Rio Tinto announced the commencement of underground production from Oyu Tolgoi Lift 1 Panel 0 on the Oyu Tolgoi mining licence. As at December 31, 2023, 86 Lift 1 Panel 0 draw bells had been opened, including 67 draw bells during 2023.

Construction of conveyor to surface works continued to plan and was approaching 88% completion at the end of the year. Commissioning is expected in the second half 2024. Construction works for the concentrator conversion also remains on schedule. Commissioning is expected to be progressively completed between the fourth quarter 2024 through to the second quarter 2025. Construction of Primary Crusher 2 commenced in December 2023 and is expected to be completed by the end of 2025.

Shaft sinking continued during 2023. At the end of December, Shaft 3 reached 923 metres below ground level (82% sunk) and Shaft 4 reached 1,013 metres below ground level (86% sunk). Final depths required for Shafts 3 and 4 are 1,130 metres and 1,176 metres below ground level, respectively. OTLLC expects both shafts to be commissioned in the second half 2024.

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. According to Rio Tinto:

- 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 has been submitted to and is under review by applicable regulatory bodies in Mongolia. Entrée is currently reviewing OTFS23 but does not anticipate any material changes to underground development cost or schedule for the Entrée/Oyu Tolgoi JV Property.

Rio Tinto reported during its July 11, 2023 investor site visit that with the technical studies for Panels 1 and 2 completed, attention is shifting to the design of Lift 2. Drilling programs to support a Lift 2 Pre-Feasibility Study are in progress. An updated resource model for Hugo North (including Hugo North Extension) is expected to be completed in 2024 and will include mineralization from Lift 2.

Renewed Partnership with Government of Mongolia

On November 21, 2019, Resolution 92 was passed in a plenary session of the Parliament of Mongolia. It includes measures to, among other things, improve the implementation of the Oyu Tolgoi Investment Agreement and the shareholders agreement that establishes Mongolia's 34% ownership interest in OTLLC, and explore and resolve options to have a product sharing arrangement or swap Mongolia's 34% equity holding in OTLLC for a special royalty. On December 30, 2021, the Parliament of Mongolia passed Resolution 103 that aimed to improve the benefits to Mongolia from the Oyu Tolgoi project and set out a number of required measures to resolve the outstanding issues in relation to Resolution 92.

On January 26, 2022, Rio Tinto announced that a comprehensive agreement had been reached with the Government of Mongolia, resetting the relationship between the partners, increasing the value the Oyu Tolgoi project delivers for Mongolia, and allowing underground operations to commence.

On February 21, 2024, Rio Tinto announced it continued to work with OTLLC and the Government of Mongolia towards the implementation of Resolution 103.

Entrée/Oyu Tolgoi JV Property Exploration and Development

2024 Development Work, Deposit Drilling, and Exploration

First Lift 1 Panel 1 development work on the Shivee Tolgoi mining licence is expected to commence in 2024. Development work will start in the southwest corner of HNE and will establish the initial Panel 1 western ore handling truck chute, including extraction level tipple development, the truck chute chamber on the haulage level, and the supporting ventilation loop with the return air level. In total, OTLLC has proposed 284 eqm of development for 2024 with 50 equivalent metres ("eqm") on the extraction level, 93 eqm on the haulage level, and 142 eqm on the return air level. OTLLC has advised the Company all 2024 development will be in rock classified as waste which will be stockpiled separately and sampled in accordance with OTLLC's standard sampling protocols and procedures.

In 2024, OTLLC is planning to undertake additional HNE underground and surface in-fill diamond drilling on the Shivee Tolgoi mining licence (~14,128 metres of underground drilling in 25 holes and ~6,841 metres of surface drilling in 4 holes). The 2024 drilling will support the updated resource model and the Lift 2 Pre-Feasibility Study.

OTLLC is also proposing ~8,785 metres of diamond drilling in 5 surface holes on the Heruga deposit (Javhlant mining licence) to increase ore body knowledge and support an Order of Magnitude Study. No drilling has been conducted on the Heruga deposit since 2008.

OTLLC is in the process of finalizing an exploration program and budget for 2024. On the Shivee Tolgoi mining licence, the program is expected to focus on the Airstrip and Ulaan Khud South targets, including ~2,500 metres of diamond drilling at Ulaan Khud South and geological and geophysical studies. On the Javhlant mining licence, work will be conducted on the Bumbat Ulaan, East Bumbat Ulaan, and West Heruga targets and will include ~1,800 metres of RC drilling at Bumbat Ulaan, diamond drilling at West Heruga, and geological studies.

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 the Entrée/Oyu Tolgoi JVA.

2022-2023 Hugo North Extension Deposit Drilling

In 2023, OTLLC completed an in-fill diamond drilling program at HNE comprising both underground holes (25 holes totaling ~6,577 metres drilled on the Shivee Tolgoi mining licence) and surface holes (7 holes totaling ~6,753 metres). The underground holes were collared from the Oyu Tolgoi mining licence and drilled onto the Hugo North Extension deposit. The surface holes were drilled entirely on the Shivee Tolgoi mining licence. The principal purpose for the 2023 drilling is to support the Lift 2 Panel 1 Pre-Feasibility Study and the updated resource model for Hugo North (including Hugo North Extension). Although a small percentage of the drill hole analytical results have been provided to the Company, portions of the supporting database are still pending. All of the surface holes and the majority of the underground holes still have analytical results pending. The Company continues to follow up with requests for all pending results.

