



A Gold Resource  
Royalty Company

**Unaudited Condensed Interim  
Financial Statements (per IFRS)  
Second Quarter ended June 30, 2020**

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**Balance Sheets**  
(Unaudited)  
(In thousands of euros)

	Notes	June 30, 2020	December 31, 2019
<b>Non-current assets</b>		€ 10,819	€ 10,691
Royalty assets	4	7,948	8,145
Marketable securities	5	2,871	2,546
<b>Current assets</b>		<b>33,620</b>	<b>37,541</b>
Trade receivables	6	4,891	5,906
Other current assets		35	15
Cash	7	28,694	31,620
<b>Total assets</b>		€ 44,439	€ 48,232
<b>Equity</b>		€ 43,742	€ 47,563
Share capital	8.1	625	625
Additional paid-in-capital	8.1	84	84
Other reserves		34,770	30,888
Net profit for the period		8,263	15,966
<b>Non-current liabilities</b>		<b>493</b>	<b>428</b>
Deferred tax liabilities		493	428
<b>Current liabilities</b>		<b>204</b>	<b>241</b>
Trade payables and current liabilities		127	120
Income tax payable		77	121
<b>Total equity and liabilities</b>		€ 44,439	€ 48,232
Contingencies	15		

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

**Income Statements****(Unaudited)****(In thousands of euros, except per share amount)**

	Notes	Second quarter ended June 30,		Six months ended June 30,	
		2020	2019	2020	2019
Revenues	11	€ 5,223	€ 6,511	€ 12,455	€ 12,388
Operating expenses	12	(209)	(172)	(328)	(313)
Amortization expense	4	(77)	(134)	(193)	(258)
Operating profit		4,937	6,205	11,934	11,817
Investment income		56	227	221	406
Foreign exchange gain (loss)		(193)	(16)	(175)	9
Net financial gain (loss)		(137)	211	46	415
Profit before income tax		4,800	6,416	11,980	12,232
Income tax expense	9	(1,507)	(1,766)	(3,717)	(4,030)
Net profit		€ 3,293	€ 4,650	€ 8,263	€ 8,202
Basic and diluted earnings per share (€/share)	8.2	€ 0.053	€ 0.074	€ 0.132	€ 0.131

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

**Statements of Comprehensive Income**  
(Unaudited)  
(In thousands of euros)

	Note	Second quarter ended June 30,		Six months ended June 30,	
		2020	2019	2020	2019
Net profit		€ 3,293	€ 4,650	€ 8,263	€ 8,202
Other comprehensive income (loss) Items that will not be reclassified to the income statement					
Net unrealized change in fair value of marketable securities, net of tax	5	1,220	(470)	267	(547)
Currency translation adjustments		(761)	(508)	147	449
Other comprehensive income (loss)		459	(978)	414	(98)
Total comprehensive income		€ 3,752	€ 3,672	€ 8,677	€ 8,104

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

## Cash Flow Statements

(Unaudited)  
(In thousands of euros)

	Notes	Second quarter ended June 30,		Six months ended June 30,	
		2020	2019	2020	2019
<b>Operating activities</b>					
Net profit		€ 3,293	€ 4,650	€ 8,263	€ 8,202
Elimination of items which do not have an impact on cash flow:					
Amortization expense		77	134	193	258
Foreign exchange loss (gain)		193	16	175	(9)
Income tax expense		1,507	1,766	3,717	4,030
Movements in non-cash working capital items	13	2,321	(343)	1,013	534
Cash from operating activities before income tax paid		7,391	6,223	13,361	13,015
Income tax paid		(2,040)	(1,681)	(3,761)	(3,408)
<b>Net cash flow from operating activities</b>		<b>5,351</b>	<b>4,542</b>	<b>9,600</b>	<b>9,607</b>
<b>Financing activities</b>					
Dividends paid	8.3	(12,498)	(12,498)	(12,498)	(12,498)
<b>Unrealized impact from changes in foreign currency exchange rates on cash</b>					
		(653)	(315)	(28)	322
<b>Decrease in cash</b>		<b>(7,800)</b>	<b>(8,271)</b>	<b>(2,926)</b>	<b>(2,569)</b>
Cash, beginning of the period		36,494	31,413	31,620	25,711
<b>Cash, end of the period</b>		<b>€ 28,694</b>	<b>€ 23,142</b>	<b>€ 28,694</b>	<b>€ 23,142</b>

