Entrée Resources Announces Second Quarter 2026 Results

VANCOUVER, British Columbia, Aug. 11, 2026 -- Entrée Resources Ltd. (TSX:ETG; OTCQB:ERLFF – the "**Company**" or "**Entrée**") has today filed its interim financial results for the second quarter ended June 30, 2026. All numbers are in U.S. dollars unless otherwise noted.

OUTLOOK AND STRATEGY

The Company's near-term objectives are as follows:

Transfer of Entrée/Oyu Tolgoi JV Licences

The current principal objective of the Company is to affect the transfer of the Shivee Tolgoi and Javkhlant mining licences (the "**Licences**") from the Company's Mongolian subsidiary Entrée LLC to its joint venture partner Oyu Tolgoi LLC ("**OTLLC**") in accordance with applicable laws of Mongolia. Transfer of the Licences to OTLLC, as Manager and owner of an 80% (or 70% depending on the depth of mineralization) participating interest in the Entrée/Oyu Tolgoi joint venture property (the "**Entrée/Oyu Tolgoi JV Property**"), is necessary to enable Lift 1 Panel 1 lateral development work on the Shivee Tolgoi mining licence area to proceed.

State Ownership

The Company is also concurrently focused on the resolution of outstanding issues relating to the State of Mongolia's interest in the Oyu Tolgoi Strategic Deposit. The Minerals Law of Mongolia provides the State may, without compensation, be an up to 34% equity participant with any private legal entity in the exploitation of a mineral deposit of strategic importance (a "**Strategic Deposit**") where proven reserves were determined through funding sources other than the State budget. The Parliament of Mongolia may determine that the State receive royalty payments in lieu of an equity interest. The Licences are included in the boundaries of the Oyu Tolgoi Strategic Deposit.

The State already holds 34% of the economic benefit that OTLLC derives from its 80% (or 70% depending on the depth of mineralization) beneficial interest in the area of the Licences by virtue of Erdenes Oyu Tolgoi LLC's shareholding in OTLLC and the 2009 Oyu Tolgoi Investment Agreement (the "**OTIA**"). The Company has consistently maintained its willingness to fulfil any obligation under Mongolian law to provide the State 34% of the economic benefit that the Company derives from its 20% (or 30% depending on the depth of mineralization) beneficial interest in the area of the Licences.

On March 25, 2026, the Company delivered a non-binding proposal to the Minister of Industry and Mineral Resources of Mongolia as head of the working group (the "**Government Working Group**") established in order to negotiate the State's interest in the area of the Licences. The proposal contemplates, among other things, the transfer of the Licences to OTLLC as required under the OTIA and the 2008 Joint Venture Agreement between the Company and OTLLC (the "**Entrée/Oyu Tolgoi JVA**") and payment of a negotiated royalty on the gross sales value of the Company's concentrate as contemplated under the Minerals Law of Mongolia in lieu of the State being a 34% equity participant. The proposal is intended to form the basis for further discussions and negotiations with the Government of Mongolia. The Company continues to monitor the situation, including with respect to anticipated timing for the resumption of discussions with the Government Working Group.

Potential Conversion of Entrée/Oyu Tolgoi JVA

The Company remains committed to working with OTLLC towards the potential conversion of the Entrée/Oyu Tolgoi JVA into a more effective agreement of equivalent economic value. The agreement would include a mechanism for the Company to fulfil any obligation under Mongolian law to provide the State 34% of the economic benefit that the Company derives from the area of the Licences. Conversion of the Entrée/Oyu Tolgoi JVA would be subject to Toronto Stock Exchange acceptance and the requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* applicable to a related party transaction.