In 2022, OTLLC commenced surface and underground diamond drilling at HNE, primarily for geotechnical purposes related to the design of the Panel 1 block cave, but also for resource estimation purposes. The drilling at HNE was carried out from November 22, 2021 to January 8, 2023, during which time 4 surface holes totalling 3,900.7 metres and 22 underground holes totalling 4,459.9 metres were drilled.

The underground holes were all collared from existing infrastructure on the Oyu Tolgoi mining licence and crossed onto the Entrée/OTLLC JV Property. Several of the holes were drilled as "daughter holes" (wedges) from a "parent hole" at varying distances along the hole. Underground holes were primarily drilled for geotechnical purposes, and many targeted the base of Lift 1, or in the areas northeast and southwest of the current mineralized footprint, where key infrastructure for the development of the Lift 1 Panel 1 block cave will be excavated starting in 2024. Several of the holes also crossed the mineralized footprint of Lift 1. Additional underground holes were drilled deeper, targeting the current mineralized footprint of Lift 2, and for geotechnical purposes.

The four surface holes were all collared near the north end of HNE and drilled steeply towards the northeast, targeting Lift 2. Only two of the surface holes successfully reached their target depth of 1,750 metres and 1,800 metres, respectively, while two holes were aborted at shallow depths and were not assayed. Analytical results from the two surface holes are still pending.

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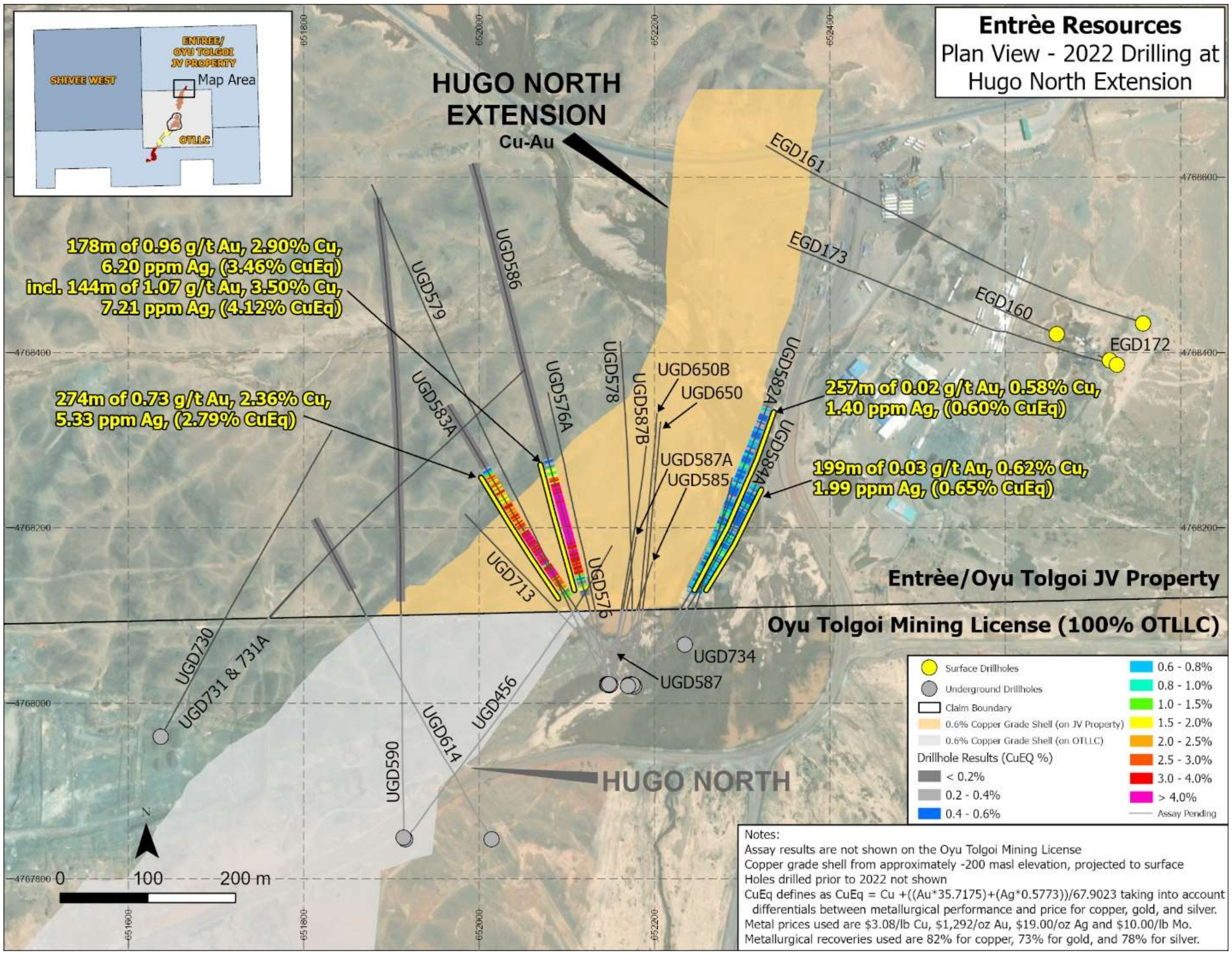
Drill hole sample lengths generally averaged 2.0 metres. Table 3 summarizes the drill hole details and Figure 3 shows the locations of the 2022 HNE drill holes and assay intervals.