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

## Statements of Changes in Equity (Unaudited) (In thousands of euros)

	Share capital	Additional paid-in capital	Fair value reserve	Currency translation adjustments	Retained earnings	Net profit for the period	Total equity
<b>Balance as of</b>							
<b>December 31, 2019</b>	€ 625	€ 84	€ (2,191)	€ 6,585	€ 26,494	€ 15,966	€ 47,563
Appropriation of 2019 profit	-	-	-	-	15,966	(15,966)	-
<b>Position as of December 31, 2019 after appropriation of profit</b>	<b>625</b>	<b>84</b>	<b>(2,191)</b>	<b>6,585</b>	<b>42,460</b>	<b>-</b>	<b>47,563</b>
Dividends (note 8.3)	-	-	-	-	(12,498)	-	(12,498)
Total comprehensive income	-	-	267	147	-	8,263	8,677
<b>Balance as at June 30, 2020</b>	<b>€ 625</b>	<b>€ 84</b>	<b>€ (1,924)</b>	<b>€ 6,732</b>	<b>€ 29,962</b>	<b>€ 8,263</b>	<b>€ 43,742</b>

	Share capital	Additional paid-in capital	Fair value reserve	Currency translation adjustments	Retained earnings	Net profit for the period	Total equity
<b>Balance as of</b>							
<b>December 31, 2018</b>	€ 625	€ 84	€ (1,562)	€ 5,710	€ 23,269	€ 15,723	€ 43,849
Appropriation of 2018 profit	-	-	-	-	15,723	(15,723)	-
<b>Position as of December 31, 2018 after appropriation of profit</b>	<b>625</b>	<b>84</b>	<b>(1,562)</b>	<b>5,710</b>	<b>38,992</b>	<b>-</b>	<b>43,849</b>
Dividends (note 8.3)	-	-	-	-	(12,498)	-	(12,498)
Total comprehensive income	-	-	(547)	449	-	8,202	8,104
<b>Balance as at June 30, 2019</b>	<b>€ 625</b>	<b>€ 84</b>	<b>€ (2,109)</b>	<b>€ 6,159</b>	<b>€ 26,494</b>	<b>€ 8,202</b>	<b>€ 39,455</b>

The accompanying notes are an integral part of these unaudited condensed interim financial statements.

## Notes to Unaudited Condensed Interim Financial Statements

*(Amounts in notes are in euros, and tabular amounts are in thousands of euros, except where otherwise indicated.)*

### 1) Corporate information

EURO Ressources S.A. (“EURO” or the “Company”) is a *Société Anonyme*, domiciled in metropolitan France with its registered office located in Paris. EURO is a listed company in France who does not prepare consolidated financial statements.

As at June 30, 2020, IAMGOLD France S.A.S. (“IAMGOLD France”), an indirect wholly owned subsidiary of IAMGOLD Corporation (“IAMGOLD”), owned approximately 89.71% of all issued and outstanding shares of EURO and 94.25% of the voting rights of EURO (note 8.1). EURO’s securities trade on the NYSE Euronext of Paris stock exchange under the symbol EUR.

Main assets of the Company are a royalty on the Rosebel Gold Mine production in Suriname (the “Rosebel royalty”), a royalty on the Paul Isnard concessions, and marketable securities. The Rosebel royalty is payable by IAMGOLD. The Rosebel Gold Mine is 95%-owned by IAMGOLD, and is operated by IAMGOLD. The royalty on the Paul Isnard concessions is a net smelter returns production royalty on future production of the Paul Isnard concessions and an area of interest surrounding the concessions in French Guiana, owned under a joint venture agreement between Orea Mining Corp. (formerly Columbus Gold Corp.) (“Orea”) and Nord Gold SE (“Compagnie Minière Montagne d’Or” or the “JV”).