Q2 2026 HIGHLIGHTS

Entrée/OTLLC JV Licence Matters

- During the second quarter 2026, the Company continued to focus its efforts on the transfer of the Licences to OTLLC. Transfer of the Licences is necessary to enable Lift 1 Panel 1 underground development work on the Shivee Tolgoi mining licence area to proceed.
- In the second quarter 2026, the Entrée/Oyu Tolgoi joint venture ("**Entrée/Oyu Tolgoi JV**") updated the valuation calculations for the Licences and paid the tax imposed on income from the sale of rights to the Mongolian tax authority (the "**MTA**") in accordance with the Law on Corporate Income Tax.
- Following payment of the relevant corporate income taxes, on June 18, 2026, Entrée LLC resubmitted to the MTA a request for review of the valuation calculations for the Licences. A tax payment certificate must be obtained from the MTA as part of the documentation required to be submitted to the Mineral Resources and Petroleum Authority of

Mongolia for registration of the transfer of the Licences.
- On June 26, 2026, the MTA notified Entrée LLC that it had not submitted its documents in accordance with the relevant methodology and procedures, so it is not possible to issue a tax payment certificate. Entrée LLC subsequently filed a formal complaint with the MTA.
- On July 29, 2026, Rio Tinto disclosed that in H1 2026 the Government of Mongolia agreed to commence work on the Entrée/Oyu Tolgoi JV licence transfer for Panel 1. See Rio Tinto's 2026 half year results press release dated July 29, 2026, titled "Step-change in performance delivering higher shareholder returns" available on its website at www.riotinto.com for further details.

Entrée/Oyu Tolgoi JV Property Update

- The Entrée/Oyu Tolgoi JV Management Committee approved a 2026 in-fill diamond drilling program at the Hugo North Extension ("**HNE**") deposit comprised of ~9,136 metres of drilling on the Shivee Tolgoi mining licence area in 16 underground holes. The purpose of the 2026 drilling is to support geology and geotechnical characterization both on and off the footprint, as well as fill in gaps for resource estimation.
- In June 2026, the Entrée/Oyu Tolgoi JV Management Committee approved the addition of 4 surface holes totaling ~5,039 metres at the HNE deposit targeting the North Bound Fault, which has been identified by OTLLC as a key control on subsidence propagation to the north. The North Bound Fault model is mainly derived from surface magnetics, with limited drill holes intersecting the fault.
- In H1 2026, OTLLC completed an updated resource model for Hugo North (including HNE) Lifts 1 and 2. OTLLC has advised the Company an updated Lift 1 underground mine plan and production schedule are expected to be completed in H2 2026. OTLLC is in the process of delivering information and data to enable Entrée to update its Technical Report on its interest in the Entrée/Oyu Tolgoi JV Property to incorporate the new resource model and production schedule. The Company is targeting Q1 2027 for completion of its Technical Report.

Oyu Tolgoi Underground Mine Update

The Oyu Tolgoi project in Mongolia includes the Oyu Tolgoi mining licence which is 100% owned and held by OTLLC and the Entrée/Oyu Tolgoi JV Property which is beneficially owned by the Entrée/Oyu Tolgoi JV participants. Rio Tinto International Holdings Ltd. ("**Rio Tinto**") owns 66% of OTLLC and is the manager of operations at Oyu Tolgoi. Oyu Tolgoi is set to become the world's fourth largest copper mine by 2030.

- On June 30, 2026, Rio Tinto disclosed Oyu Tolgoi Lift 1 underground production ramp-up remains on track to reach an average of around 500 thousand tonnes of copper per year from 2028 to 2036. As the largest-ever foreign direct investment made in Mongolia, Oyu Tolgoi employs around 17,000 people, 97.8% of which are Mongolian, and has returned $6.1 billion in taxes, fees, and other payments since 2010. See Rio Tinto's press release dated June 30, 2026, titled "Rio Tinto and Government of Mongolia agree to adjust the Oyu Tolgoi shareholder loan interest rate" available on its website at www.riotinto.com for further details.
- On July 15, 2026, Rio Tinto disclosed planned maintenance at the concentrator impacted production in the second quarter 2026, which was partially offset by higher grades from the underground. The planned maintenance was successfully completed during the quarter. Year over year, Oyu Tolgoi delivered an increase in production driven by the ramp up of underground operations, and a higher combined grade from the open pit and underground. See Rio Tinto's press release dated July 15, 2026, titled "Rio Tinto releases second quarter 2026 production results" available on its website at www.riotinto.com for further details.
- On July 30, 2026, OTLLC disclosed Panel 0 on the Oyu Tolgoi mining licence reached its full production rate, marking an important milestone in the underground ramp-up progress, while development activities in Panel 2 North continued to advance. See OTLLC's press release dated July 30, 2026 titled "Q2 2026 Performance results" available on its website at www.ot.mn/en for further details.