Table 3 – Drill Hole Summary

Drill Hole	UTM EAST	UTM NORTH	Elevation (m)	Length (m)	Azimuth	Dip	Assay Status
Surface Holes							
EGD160	652658.7	4768421	1182	280.1	293	-74	N/A
EGD161	652757	4768433	1156	1,750.0	287	-77	Pending
EGD172	652719	4768391	1172	70.6	295	-78	N/A
EGD173	652727	4768386	1173	1,800.0	284	-79	Pending
Total Surface				**3,900.7**			
Underground Holes							
UGD456	651915.9	4767845	-85.7	409.4	34	-14	Pending
UGD576	652148	4768020	-78.1	179.8	352	-45	Pending
UGD576A*	652148	4768020	-78.1	469.1	350	-44	Pending
UGD578	652173.9	4768022	-76.1	392.3	360	0	Pending
UGD579	652145.6	4768022	-76.4	634.5	334	0	Pending
UGD582A*	652175.9	4768020	-76.3	400	32	-27	**Complete**
UGD583A*	652170.4	4768021	-76.3	600	324	-47	**Complete**
UGD584A*	652176.5	4768019	-76.3	375	35	-43	**Complete**
UGD585	652149.4	4768021	-76.2	147.9	21	1	Pending
UGD586	652146.7	4768022	-76.9	683.7	347	-25	**Complete**
UGD587	652147	4768021	-76.2	131.9	15	-21	Pending
UGD587A*	652148.1	4768022	-76.4	185	11	-23	Pending
UGD587B*	652148.1	4768022	-76.4	296.9	9	-23	Pending
UGD590	651914.1	4767847	-84.1	750	360	9	**Complete**
UGD614	652014.4	4767845	-146.2	553	327	-42	**Complete**
UGD650	652174.5	4768021	-75.8	302.4	8	5	Pending
UGD650B*	652174.8	4768021	-76.3	311.5	5	5	Pending
UGD713	652169.6	4768020	-76.1	270	316	-1	Pending
UGD730	651637.3	4767962	-128.4	400	29	-2	Pending
UGD731	651637.3	4767962	-128.4	250.5	42	-1	Pending
UGD731A*	651637.3	4767962	-128.4	592.5	42	-4	Pending
UGD734*	652234.7	4768067	-76.3	344.8	16	-55	Pending
Total Underground				**4459.9**			
TOTAL ALL DRILLING				**8360.6**			

* Holes drilled as "daughter" holes (wedges) from a "parent" drill hole.
Coordinates are UTM NAD83 Zone 18

Figure 3 – Plan View of 2022 Drilling at HNE Deposit



The initial batches of underground diamond drill results have been received from the 2022 drilling program at the HNE deposit, with analytical results available for 6 of the 24 drill holes (two surface holes were not analysed). It is the Company's understanding that OTLLC's primary objectives for the 2022 drilling was for structural and geotechnical studies, prior to initiating the core sampling and assaying process and that all core has been cut and submitted to the laboratory for analysis. The Company continues to follow up with requests for all pending results. The significant mineralized intervals received to date from the 2022 drilling are summarized in Table 4 and shown on Figure 3.

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Table 4 – Drill Results from 2022 Drilling at HNE Deposit[1]

Drill Hole	From (m)	To (m)	Length[2] (m)	Au (ppm)	Cu (%)	Ag (ppm)	CuEq[3] (%)
UGD582A	139	396	257	0.02	0.58	1.40	0.60
UGD583A	184	458	274	**0.73**	**2.36**	5.33	**2.79**
UGD584A	176	375	199	0.03	0.62	1.99	0.65
UGD586	122	300	178	**0.96**	**2.90**	6.20	**3.46**
including	144	288	144	**1.07**	**3.50**	7.21	**4.12**
UGD590[4]	no significant results						
UGD614[4]	no significant results						

1. All of the analytical results shown above are only for the portions of the drill holes on the Entrée/Oyu Tolgoi JV Property.
2. Approximate true widths are variable depending on the orientation of the drill hole and are estimated as the following percentages of the drilled widths: UGD 582A, 0%; UGD583A, 64%; UGD584A, 0%; UGD586, 67%.
3. CuEq is calculated by the formula CuEq = Cu + ((Au * 35.7175) + (Ag * 0.5773)) / 67.9023, taking into account differentials between metallurgical performance and price for copper, gold and silver. Metal prices used are $3.08/lb Cu, $1,292.00/oz Au, $19.00/oz Ag and $10.00/lb Mo. Metallurgical recoveries used are 82% for copper, 73% for gold and 78% for silver.
4. Drill holes UGD590 and 614 were drilled mostly on the Oyu Tolgoi mining licence and at the point when they crossed onto the Entrée/Oyu Tolgoi JV Property they were outside of the mineralized footprint.

Drill holes UGD582A and UGD584A were both geotechnical holes, drilled towards the southeast, parallel to the south boundary of the HNE mineralized footprint and crossed an interbedded sequence of ignimbrite and augite basalt with varying amounts of advanced argillic and phyllic alteration. Mineralization consists of about 3% sulphides, comprised of a mix of pyrite and chalcopyrite.

Drill holes UGD583A and UGD586 were both drilled towards the east and crossed the entire mineralized footprint of HNE within proposed Lift 2. Each hole intersected predominantly phyllic altered quartz monzodiorite, cut by occasional intervals of unmineralized biotite-granodiorite dikes (ranging from <1 metres to 9 metres in drilled width). Mineralization averages approximately 5% sulphide content, comprised mostly of chalcopyrite, along with lesser amounts of pyrite and occasional intervals with covellite and minor molybdenite.