### 2) Basis of preparation

#### 2.1) Statement of compliance

EURO’s unaudited condensed interim financial statements (“interim financial statements”) as and for the second quarter and six months ended June 30, 2020 and 2019 have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as approved by the International Accounting Standard Board (“IASB”) to comply with Canadian requirements. In France, only French generally accepted accounting principles can be applied for establishment of individual accounts of listed companies.

The interim financial statements of EURO as at and for the second quarter ended June 30, 2020 have been prepared in accordance with IAS 34, Interim Financial Reporting, and do not include all of the information required for annual financial statements. Accordingly, certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS have been omitted or condensed. These financial statements have been prepared on a historical cost basis, except for marketable securities which are measured at fair value.

These interim financial statements have been approved for publication by the Board of Directors on August 6, 2020.

#### 2.2) Accounting policies

These interim financial statements, including comparatives, have been prepared following the same accounting policies and methods of computation as the annual audited financial statements for the year ended December 31, 2019.

#### 2.3) Functional and presentation currencies

Financial statements of the Company are presented in Euros (“€” or “euros”).



The functional currency of EURO is the United States dollars ("US\$"), determined on the basis of the economic environment in which the Company operates. The United States dollar is the currency in which major transactions of the Company, such as income from royalties and the related cash, are denominated. Certain additional information are presented in these financial statements in United States dollars and in Canadian dollars ("C\$").

Transactions denominated in foreign currencies (€ and C\$) are converted into the Company's functional currency (US\$) on the basis of the spot exchange rates applied on the transaction dates. Foreign exchange gains and losses are related to the revaluation of bank accounts and other balance sheet accounts denominated in foreign currencies, and the revaluation and payment of dividends and income tax payable. Foreign exchange gains and losses are included in the income statements. Foreign exchange gains and losses related to deferred tax liabilities are included in the income tax expense.

Financial statements in United States dollars are then converted into euros as follows:

- Assets and liabilities are translated at the closing rate at the date of the balance sheet;
- Income and expenses for each significant transaction are translated at the exchange rate at the date of the transaction; otherwise an average rate for the period is used;
- When a gain or loss on financial assets at fair value through other comprehensive income ("OCI"), is recognized in OCI, the translation differences are also recognized in OCI;
- Equity transactions are translated using the exchange rate at the date of the transaction.

Translation adjustments arising from conversion of the financial statements into the presentation currency are recognized in other comprehensive income ("currency translation adjustments"). The currency exchange rate used to present the balance sheets in euros was €1 for US\$1.1237 at June 30, 2020 (€1 for US\$1.1227 as at December 31, 2019). The average currency exchange rate for the first six months ended June 30, 2020, used to present the Company's income statement, statement of comprehensive income and cash flow statement, was €1 for US\$1.1062 (first six months ended June 30, 2019: €1 for US\$1.1311 ; second quarter of 2020 and 2019 respectively: €1 for US\$1.1021 and US\$1.1193). Significant transactions are translated at the exchange rate of the date of the transaction. The fluctuation in foreign exchange rates explains the currency translation adjustments in the statement of comprehensive income.

### **3) Management of financial risk**

EURO is exposed to different types of financial risks:

- Market risk (principally the market price for gold and marketable securities, and foreign currency risk),
- Credit risk, and
- Liquidity risk.

EURO monitors the volatility of financial markets and seeks to minimize the potentially unfavorable effects of that volatility for EURO's financial performance.

#### **3.1) Market risk**

##### **3.1.1) Gold price risk**

EURO is exposed to the risk of changes in the market price of gold. The Rosebel royalty production is anticipated to be between 160,000 ounces and 180,000 ounces in 2020. The range of production guidance has been lowered for 2020 reflecting the operational impact of the global COVID-19 crisis and the suspension of operations on June 12, 2020.

