EURO RESSOURCES S.A.

INDEPENDENT AUDITORS' REPORT

(Year ended December 31, 2013)

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INDEPENDENT AUDITORS' REPORT

To the shareholders and Board of directors of Euro Ressources S.A.

Report on the financial statements

We have audited the accompanying financial statements of Euro Ressources S.A., which comprise the balance sheet as at December 31, 2013 and the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of Euro Ressources S.A. as at December 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Neuilly-sur-Seine, March 3, 2014

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EURO Ressources SA

A Gold Resource Royalty Company

IFRS Financial Statements and Shareholders' Report

Fiscal Year Ended December 31, 2013

EURO RESSOURCES S.A.

2013 – AUDITED FINANCIAL STATEMENTS

Contents

I Balance Sheets
(In thousands of euros)

	Notes	December 31, 2013	December 31, 2012
Non-current assets		**€ 13,383**	**€ 6,441**
Intangible assets	5	9,478	6,235
Available-for-sale financial assets	6	3,905	206
Current assets		**13,670**	**22,296**
Trade receivables	7	5,208	11,131
Other current assets	7	27	27
Income tax receivable	7	409	-
Cash and cash equivalents	8	8,026	10,001
Assets held for sale	4	-	1,137
Total assets		**€ 27,053**	**€ 28,737**
Equity		**€ 26,750**	**€ 26,433**
Share capital	9.1	625	625
Additional paid-in capital	9.1	84	104
Other reserves		2,249	613
Net profit for the year		23,792	25,091
Non-current liabilities		**83**	**109**
Deferred tax liabilities	11.3	83	109
Current liabilities		**220**	**2,195**
Trade payables	10	123	147
Other current liabilities	10	97	109
Current income tax payable	10	-	1,939
Total equity and liabilities		**€ 27,053**	**€ 28,737**

The accompanying notes are an integral part of these audited IFRS financial statements.

II Income Statements

(In thousands of euros, except per share amount)

	Notes	Fiscal year ended December 31, 2013	2012
Revenues from ordinary activities	12	€ 29,312	€ 41,455
Operating expenses	13	(1,016)	(900)
Amortization expense	5	(569)	(666)
Other income	14	10,015	239
Operating profit		37,742	40,128
Investment income		31	28
Impairment of available-for-sale financial assets	6	(211)	-
Net foreign exchange loss	15	(76)	(303)
Net financial losses		(256)	(275)
Profit before income tax		37,486	39,853
Income tax expense	11.1	(13,694)	(14,762)
Net profit		**€ 23,792**	**€ 25,091**
Earnings per share (€/share)	9.2		
Basic		**€ 0.381**	€ 0.401
Diluted		**€ 0.381**	€ 0.401

The accompanying notes are an integral part of these audited IFRS financial statements.

III Statements of Comprehensive Income
(In thousands of euros)

	Notes	Fiscal year ended December 31, 2013	2012
Net profit		€ 23,792	€ 25,091
Items that may be subsequently reclassified to profit or loss			
Other comprehensive income (loss)			
Net unrealized change in fair value of available-for-sale financial assets, net of tax	6	(56)	(95)
Impairment of available-for-sale financial assets, net of tax	6	138	-
		82	(95)
Items that will not be reclassified to profit or loss			
Currency translation adjustments		(1,038)	134
Other comprehensive income (loss)		(956)	39
Total comprehensive income		**€ 22,836**	**€ 25,130**

The accompanying notes are an integral part of these audited IFRS financial statements.