Drill holes UGD590 and UGD614 both crossed the Hugo North mineralized footprint on the Oyu Tolgoi mining licence before crossing onto the Entrée/Oyu Tolgoi JV ground in unmineralized footwall (northeast side) lithologies comprised mainly of various andesitic tuff and hornblende-biotite granodiorite intrusive units.

The QP is not aware of any drilling, sampling, recovery, or other factors that could materially affect the accuracy or reliability of the data referred to in this disclosure.

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 the Entrée/Oyu Tolgoi JVA.

2022-2023 Entrée/Oyu Tolgoi JV Property Exploration

OTLLC's site technical services team undertakes all exploration work on the Entrée/Oyu Tolgoi JV Property. OTLLC's exploration strategy for the Entrée/Oyu Tolgoi JV Property includes the evaluation of targets that can potentially impact the current mine plan, and the systematic evaluation of existing targets and identification of new targets on the Shivee Tolgoi and Javhlant mining licences.

2023 Regional Exploration

In 2023, OTLLC completed an exploration program on the Shivee Tolgoi mining licence that included 2,880 metres of diamond drilling in 4 holes and a 40.4 line kilometres ("line-km") dipole-dipole array induced polarization/resistivity ("DDIP") geophysical survey at Ulaan Khud South. OTLLC also completed integrated geological-geophysical 3D modelling at the Airstrip and Ductile Shear targets.

2023 exploration on the Javhlant mining licence included 2,263.4 metres of diamond drilling in 3 holes and a 39.6 line-km DDIP geophysical survey at the Railway target. Integrated geological-geophysical 3D modelling was completed at the SEIP, West Mag and East Bumbat Ulaan targets.

Results are pending. 20% of the exploration expenditures will be contributed by OTLLC on Entrée's behalf as a loan in accordance with the Entrée/Oyu Tolgoi JVA.

2022 Regional Exploration

During 2022, OTLLC completed a regional exploration program covering several of the key regional targets on both the Shivee Tolgoi and Javkhlant licences. The work comprised 3D geological/geophysical modelling, DDIP geophysical surveys and RC and diamond drilling, as summarized on Figure 4 and in Table 5 below.

Figure 4 – Areas of Regional Exploration Completed During 2022

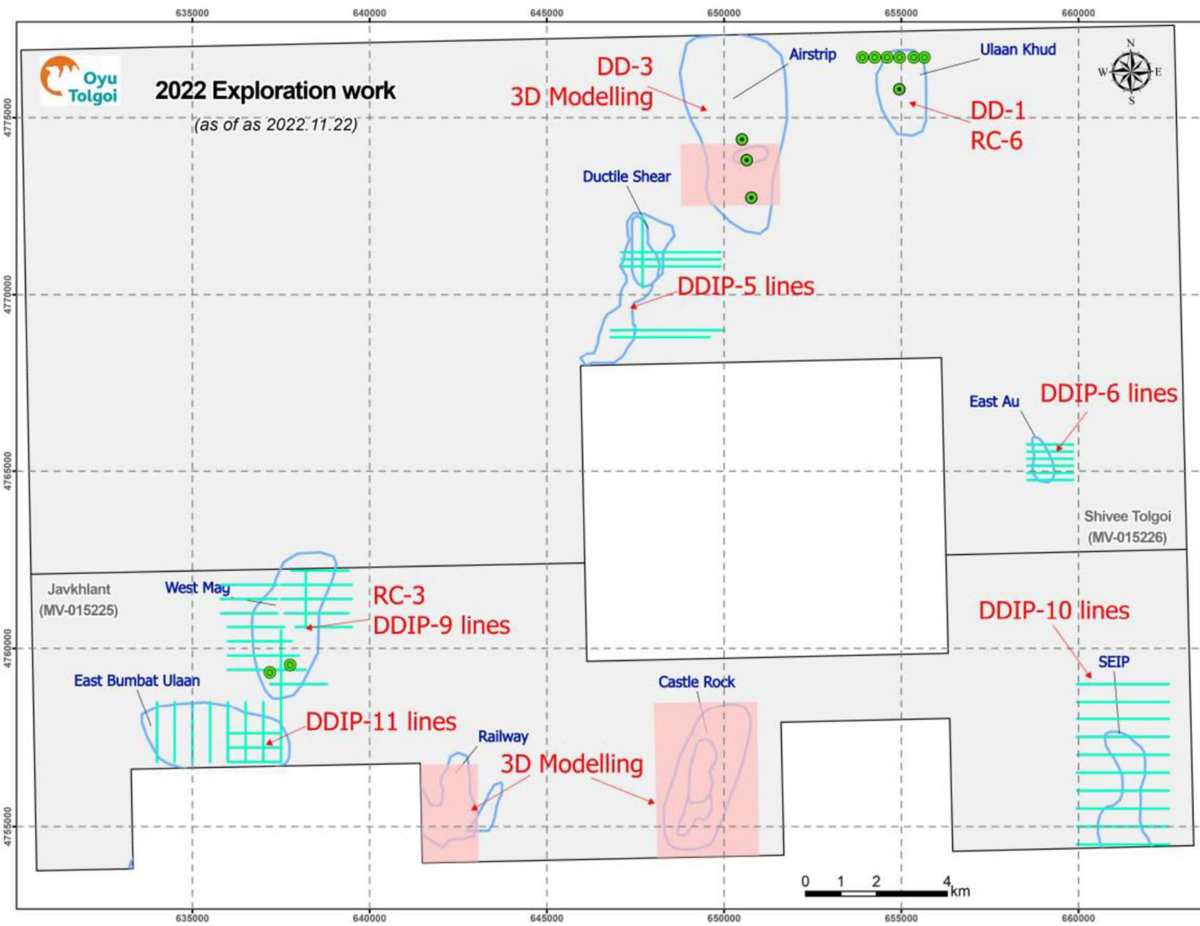

Figure provided by OTLLC.