In 2020, the Rosebel royalty is expected to provide revenues to the Company of between approximately €18.8 million and €21.3 million (US\$21.0 million and US\$23.8 million). These pre-tax numbers assume a gold price of US\$1,675 per ounce and an exchange rate of €1 for US\$1.12. The impact of changes in the average gold price on EURO's annual revenues, based on an estimated production of 170,000 ounces, would be approximately US\$1.7 million for each US\$100 per ounce

change in the gold price. The impact of a 5% change in the average foreign exchange rate on EURO's annual revenues would be approximately €1.0 million.

### 3.1.2) Foreign currency translation risk

The functional currency of EURO is the United States dollars ("US\$") and its financial statements are presented in euros. EURO is exposed to foreign currency translation risk arising from various currency exposures, primarily with respect to the euro. Most revenues are initially denominated in the US\$ functional currency. On the other side, the income tax expense is denominated in euros which is not the Company's functional currency. Accordingly, the largest foreign currency translation risk is related to income tax expense.

Six months ended June 30,2020					Exposure to currency translation risk %
(In thousands of euros)	Total	US\$	€	C\$	
Revenues	€ 12,455	€ 12,455	€ -	€ -	-
Operating expenses	€ 328	€ 152	€ 147	€ 29	54%
Investment income	€ 221	€ 221	€ -	€ -	-
Income tax expense	€ 3,717	€ -	€ 3,717	€ -	100%

### 3.2) Credit risk

EURO is subject to a concentrated credit risk with almost 100% of its revenues receivable from one source, namely the Rosebel royalty. This royalty is payable by one company, IAMGOLD, which operates the Rosebel mine. Management considers that in view of the financial standing and nature of IAMGOLD's continuing operating activities, the risk of loss is minimal.

### 3.3) Liquidity risk

Prudent management of liquidity risk requires the retention of adequate liquidity to meet expected expenditures and possible contingencies. EURO believes that its recurring operational income is adequate to cover spending requirements.

**4) Royalty assets**

	December 31, 2019		Movement	Translation adjustment	June 30, 2020	
<u>Costs</u>						
Rosebel <sup>1</sup>	€	13,675	€	-	€	13,663
Paul Isnard <sup>2</sup>		4,988		-	(4)	4,984
		18,663		-	(16)	18,647
<u>Accumulated amortization</u>						
Rosebel		(10,518)		(193)	12	(10,699)
	€	<b>8,145</b>	€	<b>(193)</b>	€	<b>7,948</b>

	December 31, 2018		Movement	Translation adjustment	December 31, 2019	
<u>Costs</u>						
Rosebel <sup>1</sup>	€	13,401	€	-	€	13,675
Paul Isnard <sup>2</sup>		4,888		-	100	4,988
		18,289		-	374	18,663
<u>Accumulated amortization</u>						
Rosebel		(9,851)		(466)	(201)	(10,518)
	€	<b>8,438</b>	€	<b>(466)</b>	€	<b>8,145</b>

<sup>1</sup> The Rosebel royalty quarterly payments from IAMGOLD apply to the first seven million ounces of gold produced from the Rosebel mine and are calculated on the basis of gold production at the Rosebel mine and the market price of gold based on the Afternoon London Price. As of June 30, 2020, the Rosebel mine had produced approximately 5.35 million ounces of gold and 1.65 million ounces of gold remained under the Rosebel royalty agreement. Per IAMGOLD, Rosebel's proven and probable gold reserves as at December 31, 2019 were estimated to be 3.5 million ounces of gold. These reserves do not include reserves of the Saramacca deposit of the Rosebel mine as they are not included in the definition of the property per the participation right agreement. The Rosebel royalty is calculated based on 10% of the excess gold market price above US\$300 per ounce for soft and transitional ore, and above US\$350 per ounce for hard rock ore, and, in each case, after deducting a fixed royalty of 2% of production paid in-kind to the Government of Suriname.

