

## **ENTRÉE RESOURCES LTD.**

### **COMPENSATION COMMITTEE CHARTER**

As Adopted by the Board of Directors on April 15, 2008 and Amended on May 14, 2012

#### **I. PURPOSE**

The primary objective of the Compensation Committee (the “Committee”) of Entrée Resources Ltd. (the “Company”) is to discharge the responsibilities of the Board of Directors (the “Board”) relating to compensation and benefits of the executive officers and directors of the Company.

#### **II. ORGANIZATION**

The Committee shall consist of three or more directors, each of whom the Board has determined has no material relationship with the Company and is otherwise “unrelated” or “independent” as required under applicable securities rules or applicable stock exchange rules. The members of the Committee shall be appointed by the Board. A majority of the members of the Committee shall constitute a quorum, and shall be empowered to act on behalf of the Committee.

The Committee may form and delegate authority to subcommittees when appropriate.

#### **III. CHAIR OF THE COMMITTEE**

The Chair of the Committee is responsible for overseeing the Committee in its responsibilities.

The Board, or in the event of its failure to do so, the members of the Committee, must appoint a Chair from among the members of the Committee. The Chair of the Committee should be a director that the Board has determined has no material relationship with the Company and is otherwise “unrelated” and “independent”. If the Chair of the Committee is not present at any meeting of the Committee, an acting Chair for the meeting shall be chosen by majority vote of the Committee from among the members present.

The Chair’s duties and responsibilities include:

1. presiding at each meeting of the Committee;
2. setting the frequency and length of each meeting and the agenda of items to be addressed at each meeting, in consultation with the other members of the Committee;
3. ensuring that the agenda for each upcoming meeting of the Committee is circulated to each member of the Committee, as well as each other director, in advance of such meeting;
4. leading the Committee in discharging each of the tasks assigned to it under the Charter; and

5. reporting to the full Board on the activities of the Committee.

#### **IV. MEETINGS**

The Committee shall meet as many times as the Committee deems necessary, but not less frequently than one time per year.

The Chief Executive Officer of the Company (“CEO”) may not be present during the Compensation Committee’s voting or deliberations.

#### **V. AUTHORITY AND RESPONSIBILITIES**

To fulfill its responsibilities, the Committee shall:

1. Review and approve on an annual basis corporate goals and objectives relevant to CEO compensation, evaluate the CEO’s performance in light of those goals and objectives and set the CEO’s compensation level based on this evaluation. In determining the long-term incentive component of CEO compensation, the Committee will also consider, among such other factors as it may deem relevant, the Company’s performance, shareholder returns, the value of similar incentive awards to chief executive officers at comparable companies and the awards given to the CEO in past years;
2. Review and approve on an annual basis the adequacy and form of compensation and benefits of all other executive officers and directors, and make recommendations to the Board in that regard;
3. Make recommendations to the Board with respect to the Company’s Stock Option Plan and any other incentive compensation plans and equity-based plans;
4. Determine the recipients of, and the nature and size of share compensation awards and bonuses granted from time to time, in compliance with applicable securities law, stock exchange and other regulatory requirements;
5. Approve inducement grants, which include grants of options or stock to new employees in connection with a merger or acquisition, as well as any tax-qualified, non-discriminatory employee benefit plans or non-parallel non-qualified plans, to new employees;
6. Prepare any report as may be required under applicable securities law, stock exchange and any other regulatory requirements;
7. Review and reassess the adequacy of this Charter annually and recommend to the Board any changes deemed appropriate by the Committee;
8. Perform any other activities consistent with this Charter, the Company’s articles and governing law, as the Committee or the Board deems necessary or appropriate;

9. Review its own performance annually; and
10. Report regularly to the Board.

## **VI. RESOURCES**

The Committee shall have the authority to retain outside advisors, including (i) the sole authority to retain or terminate consultants to assist the Committee in the evaluation of compensation of senior management and directors; and (ii) the sole authority to determine the terms of engagement and the extent of funding necessary for payment of compensation to any consultant retained to advise the Committee.