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Table 5 – Summary of 2022 Regional Exploration Program

Licence	Method	Amount	Target
Shivee Tolgoi	Geophysics (DDIP)	28.3 line-km	Ductile Shear, East Au
	Integrated 3D modelling		Airstrip
	Diamond Drilling	4 holes totalling 3,000 metres (1023 samples)	Ulaan Khud South, Airstrip
	RC Drilling	6 holes totalling 1,506 metres (750 samples)	Ulaan Khud South
Javkhlant	Geophysics (DDIP)	69.9 line-km	West Mag, East Bumbat Ulaan, South East IP (SEIP)
	Integrated 3D Modelling		Castle Rock, Railway
	RC Drilling*	3 holes totalling 630 metres	West Mag

*RC assay results from West Mag are pending. Seven additional planned RC holes at West Mag were cancelled due to community issues restricting access.

Results of the DDIP geophysical surveys and Integrated 3D modelling will be used by OTLLC to further evaluate the targets and potentially plan for follow-on drill testing.

Table 6 below summarizes results from four diamond holes (3,000 metres) and six RC holes (1,506 metres) drilled at the Airstrip and Ulaan Khud South exploration targets on the Shivee Tolgoi licence between July 5, 2022 and October 10, 2022.

An additional three shallow RC holes totalling 630 metres were drilled at the West Mag target on the Javkhlant licence. While OTLLC advised no significant porphyry mineralization was intersected, full drill hole details have not yet been provided. Seven additional planned RC holes at West Mag were cancelled due to community issues restricting access.

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Table 6 – Summary of Regional Exploration Drill Holes*

Target	Drill Hole	Drill Type	Collar				Depth (m)
			Easting (UTM)	Northing (UTM)	Azimuth (degrees)	Dip (degrees)	
Airstrip	EGD162	Core	650503	4774384	271	-71	700
	EGD163	Core	650638	4773802	274	-71	700
	EGD164	Core	650768	4772741	273	-71	800
Ulaan Khud South	EGRC165	RC	653900	4776700	360	-90	300
	EGRC166	RC	654250	4776700	360	-90	300
	EGRC167	RC	654600	4776700	360	-90	288
	EGRC168	RC	654950	4776700	82	-60	240
	EGRC169	RC	655350	4776700	270	-60	270
	EGRC170	RC	655650	4776700	360	-90	108
	EGD171	Core	654943	4775803	270	-71	800
						Total RC	**1,506**
						Total Core	**3,000**
						TOTAL	**4,506**

*Details for the three RC holes drilled at West Mag are pending.

Although no significant porphyry mineralization was intersected in any of the regional exploration holes, most did cross varying amounts of alteration, along with sections of disseminated pyrite and some chalcopyrite. Highlights are provided below:

- EGD162 intercepted entirely metamorphosed epidote-chlorite-albite intrusive, volcanics, and gneiss with 0.5-2% disseminated pyrite throughout the quartz monzodiorite ("QMD") and gneiss intervals. Chalcopyrite occurs in magnetite veins and generally increased towards the end of the hole.
- EGD163 was targeting a medium IP chargeability anomaly, located between EDG162 and EGD164. The hole intercepted moderate-to-strongly metamorphosed (epidote-chlorite- albite) gneiss, intruded by post volcanic dykes. Approximately 1-4% disseminated pyrite occurs in migmatite textured gneiss.
- EGD164 targeted a moderate IP chargeability anomaly. A moderate-to-strongly epidote-chlorite altered gneiss and diorite, with 1-3% disseminated pyrite was intersected in the hole. Chalcopyrite is observed mostly in magnetite veins between 300 and 500 metres depth.
- EGRC165 and EGRC166 both intercepted moderate-to-strong hornfelsed (hematite-dusted albite-epidote) QMD, intruded by biotite-granodiorite ("BiGD") dikes in several locations. The QMD in EGRC167 and

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EGRC170 are pervasively sericite-chlorite-patchy epidote-altered, with less dikes observed than other holes in the area. Abundant pyrite, up 2% is disseminated throughout.

- EGD171 intercepted pervasive weak-to-moderate chlorite-sericite and partly epidote-albite altered QMD, intruded by BiGD dikes. Most of the sulfide observed in the QMD was pyrite, however, chalcopyrite tends to increase downhole. Abundant D-veins occur in the top of the hole and epidote-albite veining increases downhole. No A-B type veins were observed.

Except as noted above, the Company has now received all results from the 2022 regional exploration drilling program from OTLLC. Some intervals of anomalous gold and/or copper mineralization were returned from several of the holes at Airstrip and Ulaan Khud South, as summarized in Table 7 below.

Table 7 – Summary of Regional Exploration Drill Hole Anomalous Results

Target	Drill Hole	From (m)	To (m)	Drilled Length (m)	Au (ppm)	Cu (%)
Airstrip*	EGD162	452	494	42	**0.26**	0.02
		554	572	18	**0.60**	0.01
		588	598	10	**0.39**	0.03
Ulaan Khud South	EGRC169	124	140	16	0.02	**0.16**
	EGRC170	92	106	14	0.04	**0.18**
	EGD171	672	796	124	0.07	**0.19**

Note: Insufficient drilling has been completed to determine true widths of drilled intervals.