<sup>2</sup> The net smelter returns production royalty covers future production of the Paul Isnard concessions and an area of interest surrounding the concessions in French Guiana. Royalty income will be calculated by applying the percentage of royalty to the net smelter returns royalty established based on revenues from the sale of gold calculated per the average monthly gold price (in United States dollars) less applicable deductions per the agreement. The royalty percentage is 1.8% on the first two million ounces of gold and 0.9% on the next three million ounces of gold.

**Impairment of intangible assets**

The carrying amounts of the Company's royalty are reviewed at each reporting date to determine whether there is any indication of impairment (significant decrease in proven and probable gold reserves, decrease in the gold price on the London Bullion Market, deterioration of the dollar exchange rate).

An impairment test is performed at each year-end, the projection period ending when all of gold ounces under the royalty agreement have been mined. The test takes into account the following assumptions:

- The comparison between the proven and probable reserves defined by a qualified person within the meaning of Canadian mining law and the remaining quantities to be extracted under the royalty agreement;
- The estimated average price of gold based on the analysis of multiple financial institutions;
- The average rate of the US dollar over the fiscal year;
- The discount rate taking into account a sensitivity ranging from 0 to 10%.

#### **Rosebel mine**

No indication of impairment was identified for the Rosebel royalty as at June 30, 2020.

#### **Paul Isnard project**

During 2019, the following events took place:

- The appointment in January of two guarantors of public participation in the development of the project until the opening of the public inquiry into the permit applications by France's Commission Nationale du Débat Public (CNDP).
- The announcement on May 23 by the Ministry of Ecological Transition and Solidarity following the end of the first meeting of the Ecological Defence Council of the incompatibility of the project in "its current state" with the environmental protection requirements. Following this announcement, the Compagnie Minière Montagne d'Or (the joint venture) reaffirmed through a press release its commitment to maintaining an open and constructive dialogue with all stakeholders.

The statements by the French Government regarding the Compagnie Minière Montagne d'Or, to which the Paul Isnard royalty is attached, have created some uncertainty around the delivery of the various authorizations and permits not yet obtained and required for developing the project, and can potentially affect the operational and financial capacities of the project.

Failure to obtain operating permits would result in the need to depreciate in full the net book value of the assets relating to the Paul Isnard royalty.

As of June 30, 2020, the CNDP had not yet submitted its conclusions and work is continuing on both the design of the project and the environmental framework around it. According to the press release issued by Orea Mining Corp. on June 4, 2020, the engineering studies for the project's improvements and modifications for mining permits are expected to be completed by mid-year.

In light of the above, the Company maintains the same assumptions as in the impairment test performed as at December 31, 2019. The Company believes that it is premature to conclude that an impairment should be recorded on the Paul Isnard royalty asset at this stage. Therefore, The Company continues to assume that the various authorizations and permits would be granted under conditions that will allow the joint venture to go forward with this project, although the timing is somewhat uncertain. No impairment charges were recorded in the statement of earnings for the second quarter ended June 30, 2020.

**5) Marketable securities**

EURO holds marketable securities related to mining companies which are part of a volatile market. Share market price exposure risk is related to the fluctuation in the market price of marketable securities. Investments in marketable securities are recorded at fair value with changes in fair value recorded in other comprehensive income.

As at June 30, 2020, marketable securities comprised 19,095,345 shares of Orea Mining Corp. ("Orea") (9.7% of outstanding shares; December 31, 2019: 10.6%) and 3,819,069 shares of Allegiant Gold Ltd. ("Allegiant") (6.2% of outstanding shares; December 31, 2019: 6.2%).

	Second quarter ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Balance, beginning of the period	€ 1,534	€ 3,017	€ 2,546	€ 3,140
Change in fair value of marketable securities	1,384	(430)	333	(613)
Translation adjustment	(47)	(35)	(8)	25
Balance, end of the period	€ 2,871	€ 2,552	€ 2,871	€ 2,552

Unrealized gains or losses related to the change in market price of marketable securities are recorded in accumulated other comprehensive income within equity.