IV Cash Flow Statements

(In thousands of euros)

	Notes	Fiscal year ended December 31, 2013	2012
Operating activities			
Net profit		€ 23,792	€ 25,091
Elimination of items which do not have an impact on the cash flow:			
Depreciation and amortization expenses		569	666
Other income		(10,015)	(200)
Impairment of available-for-sale financial assets		211	-
Income tax expense		13,694	14,762
Gross cash flow from operating activities before net change in operating working capital and income tax paid		28,251	40,319
Change in trade receivables and other current assets		5,648	353
Change in trade payables and other current liabilities		(27)	(41)
Net change in operating working capital		5,621	312
Income tax paid		(16,057)	(18,595)
Net cash flow from operating activities		**17,815**	**22,036**
Investing activities			
Exercise of the Option agreement	4	3,013	-
Net cash flow from investing activities		**3,013**	-
Financing activities			
Dividends paid	9.3	(22,499)	(18,124)
Repurchase of shares	9.1	(20)	-
Net cash flow used in financing activities		**(22,519)**	**(18,124)**
Unrealized impact from changes in foreign currency exchange rates on cash and cash equivalents		**(284)**	**505**
Increase (decrease) in cash and cash equivalents		**(1,975)**	**4,417**
Cash and cash equivalents, beginning of the year		10,001	5,584
Cash and cash equivalents, end of the year		**€ 8,026**	**€ 10,001**

The accompanying notes are an integral part of these audited IFRS financial statements.

V Statements of Changes in Equity
(In thousands of euros)

	Share capital	Additional paid-in capital	Available -for-sale fair value reserve	Currency translation adjustments	Retained earnings	Net profit for the year	Total equity
Position as of January 1, 2012	**€ 625**	**€ 104**	**€ 19**	**€ 2,757**	**€ 15,922**	**€ -**	**€19,427**
Dividend in 2012 (note 9.3)	-	-	-	-	(18,124)	-	**(18,124)**
Total comprehensive income in 2012	**-**	**-**	(95)	134	**-**	25,091	**25,130**
Position as of December 31, 2012 before appropriation of profit	625	104	(76)	2,891	(2,202)	25,091	**26,433**
Appropriation of 2012 profit	-	-	-	-	25,091	(25,091)	**-**
Position as of December 31, 2012 after appropriation of profit	**625**	**104**	**(76)**	**2,891**	**22,889**	**-**	**26,433**
Dividend in 2013 (note 9.3)	-	-	-	-	(22,499)	-	**(22,499)**
Repurchase of shares (note 9.1)	-	(20)	-	-	-	-	**(20)**
Total comprehensive income in 2013	-	-	82	(1,038)	-	23,792	**22,836**
Position as of December 31, 2013	**€ 625**	**€ 84**	**€ 6**	**€ 1,853**	**€ 390**	**€23,792**	**€26,750**

The accompanying notes are an integral part of these audited IFRS financial statements.

VI Notes to Financial Statements

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

1) General information

1.1) EURO Ressources S.A.

These audited financial statements of EURO Ressources ("EURO" or the "Company") are prepared in accordance with International Financial Reporting Standards ("IFRS") to comply with Canadian requirements. In France, only French rules can be applied for establishment of individual accounts of listed companies.

EURO is a *Société Anonyme*, domiciled in metropolitan France with its registered office located in Paris.

These financial statements have been approved for publication by the Board of Directors on February 21, 2014.

As a result of internal restructuring in 2012, IAMGOLD Corporation ("IAMGOLD") transferred all of its shares in EURO to its wholly owned subsidiary IAMGOLD France S.A.S., which owned approximately 86% at December 31, 2013 (86% at December 31, 2012) of all outstanding shares of EURO.

1.2) Description of operations

EURO owns a royalty on the Rosebel gold mine in Suriname (the "Rosebel royalty") which is owned and operated by IAMGOLD. EURO receives quarterly payments from IAMGOLD on this royalty.

2) Basis of accounting and presentation

2.1) Standards

EURO's financial statements are prepared in accordance with IFRS as approved by the International Accounting Standard Board ("IASB").

Financial statements for the period ended December 31, 2013 have been prepared on a historical cost basis, except for available-for-sale financial assets which are measured at fair value.

2.1.1) Revisions, amendments and interpretations to the published standards which took effect in 2013

These financial statements have been prepared following the same accounting policies and methods of computation as the annual audited financial statements for the fiscal year ended December 31, 2012, except for the following new accounting standards and amendment to standards and interpretations, which were effective January 1, 2013, and applied in preparing these financial statements. The Company evaluated the impact of the change to its financial statements as a result of the new standards. These are summarized as follows:

IAS 1, Presentation of financial statements, requires entities to group items presented in other comprehensive income ("OCI") on the basis of whether they can potentially be reclassified to the income statement subsequently (reclassification adjustments). The Company added this information in its statement of comprehensive income.