Corporate

- For the three and six month periods ended June 30, 2026, the Company's operating loss was $0.6 million and $1.3 million, respectively, compared to $0.6 million and $1.3 million for the comparative periods in 2025.
- For the three and six month periods ended June 30, 2026, the operating cash outflow before changes in non-cash working capital items was $0.5 million and $1.1 million, respectively, compared to $0.5 million and $1.0 million in the comparative periods in 2025.
- As at June 30, 2026, the cash balance was $3.1 million and the working capital balance was $3.0 million.
- On June 18, 2026, Richard Williams was elected to the Company's board of directors (the "**Board**"). Mr. Williams has worked in the mining and mineral exploration sector for over 35 years, including as a mining executive for over 20 years.
- Subsequent to the second quarter 2026, Stephen Scott retired from his position as President, Chief Executive Officer and a director of the Company after more than 10 years of service. Chris Adams, a director of the Company since January 1, 2026, was concurrently appointed as President and Chief Executive Officer. Sarah Strunk was also appointed to the Board as an independent director. She has practiced business and finance law for more than 40 years and has represented numerous clients in the mining and natural resource industry.

The Company's interim financial statements and Management's Discussion and Analysis ("**MD&A**") for the second quarter ended June 30, 2026 are available on the Company's website at www.EntreeResourcesLtd.com, on SEDAR+ at www.sedarplus.ca, and on OTC Markets at www.otcmarkets.com.

QUALIFIED PERSON

Robert Cinits, P.Geo., a Qualified Person as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, has approved the technical information in this release. For further information on the Entrée/Oyu Tolgoi JV Property, see the Company's Technical Report, titled "Entrée/Oyu Tolgoi Joint Venture Project, Mongolia, NI 43-101 Technical Report", with an effective date of October 8, 2021, available on SEDAR+ at www.sedarplus.ca.

ABOUT ENTRÉE RESOURCES LTD.
Entrée Resources Ltd. is a Canadian mining company with a unique carried joint venture interest on a significant portion of one of the world's largest copper-gold projects – the Oyu Tolgoi project in Mongolia. Entrée has a 20% or 30% carried participating interest in the Entrée/Oyu Tolgoi JV, depending on the depth of mineralization. Royal Gold, Inc. (through its wholly owned Canadian subsidiary International Royalty Corporation) and Rio Tinto are major shareholders of Entrée, beneficially holding approximately 24% and 16% of the shares of the Company, respectively. More information about Entrée can be found at www.EntreeResourcesLtd.com.

FURTHER INFORMATION
David Jan
Investor Relations
Entrée Resources Ltd.
Tel: 604-687-4777 | Toll Free: 1-866-368-7330
E-mail: djan@EntreeResourcesLtd.com