	Second quarter ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Net unrealized change in fair value of marketable securities, net of tax				
Change in fair value of marketable securities	€ 1,384	€ (430)	333	(613)
Income tax impact	(164)	(40)	(66)	66
	€ 1,220	€ (470)	€ 267	€ (547)

**6) Trade receivables**

	Note	June 30, 2020	December 31, 2019
Trade receivables from IAMGOLD	14	€ 4,891	€ 5,906
		€ 4,891	€ 5,906

**7) Cash**

	June 30, 2020	December 31, 2019
Cash <sup>1</sup>	€ 28,694	€ 31,620

<sup>1</sup> 1% of EURO's available cash was held in euros as at June 30, 2020 (December 31, 2019: 1%).

**8) Share capital****8.1) Common shares**

	<b>Number of shares</b>	<b>Nominal value per share</b> (In euros per share)	<b>Share Capital</b> (In thousands of euros)	<b>Additional paid-in capital</b> (In thousands of euros)
<b>As at June 30, 2020 and December 31, 2019</b>	<b>62,491,281</b>	<b>€ 0.01</b>	<b>€ 625</b>	<b>€ 84</b>

**Voting rights**

Pursuant to Article 223-11, paragraph 2 of the AMF General Regulations, the total number of voting rights is calculated on the basis of all shares to which are attached voting rights, including shares deprived of voting rights. The number of voting rights is different from the number of outstanding shares due to the automatic granting of double voting rights to the shareholders holding registered shares since at least two years (application of article L. 225-123 of the French commercial code).

As at June 30, 2020, IAMGOLD France, an indirect wholly owned subsidiary of IAMGOLD, owned approximately 89.71% of all issued and outstanding shares of EURO. As at June 30, 2020, IAMGOLD France held 56,058,191 shares representing 112,116,382 voting rights or 94.25% of the voting rights of EURO. This threshold crossing results from a double voting rights allocation.

	<b>June 30, 2020</b>	<b>December 31, 2019</b>
Total number of common shares	<b>62,491,281</b>	62,491,281
Double voting rights	<b>56,467,891</b>	56,467,891
Total number of voting rights	<b>118,959,172</b>	118,959,172

**8.2) Earnings per share****Basic earnings per share computation**

	<b>Second quarter ended June 30,</b>		<b>Six months ended June 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Net profit attributable to holders of common shares	€ <b>3,293</b>	€ 4,650	€ <b>8,263</b>	€ 8,202
Basic and diluted weighted average number of common shares	<b>62,491,281</b>	62,491,281	<b>62,491,281</b>	62,491,281
Basic and diluted earnings per share attributable to holders of common shares	€ <b>0.053</b>	€ 0.074	€ <b>0.132</b>	€ 0.131

**Diluted earnings per share computation**

The double voting rights do not have a dilutive effect on the earnings per share computation.

### 8.3) Dividends

The amount of distributable dividends is based on the annual financial statements prepared in accordance with French GAAP.

	Six months ended June 30,	
	2020	2019
Dividends paid June 11, 2020 <sup>1</sup>	€ 12,498	€ -
Dividends paid June 13, 2019 <sup>2</sup>	-	12,498
	€ 12,498	€ 12,498

<sup>1</sup> The annual ordinary general meeting of shareholders held May 20, 2020 approved dividends in the amount of €12,498,000 (€0.20 per share) which were paid to the Company's shareholders on June 11, 2020.

<sup>2</sup> The annual ordinary and extraordinary general meeting of shareholders held May 22, 2019 approved dividends in the amount of €12,498,000 (€0.20 per share) which were paid to the Company's shareholders on June 13, 2019.

### 9) Income tax

The income tax expense differs from the amount that would have been computed by applying the income tax rate for corporations in France. In 2020, the income tax rate applicable to profit before income tax was of 28% as well as an additional social contribution tax of 3.3% applied to the tax rate. In 2019, the income tax rate applicable to profit before income tax was of 28% for the first taxable income of €0.5 million and 31% for the remainder as well as an additional social contribution tax of 3.3% applied to the tax rate.