IFRS 10, Consolidated financial statements, IFRS 11, Joint arrangements, and IFRS 12, Disclosure of interests in other entities, did not have an impact on EURO as EURO has no subsidiary, joint arrangement or associate.

IFRS 13, Fair value measurement, replaces the fair value measurement guidance contained in individual IFRS with a single source of fair value measurement guidance, and defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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 was no impact on the Company's financial statements upon adoption of IFRS 13 on January 1, 2013. The Company provides IFRS 13 disclosure requirements, which helps users of its financial statements assess assets and liabilities that are measured at fair value on a recurring or non-recurring basis in the balance sheet after initial recognition, the valuation techniques and inputs used to develop those measurements.

2.1.2) Future accounting policies

The following new standards were not yet effective for the year ended December 31, 2013, and have not been applied in preparing these financial statements. The Company will evaluate the impact of these changes to its financial statements as a result of the new standards. These new standards are summarized as follows:

The IASB has issued IFRS 9, Financial Instruments, which will replace IAS 39, Financial Instruments: Recognition and Measurement, and some of the requirements of IFRS 7, Financial Instruments: Disclosures. The date IFRS 9 becomes effective has been left open by the IASB pending finalization of the impairment and classification and measurement requirements. The objective of IFRS 9 is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.

The IASB has issued amendments to IAS 32, Financial Instruments: Presentation which will be effective for the annual period beginning on January 1, 2014. These amendments clarify certain aspects of offsetting financial assets and liabilities.

There are no other standards, interpretations and amendments that would be expected to have a material impact on EURO.

2.2) Use of estimates

When preparing financial statements in accordance with IFRS, management is led to make certain estimates and retain certain assumptions that may have an impact on the amounts of assets and liabilities, income and expenses and contingent liabilities recognized at the balance sheet date. Management regularly reviews those estimates based on the information at its disposal. The assumptions retained for the purpose of determining EURO's present and future obligations take into account the applicable technological, commercial and contractual constraints.

Material items subject to such estimates and assumptions include the valuation of intangible assets, available-for-sale equity investments and non-current assets.

When events and circumstances evolve in a different manner than anticipated, the actual results may differ from those estimates.

2.3) Functional and presentation currencies

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

The functional currency of EURO is in United States dollars (US$), determined on the basis of the economic environment in which the Company operates. The US$ 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 US$ and in Canadian dollars ("C$").

Recognition of transactions in the functional currency

Transactions denominated in foreign currencies are recognized in amounts equating to their value in the functional currency on the basis of the spot exchange rates applying on the transaction dates. Foreign exchange gains and losses are related to the revaluation of bank accounts and other significant balance sheet accounts denominated in euros, and the revaluation and payment of dividends and income tax payable.

Measurement rules

Financial statements in US dollars are 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;
- 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 the other comprehensive income ("currency translation adjustments").

2.4) Segmented information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for assessing performance of the operating segments, has been identified as the Directeur-Général who makes strategic decisions.

The chief operating decision maker considers the business from a product perspective. Only one segment has been identified, namely revenues from gold mine royalties.

Concerning information about geographical areas, only one geographical area has been identified, namely Canada. The Rosebel royalty emanates from Canada and accounts for almost 100% of the Company's operating revenues.

2.5) Intangible assets

Costs of prospecting and valuation

The costs of prospecting and valuation include all the costs of mining exploration.

Other intangible assets

Other intangible assets are recognized:

- if it is probable that the expected future economic benefits associated with them will flow to the entity, and
- if their cost can be measured reliably.

Other intangible assets are measured at cost, less accumulated amortization and accumulated impairment charges, if any. The Company's other intangible assets comprise:

- the royalty right in respect of the Rosebel mine,
- the royalty right in respect of the Paul Isnard concessions. In 2011, this right has been classified as assets held for sale and was disposed of in 2013 (note 4), and
- the new Net Smelter Returns ("NSR") royalty on the Paul Isnard concessions (note 4).