This News Release contains forward-looking information within the meaning of applicable Canadian securities laws 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; Resolution 120 of the Parliament of Mongolia; the Company's efforts to obtain a tax payment certificate from the MTA in accordance with applicable laws of Mongolia; the Company's efforts to transfer the Licences to OTLLC in accordance with applicable laws of Mongolia, the OTIA, and the Entrée/Oyu Tolgoi JVA; the expected sequence of mining within and across panel boundaries; the Company's plans to continue discussions with OTLLC and Rio Tinto regarding a potential conversion of the Entrée/Oyu Tolgoi JVA; the Company's efforts to continue discussions with the Government Working Group regarding the potential for the State to receive 34% of the economic benefit that the Company derives from its 20% beneficial interest in the area of the Licences pursuant to applicable laws of Mongolia; the potential timing of the transfer of the Shivee Tolgoi and Javkhlant mining licences to OTLLC; the potential for Entrée to receive the benefits of the OTIA; 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 ramp-up of the Oyu Tolgoi Lift 1 underground mine; the expected timing of development work on the Shivee Tolgoi mining licence and the potential for delay, which may be significant, if the Shivee Tolgoi mining licence cannot be transferred to OTLLC in a timely fashion; the nature of the ongoing relationship and interaction between the Company, OTLLC and Rio Tinto and the Government of Mongolia and Erdenes Oyu Tolgoi LLC with respect to the continued operation and development of the Oyu Tolgoi project, the transfer of the Licences, and State participation in the area of the Licences; the Lift 2 Pre-Feasibility Study, the updated resource model for Hugo North (including Hugo North Extension) Lifts 1 and 2, the updated Lift 1 mine plan and production schedule, and the Company's updated Technical Report, and the possible outcomes, content and timing thereof; timing and amount of production from Lift 1 of the Entrée/Oyu Tolgoi JV Property, potential production delays and the impact of any delays on the Company's cash flows, expected copper, gold and silver grades, liquidity, funding requirements and planning; future commodity prices; the estimation of mineral reserves and resources; projected mining and process recovery rates; estimates of capital and operating costs, mill and concentrator throughput, cash flows and mine life; capital, financing and project development risk; mining dilution; potential actions by the Government of Mongolia with respect to the Shivee Tolgoi and Javkhlant mining licences and Entrée's interest in the Entrée/Oyu Tolgoi JV Property; potential size of a mineralized zone; potential expansion of mineralization; potential discovery of new mineralized zones; potential metallurgical recoveries and grades; plans for future exploration and/or development programs and budgets; permitting time lines; anticipated business activities; proposed acquisitions and dispositions of assets; and future financial performance.

In certain cases, forward-looking information can be identified by words such as "plans", "expects" or "does not expect", "is expected", "budgeted", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", "will be taken", "occur" or "be achieved". While the Company has based this forward-looking information on its expectations about future events as at the date that such information was prepared, the information is not a guarantee of Entrée's future performance and is based on numerous assumptions regarding present and future business strategies; the correct interpretation of agreements, laws and regulations; the commencement and conclusion of arbitration proceedings, including the potential benefits, timing and outcome of arbitration proceedings; the Company's ability to engage in discussions and negotiations with the Government Working Group and the potential timing and outcome of any such discussions; the future ownership of the Shivee Tolgoi and Javkhlant mining licences; that the Company will continue to have timely access to detailed technical, financial, and operational information about the Entrée/Oyu Tolgoi JV Property, the Oyu Tolgoi project, and government relations to enable the Company to properly assess, act on, and disclose material risks and opportunities as they arise; local and global economic conditions and the environment in which Entrée will operate in the future, including commodity prices, projected grades, projected dilution, anticipated capital and operating costs, including inflationary pressures thereon resulting in cost escalation, and anticipated future production and cash flows; the anticipated location of certain infrastructure and sequence of mining within and across panel boundaries; the continued ramp-up of the Oyu Tolgoi Lift 1 underground mine; the status of Entrée's relationship and interaction with the Government of Mongolia, Erdenes Oyu Tolgoi LLC, OTLLC, and Rio Tinto; and the Company's ability to operate sustainably, its community relations, and its social licence to operate.