The Company's effective tax rate for the second quarter of 2020 was 31.4% compared to 27.5% during the second quarter of 2019 (31.0% during the first six months ended June 30, 2020 compared to 33.0% during the first six months of 2019). The effective tax rate varied from the tax rate for corporations in France mainly due to the change in fair value of marketable securities and translation adjustments.

### 10) Fair value measurements

The fair value hierarchy categorizes into three levels the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly such as derived from prices.
- Level 3 inputs are unobservable inputs for the asset or liability.

There have been no changes in the classification of financial instruments in the fair value hierarchy since December 31, 2019.

#### 10.1) Assets and liabilities measured at fair value on a recurring basis

As at June 30, 2020, the Company's following assets were recorded at fair value as follows.

	Level 1	Level 2	Level 3	Total
Marketable securities	€ 2,871	-	-	€ 2,871
Cash	€ 28,694	-	-	€ 28,694

**10.2) Valuation techniques**

## Marketable securities

The fair value of marketable securities included in Level 1 is determined based on a market approach. The closing price is a quoted market price from the exchange market that is the principal active market for that particular security.

**11) Revenues**

	Second quarter ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Royalties related to the operation of the Rosebel mine	€ 5,223	€ 6,511	€ 12,455	€ 12,465
Royalties related to mining operations from third parties <sup>1</sup>	-	-	-	(77)
	€ 5,223	€ 6,511	€ 12,455	€ 12,388

<sup>1</sup> Royalties related to mining operations from third parties were over accrued in December 2018.

**12) Operating expenses**

	Second quarter ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Administrative costs	€ 100	€ 69	€ 125	€ 102
Directors' fees (including withholding taxes)	35	29	60	54
Audit fees	21	19	44	51
Legal fees	16	27	29	42
Exchange and listing fees	37	28	70	64
	€ 209	€ 172	€ 328	€ 313

**13) Movements in non-cash working capital items**

	Second quarter ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Change in trade receivables and other current assets	€ 2,281	€ (371)	€ 1,005	€ 536
Change in trade payables and other current liabilities	40	28	8	(2)
	€ 2,321	€ (343)	€ 1,013	€ 534



**14) Related party transactions**

Revenues from royalties related to the Rosebel mine during the second quarter of 2020 were €5,223,000 (first six months of 2020: €12,455,000) compared to €6,511,000 during the second quarter of 2019 (first six months of 2019: €12,465,000). The related amount receivable at June 30, 2020 was €4,891,000 (December 31, 2019: €5,906,000) and was included in trade receivables.

During the second quarter of 2020, the Company accounted for IAMGOLD's support fees totalling €18,000 (first six months of 2020: €36,000) compared to €19,000 during the second quarter of 2019 (first six months of 2019: €41,000). These charges are included in administrative costs in operating expenses. The related amount payable at June 30, 2020 was €4,000 and was included in trade payables and current liabilities (December 31, 2019: €9,000).

**15) Provisions for litigation claims and regulatory assessments**

By their nature, contingencies will only be determined when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

The Company may be subject to assessments by regulatory authorities which can be complex and subject to interpretation. Assessments may relate to matters such as income and other taxes. The Company is diligent and exercises informed judgment to interpret the provisions of applicable laws and regulations as well as their application and administration by regulatory authorities to reasonably determine and pay the amounts due. From time to time, the Company may undergo a review by the regulatory authorities and in connection with such reviews, disputes may arise with respect to the Company's interpretations about the amounts due and paid.

Legal advisors and other subject matter experts assess the potential outcome of litigation and regulatory assessments. Accordingly, the Company establishes provisions for future disbursements considered probable.

A provision is booked when (i) the Company has a present legal or constructive obligation towards a third party as a result of a past event, (ii) it is probable that an outflow of resources will be required to settle the obligation, and (iii) the amount of the obligation can be estimated reliably.

As at June 30, 2020, the Company did not have any provisions for litigation claims or regulatory assessments as there are no claim or assessment pending.