The amortization expense is calculated on a unit-of-production basis by applying to the carrying amount of the rights on January 1 the ratio between the quantity of metal extracted during the year and the total estimated quantity of metal remaining to be extracted as of January 1. In accordance with IFRS, any material change in the estimated total amount of the mine's reserves gives rise to a prospective recalculation of the amortization schedule for the mining rights.

2.6) Available-for-sale financial assets

The Company's investments in marketable securities are designated as available-for-sale financial assets. Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories (financial assets at fair value through profit or loss or loans and receivables). They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

At inception, they are recorded at fair value on the trade date. The fair value of available-for-sale 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. Changes in their fair value and the related tax impact are accounted for in other comprehensive income until investments are disposed of or when there is objective evidence of impairment in value.

When marketable securities are sold or impaired, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to the income statement as gains or losses on disposal of financial assets or impairment of available-for-sale financial assets.

2.7) Impairment of assets

2.7.1) Financial assets

Financial assets are tested for impairment at each reporting date to determine whether there is any objective evidence of impairment. A financial asset is considered to be impaired if objective evidence, that can be estimated reliably, indicates that one or more events have had a negative effect of the estimated future cash flows of that asset.

An impairment loss in respect of marketable securities is calculated by reference to its fair value. If the fair value of a marketable security declines below its carrying amount, the Company performs qualitative and quantitative assessments of whether the impairment is either significant or prolonged. If an unrealized loss on an available-for-sale financial asset has been recognized in other comprehensive income and it is deemed to be either significant or prolonged, any cumulative loss that had been recognized in other comprehensive income is reclassified as an impairment loss in the income statement.

Once an available-for-sale financial asset has been impaired, all subsequent losses calculated as the difference between the acquisition cost and current fair value, less any previously recognized impairment loss, are recognised in the income statement. If the fair value of a previously impaired available-for-sale financial asset subsequently recovers, the unrealized gain is recorded in other comprehensive income. Previously recorded impairment losses are not subject to reversal.

2.7.2) Intangible assets

Assets with finite useful lives are subjected to impairment testing whenever an indication exists that impairment has occurred.

If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded.

A prior period impairment loss is tested for possible reversal of impairment whenever an event or change in circumstance indicates the impairment may have reversed. If it has been determined that the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount to a maximum of the carrying amount that would have been determined had no impairment loss been recognized in prior periods. An impairment loss reversal is recognized in the income statements.

The recoverable amount is determined based on the present value of estimated future cash flows from each long-lived asset, which are calculated based on numerous assumptions such as proven and probable reserves, estimates of discount rates, and realizable gold prices. Management's assumptions and estimate of future cash flows are subject to risk and uncertainties, particularly in market conditions where higher volatility exists, and may be partially or totally outside of the Company's control. Therefore, it is reasonably possible that changes could occur with evolving economic conditions, which may affect the recoverability of the Company's long-lived assets. If the Company fails to achieve its valuation assumptions or if any of its long-lived assets experiences a decline in its fair value, then this may result in an impairment charge in future periods, which would reduce the Company's earnings.

2.8) Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. EURO considers that the Cotisation sur la Valeur Ajoutée des Entreprises ("C.V.A.E.") (value added tax) is an income tax.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred income tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the balance sheet and its tax base. Deferred income tax liabilities are recognized for all temporary differences, except where the deferred income tax liability arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized, except where the deferred income tax liability arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

2.9) Trade receivables and other current assets

Trade receivables and other current assets are initially recognized at their fair value which generally equates with their nominal amount. They are subject to impairment testing if any indication of impairment exists. Any excess of their carrying amount over their recoverable amount is recognized as an operating expense. An impairment loss may be reversed, in which case the reversal is recognized as operating income.

2.10) Cash and cash equivalents

Cash and cash equivalents mainly comprise liquidities, money market investments, bank demand deposits and other investments with initial maturities not exceeding three months.

2.11) Trade payables and other current liabilities

Trade payables and other current liabilities are initially recognized at their fair value which generally equates with their nominal amount.