With respect to the construction and continued development of the Oyu Tolgoi underground mine, important risks, uncertainties and factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking information include, amongst others, an uncertain and unstable global economic and political environment, *including China-U.S. tensions and the indirect impacts of the war in Ukraine and conflict in the Middle East, which could lead to critical supply shortages, falling commodity prices, trade actions (including increased tariffs, retaliations, and sanctions), and government efforts to exert more control over natural resources or to protect domestic economies by changing contractual, regulatory, or tax measures; the impacts of climate change and the transition to a low-carbon future; the nature of the ongoing relationship and interaction between OTLLC, Rio Tinto, Erdenes Oyu Tolgoi LLC and the Government of Mongolia with respect to the continued operation and development of Oyu Tolgoi; applicable taxes and royalty rates; the future ownership of the Shivee Tolgoi and Javkhlant mining licences; mining operational and development risks, including geotechnical risks and ground conditions; the amount of any future funding gap to complete the Oyu Tolgoi project ramp-up and the availability and amount of potential sources of additional funding; inflationary pressures on prices for critical supplies for Oyu Tolgoi resulting in cost escalation; the ability of OTLLC or the Government of Mongolia to deliver a domestic power source for Oyu Tolgoi (or the availability of financing for OTLLC or the Government of Mongolia to construct such a source) within the required contractual timeframe; sources of interim power; OTLLC's ability to operate sustainably, its community relations, and its social license to operate in Mongolia; the impact of changes in, changes in interpretation to or changes in enforcement of, laws, regulations and government practises in Mongolia; delays, and the costs which would result from delays, in the ramp-up of the underground mine; the anticipated location of certain infrastructure and sequence of mining within and across panel boundaries; projected commodity prices and their market demand; and production estimates and the anticipated yearly production of copper, gold and silver at the Oyu Tolgoi underground mine.*

Other risks, uncertainties and factors which could cause actual results, performance or achievements of the Company to differ materially from future results, performance or achievements expressed or implied by forward-looking information include, amongst others, unanticipated costs, expenses or liabilities; discrepancies between actual and estimated production, mineral reserves and resources and metallurgical recoveries; the impacts of geopolitics on trade and investment; trade tensions between the world's major economies; development plans for processing resources; matters relating to proposed exploration or expansion; regulatory restrictions (including environmental regulatory restrictions and liability); risks related to international operations, including legal and political risk in Mongolia; risks related to the potential impact of global or national health concerns; risks associated with changes in the attitudes of governments to foreign investment; risks associated with the conduct of joint ventures, including the ability to access detailed technical, financial and operational information; risks related to the Company's significant shareholders, and whether they will exercise their rights or act in a manner that is consistent with the best interests of the Company and its other shareholders; inability to upgrade Inferred mineral resources to Indicated or Measured mineral resources; inability to convert mineral resources to mineral reserves; conclusions of economic evaluations; fluctuations in commodity prices and demand; changing foreign exchange rates; the speculative nature of mineral exploration; the global economic climate; dilution; share price volatility; activities, actions or assessments by Rio Tinto or OTLLC and by government stakeholders or authorities including Erdenes Oyu Tolgoi LLC and the Government of Mongolia; the availability of funding on reasonable terms; the impact of changes in interpretation to or changes in enforcement of laws, regulations and government practices, including laws, regulations and government practices with respect to mining, foreign investment, strategic deposits, royalties and taxation; the terms and timing of obtaining necessary environmental and other government approvals, consents and permits; the availability and cost of necessary items such as water, skilled labour, transportation and appropriate smelting and refining arrangements; unanticipated reclamation expenses; changes to assumptions as to the availability of electrical power, and the power rates used in operating cost estimates and financial analyses; changes to assumptions as to salvage values; ability to maintain the social license to operate; accidents, labour disputes and other risks of the mining industry; global climate change; global conflicts; natural disasters; the impacts of civil unrest; breaches of the Company's policies, standards and procedures, laws or regulations; increasing societal and investor expectations, in particular with regard to environmental, social and governance considerations; the impacts of technological advancements; title disputes; limitations on insurance coverage; competition; loss of key employees; cyber security incidents; misjudgements in the course of preparing forward-looking information; and those factors discussed in the Company's most recently filed MD&A and in the Company's Annual Information Form for the financial year ended December 31, 2025, dated March 5, 2026 filed with the Canadian Securities Administrators and available at www.sedarplus.ca. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company is under no obligation to update or alter any forward-looking information except as required under applicable securities laws.