QA/QC on Sample Collection and Assaying for Regional Exploration

Regional exploration core and RC samples are generally 2 metres in length. Core samples are saw-cut in half by OTLLC with one half remaining in the core box as a permanent record and the other half shipped directly to ALS Laboratory, an independent laboratory located in Perth, Australia. Samples are prepared (crushed and then pulverized -200 mesh) and analyzed using a multi-element ICP package (ME-MS61L) with a four-acid digestion. Gold values above 0.03 g/t gold were further analysed by a 30-g fire assay with an ICP-AES finish (Au-ICP21 method).

Quality assurance and quality control procedures include the systematic insertion of blanks, standards and duplicates into the core and reverse circulation drilling sample strings. The results of the control samples are evaluated on a regular basis with certain batches re-analyzed and/or resubmitted as needed.

2023 Financial Review

Entrée expenses related to Mongolian operations included expenditures of $1.4 million for strategic and administration costs in Mongolia. The Company focused its efforts on confirming the transfer of the Shivee Tolgoi and Javhlant mining licences to OTLLC as contemplated by the Entrée/Oyu Tolgoi JVA, either in conjunction with finalization, execution, and closing of an agreement with OTLLC to restructure or amend the existing Entrée/Oyu Tolgoi JVA to streamline the operating environment for both parties, or enforcement of certain provisions of the Earn-in Agreement and Entrée/Oyu Tolgoi JVA pursuant to binding arbitration proceedings. The Company also engaged in discussions with Erdenes Oyu Tolgoi LLC regarding the potential for the Government of Mongolia and Erdenes Oyu Tolgoi LLC to conclude an agreement with the Company for the State to share in 34% of the economic benefit of the Company's interest in the Entrée/Oyu Tolgoi Property. Costs were related to legal and tax advisory consultants to assist in the process in the current period, which also include costs related to the arbitration. The expenditure of $0.5 million in fiscal 2022 included similar professional fees.

Q4 2023 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:

	2023	2022
Expenses		
Project expenditures	$ 1,393	$ 504
General and administrative	2,002	1,925
Share-based compensation	1,039	997
Depreciation	115	124
Operating loss	4,549	3,550
Foreign exchange (gain) loss	(157)	532
Interest income	(333)	(147)
Interest expense	402	369
Loss from equity investee	653	509
Finance costs	50	60
Deferred revenue finance costs	4,415	4,188
Loss for the year	9,579	9,061
Other comprehensive loss (gain)		
Foreign currency translation	1,372	(3,695)
Total comprehensive loss	$ 10,951	$ 5,366
Net loss per common share		
Basic and diluted	$ (0.05)	$ (0.05)
Total assets	$ 7,215	$ 7,493
Total non-current liabilities	$ 71,521	$ 64,700

Operating Loss:

During the year ended December 31, 2023, the Company's operating loss was $4.5 million compared to $3.6 million for the year ended December 31, 2022.

Project expenditures in 2023 included expenditures for professional and advisory fees related to advancing a potential restructuring of, or amendments to, the Entrée/Oyu Tolgoi JVA. The increase from 2022 to 2023 was due to legal costs for both commercial negotiations with OTLLC and Rio Tinto and the arbitration proceedings.

General and administration expenditures in 2023 were comparable to 2022 with cost increases related to inflation.

Share-based compensation and depreciation expense in 2023 were consistent with 2022.

Non-operating Items:

The foreign exchange (gain) loss in 2023 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 is denominated in US dollars.

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.

Q4 2023 MD&A (table amounts expressed in thousands of US Dollars, except per share amounts and where otherwise noted)

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).

The total assets as at December 31, 2023 were lower than at December 31, 2022 due to a lower cash balance from operating activities. Total non-current liabilities have increased since December 31, 2022 due to recording the non-cash deferred revenue finance costs each quarter.

Quarterly Financial Data – 2 year historic trend

	Q4 23	Q3 23	Q2 23	Q1 23	Q4 22	Q3 22	Q2 22	Q1 22
Project expenditures	$ 325	$ 209	$ 459	$ 400	$ 186	$ 67	$ 151	$ 100
General and administrative	633	428	517	424	639	348	500	438
Share-based compensation	1,029	-	4	6	920	19	58	-
Depreciation	28	29	29	29	29	30	33	33
Operating loss	2,015	666	1,009	859	1,774	464	741	571
Foreign exchange (gain) loss	(151)	207	(208)	(5)	(128)	529	261	(130)
Interest expense, net	22	15	21	11	26	59	64	88
Loss from equity investee	447	117	57	32	328	116	33	32
Deferred revenue finance costs	1,133	1,112	1,104	1,066	1,038	1,040	1,058	1,052
Finance costs	12	12	13	13	14	15	16	15
Net loss	$ 3,478	$ 2,129	$ 1,996	$ 1,976	$ 3,052	$ 2,223	$ 2,173	$ 1,613
Basic/diluted loss per share	$ (0.02)	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.01)	$ (0.01)	$ (0.01)
USD:CAD FX Rate[1]	1.323	1.352	1.324	1.3533	1.3544	1.3707	1.2886	1.2496

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

Project expenditures in 2023 and 2022 were mainly related to professional fees to advance potential restructuring of, or amendments to the Entrée/Oyu Tolgoi JVA.

General and administrative expenses were higher in Q4 2023 and Q4 2022 due mainly to regulatory costs and executive compensation costs.

Share-based compensation expenditures in Q4 2023 and Q4 2022 included share options and deferred share unit ("DSU") grants.

Interest expense, net, consists of accrued interest on the OTLLC loan payable net of interest income earned on invested cash.

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

Q4 2023 MD&A (table amounts expressed in thousands of US Dollars, except per share amounts and where otherwise noted)

LIQUIDITY AND CAPITAL RESOURCES

	2023	2022
Cash flows used in operating activities		
- Before changes in non-cash working capital items	$ (3,050)	$ (2,440)
- After changes in non-cash working capital items	(3,096)	(2,315)
Cash flows from financing activities	2,700	1,865
Net cash outflows	(396)	(450)
Effect of exchange rate changes on cash	78	(231)
Cash balance	$ 6,091	$ 6,409

Cash outflows after changes in non-cash working capital items in 2023 were higher compared to 2022 due to higher expenditures and the timing of invoice payments.

Cash flows from financing activities in 2023 and 2022 were due to funds received from option and warrant exercises.

The Company is an exploration 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, 2023 was approximately $6.1 million. Management believes it has adequate financial resources to satisfy its obligations over the next 12-month period and beyond and does not currently anticipate the need for additional funding.

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 joint venture programs and budgets on the Company's behalf, each such contribution to be treated as a non-recourse 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, 2023, 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	$ 510	$ 133	$ 377	$ -	$ -

SHAREHOLDERS' DEFICIENCY

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

At the date of this MD&A, the Company had 203,344,954 shares issued and outstanding (December 31, 2022 – 198,134,931 shares).

On May 9, 2017, the Company completed a spin-out of its U.S. assets into Mason Resources Corp. ("Mason") through a plan of arrangement under Section 288 of the Business Corporations Act (British Columbia) (the "Arrangement"). Shareholders received common shares of Mason by way of a share exchange, pursuant to which each existing common share of the Company was exchanged for one "new" common share of the Company and 0.45 of a common share of Mason. Under the Arrangement, shareholders had six years to exchange their "old" common shares of the Company for "new" common shares, failing which the "new" common shares to which they were entitled would be deemed to have been surrendered for no consideration to the Company, and would be returned by the Company to treasury. On May 9, 2023, 2,799,079 common shares were cancelled and returned to the Company's treasury for no consideration as a consequence of the expiry of the six-year period.

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Share Purchase Warrants

During the year ended December 31, 2023, share purchase warrants to purchase 5,139,000 common shares with an exercise price of C$0.60 were exercised resulting in gross proceeds of C$3.1 million being received by the Company.

No share purchase warrants were outstanding as at the date of this MD&A.

Stock Option Plan

As at December 31, 2023 and the date of this MD&A, the Company had 5,413,500 stock options outstanding and exercisable.

Under the Company's Stock Option Plan, an option holder may elect to transform 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, 2023, stock options to purchase 1,200,000 common shares with exercise prices ranging from C$0.55 to C$0.77 were exercised resulting in gross proceeds of C$0.7 million being received by the Company. In addition, stock options to purchase 2,570,000 Designated Shares with exercise prices ranging from C$0.365 to C$0.55 were terminated and an aggregate 1,560,102 shares were issued.

The following is a summary of stock 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
1,545	0.365	Dec 2024
1,255	0.51	Dec 2025
920	0.77	Dec 2026
1,047	0.82 – 1.14	Apr - Nov 2027
647	1.28	Nov 2028
5,414		

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, 2023, the Company granted 833,000 DSUs to the Company's directors and executives and recorded share-based compensation of $0.7 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 2023 vested immediately. In addition, 110,000 deferred share units were redeemed for 110,000 common shares.

At December 31, 2023, the following DSUs were outstanding and fully vested:

	Number of DSUs (000's)
Outstanding – December 31, 2022	1,553
Granted	833
Redeemed	(110)
Outstanding – December 31, 2023	2,276

Q4 2023 MD&A (table amounts expressed in thousands of US Dollars, except per share amounts and where otherwise noted)

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 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 Javhlant 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 entire Entrée/Oyu Tolgoi JV Property (as currently defined) 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%.

This arrangement does not require the delivery of actual metal, and the Company may use revenue from any of its assets to purchase the requisite amount of metal credits.

Further information in relation to the Sandstorm Agreement is available in the Company's AIF dated March 8, 2024.

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:

	2023	2022
Directors' fees	$ 216	$ 202
Salaries and benefits	$ 951	$ 855
Share-based compensation	$ 1,010	$ 970

As of December 31, 2023, included in the accounts payable and accrued liabilities balance on the consolidated statement of financial position is $0.04 million (December 31, 2022 - $0.03 million) due to the Company's directors and key management personnel.

Upon a change of control of the Company, amounts totaling $1.4 million (December 31, 2022 - $1.4 million) may become payable to certain officers and management personnel of the Company.

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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, 2023 and 2022:

December 31, 2023	FVTPL	Amortized cost (financial assets)	Amortized cost (financial liabilities)	Total
Financial assets				
Cash and cash equivalents	$ -	$ 6,091	$ -	$ 6,091
Receivables	-	71	-	71
Deposits	-	12	-	12
Total financial assets	$ -	$ 6,174	$ -	$ 6,174
Financial liabilities				
Accounts payable and accrued liabilities	$ -	$ -	$ 199	$ 199
Lease liabilities	-	-	473	473
Loan payable	-	-	12,289	12,289
Total financial liabilities	$ -	$ -	$ 12,961	$ 12,961

December 31, 2022	FVTPL	Amortized cost (financial assets)	Amortized cost (financial liabilities)	Total
Financial assets				
Cash and cash equivalents	$ -	$ 6,409	$ -	$ 6,409
Receivables	-	39	-	39
Deposits	-	12	-	12
Total financial assets	$ -	$ 6,460	$ -	$ 6,460
Financial liabilities				
Accounts payable and accrued liabilities	$ -	$ -	$ 227	$ 227
Lease liabilities	-	-	549	549
Loan payable	-	-	11,139	11,139
Total financial liabilities	$ -	$ -	$ 11,915	$ 11,915

Q4 2023 MD&A (table amounts expressed in thousands of US Dollars, except per share amounts and where otherwise noted)

b) Financial risk management

i) Credit risk

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables.

The Company limits its credit exposure on cash and cash equivalents held in bank accounts by holding its key transactional bank accounts and investments with large, highly rated financial institutions.

The Company's receivables balance was not significant and, therefore, was not exposed to significant credit risk.

The carrying amount of financial assets recorded in the consolidated financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk.

ii) Liquidity risk

The Company manages liquidity risk by trying to maintain enough cash balances to ensure that it is able to meet its short-term and long-term obligations as and when they fall due. Company-wide cash projections are managed centrally and regularly updated to reflect the dynamic nature of the business and fluctuations caused by commodity price and exchange rate movements.

The Company's operating results may vary due to fluctuation in commodity price, inflation, and foreign exchange rates.

iii) Interest rate risk

The Company's interest rate risk arises primarily from the interest received on cash and cash equivalents and on loan payable which is at variable rates (Note 8). As at December 31, 2023, with other variables unchanged, a 1% increase in the interest rate applicable to loan payable would result in an insignificant change in net loss. Deposits are invested on a short-term basis to enable adequate liquidity for payment of operational and exploration expenditures. The Company does not believe that it is exposed to material interest rate risk on its cash and cash equivalents.

As at December 31, 2023, the Company has not entered into any contracts to manage interest rate risk.

iv) Foreign exchange risk

The functional currency of the parent company is C$. The functional currency of the significant subsidiaries and the reporting currency of the Company is the United States dollar.

As at December 31, 2023, the Company has not entered into contracts to manage foreign exchange risk.

The Company is exposed to foreign exchange risk through the following assets and liabilities:

	December 31, 2023	December 31, 2022
Cash and cash equivalents	$ 6,091	$ 6,409
Accounts payable and accrued liabilities	(199)	(227)
	$ 5,892	$ 6,182

As at December 31, 2023, with other variables unchanged, a 10% increase or decrease in the value of the USD against the currencies to which the Company is normally exposed (C$) would result in an increase or decrease of approximately $0.4 million to net loss for the year ended December 31, 2023.

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.

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 disclosed in the Company's AIF dated March 8, 2024 in respect of the year ended December 31, 2023, 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, 2023 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.

Change in ICFR

During the financial quarter ended December 31, 2023, the Company's management implemented measures to enhance its documentation of the review process over period end financial disclosure, report, and monitoring processes. This change in the Company's ICFR was made to eliminate a material weakness previously identified by management in the course of its evaluation of the effectiveness of the Company's ICFR as of December 31, 2022, and as such has materially affected the Company's ICFR.

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, 2023. 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.

NON-IFRS PERFORMANCE MEASUREMENT

Non-IFRS Performance Measurement: "Cash costs after credits" (C1) and all-in sustaining cost (ASIC) are non-IFRS performance measurements. These performance measurements are included because these statistics are widely accepted as the standard of reporting cash costs of production in North America. These performance measurements do not have a meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These performance measurements should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

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 restructuring or amendment of the Entrée/Oyu Tolgoi JVA; the Company's plans to continue discussions with Erdenes Oyu Tolgoi LLC regarding the potential for the Government of Mongolia and Erdenes Oyu Tolgoi LLC to conclude an agreement with the Company for the State to share in 34% of the economic benefit of the Company's interest in the Entrée/Oyu Tolgoi JV Property; the Company's ability to transfer the Shivee Tolgoi and Javhlant mining licences to OTLLC either in conjunction with finalization and execution of a restructured or amended agreement with OTLLC, or enforcement of certain provisions of the Earn-in Agreement and Entrée/Oyu Tolgoi JVA pursuant to binding arbitration proceedings; 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 first development work on the Shivee Tolgoi mining licence and first production from Lift 1 Panel 1; 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, the Heruga Order of Magnitude 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; the timing and progress of the sinking of Shafts 3 and 4 and any delays in that regard in addition to previously disclosed delays; 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; discussions with the Government of Mongolia, Erdenes Oyu Tolgoi LLC, Rio Tinto, and OTLLC on a range of issues including Entrée's interest in the Entrée/Oyu Tolgoi JV Property, the Shivee Tolgoi and Javhlant mining licences and certain material agreements; potential actions by the Government of Mongolia with respect to the Shivee Tolgoi and Javhlant 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 Erdenes Oyu Tolgoi LLC, OTLLC, and Rio Tinto; the future ownership of the Shivee Tolgoi and Javhlant 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, 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 along with the implementation of Resolution 103; the continuation of undercutting in accordance with the mine plans and designs in OTFS23; applicable taxes and royalty rates; 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 licence 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; international conflicts such as the ongoing Russia-Ukraine conflict; 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 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, 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 licence to operate; accidents, labour disputes and other risks of the mining industry; global climate change; global conflicts; 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.