2.12) Revenues from ordinary activities

Revenues from ordinary activities comprise royalty income. Royalties are payable based on volume of gold production and the gold price as determined by the corresponding royalty agreement with the owner of the royalty property. They are recognized on an accrual basis.

2.13) Other income

Other income represents non-recurring income from activities other than those generated in normal business operations.

2.14) Investment income

Investment income comprises interest income in respect of bank accounts and current accounts.

3) Management of financial risk

EURO is exposed to different types of financial risks:

- The market risk (principally: the market price for gold and marketable securities, and foreign currency risk),
- The credit risk, and
- The liquidity risk.

EURO has a risk management program which 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

<u>Royalty variance</u>

EURO is exposed to the risk of changes in the market price of gold. Revenues from the Rosebel royalty are determined with reference to the average of the London PM gold price for each calendar quarter. The Rosebel royalty production in 2013 was 354,000 ounces and is anticipated to be approximately between 347,000 and 368,000 ounces in 2014. The impact of changes in the average gold price on EURO's annual revenues, based on an estimated production of 358,000 ounces, would be approximately US$3.5 million for each change in gold price of US$100 per ounce.

3.1.2) Foreign currency translation risk

EURO is exposed to foreign currency translation risk arising from various currency exposures, primarily with respect to the euro currency. Most revenues are denominated in US dollars and the income tax expense is denominated in euros which represent the largest foreign currency translation risk.

(In thousands of euros)	2013	US$	€	C$	% exposed to currency translation risk
Revenues from ordinary activities	€ 29,312	€ 28,936	€ 376	€ -	1%
Operating expenses	€ 1,016	€ 477	€ 481	€ 58	53%
Investment income	€ 31	€ 31	€ -	€ -	-
Income tax expense	€ 13,694	€ -	€ 13,694	€ -	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. The Company invests its surplus cash to maximize profits and to mitigate any potential risk. EURO has specific guidelines that are followed under its short-term investment policy. EURO reviews its strategies for investments on a quarterly basis and ensures that ratings of financial institutions have remained excellent and that there are no better investment opportunities. The objective is to ensure reasonable shareholders' return and appropriate safeguard of the Company's assets.

4) Exercise of the Option agreement

On December 5, 2011, EURO entered into an Option agreement with COLUMBUS Gold Corp. ("COLUMBUS") that would allow for the restructuring of the existing royalty on any future gold production from the Paul Isnard concessions (the "Option"). On November 7, 2013, COLUMBUS exercised the Option in return for cash, shares of COLUMBUS and a net smelter returns ("NSR") royalty (the NSR covers the Paul Isnard concessions and an area of interest surrounding the concessions in French Guiana).

In return, the Company transferred to COLUMBUS the intangible asset related to the royalty on any future gold production from the Paul Isnard concessions receivable from AUPLATA. In addition, the Company was the owner of an exploration permit ("PER") and had applied for an operating permit ("PEX") on November 29, 2010. Following its withdrawal on November 29, 2013 submitted to relevant ministries, the Company also disposed of the PER.

The transaction is summarised in the table below.

		2013
Carrying amount of assets disposed of[1]		
Paul Isnard *Permis Exclusif de Recherche* ("PER")		
Costs of mining exploration incurred for the Paul Isnard PER		4,070
Accumulated depreciation[2]		(3,515)
Net carrying amount of the Paul Isnard PER		555
Intangible asset related to the royalty on any future gold production from the Paul Isnard concessions receivable from AUPLATA		556
	€	**1,111**
Proceed from the exercise of the Option agreement		
C$4.2 million cash		3,013
18,208,328 common shares in COLUMBUS		3,918
NSR royalty on the Paul Isnard concessions with an estimated fair value of US$5.6 million[3]		4,195
Total proceed	**€**	**11,126**
Gain on exercise of the Option agreement (included in other income)	**€**	**10,015**

1. The amount is different from the amount of assets held for sale in the balance sheet at December 31, 2012 due to subsequent change in the foreign exchange rate.
2. This accumulated depreciation was related to an impairment accounted for in 1999. This impairment has been reversed in 2013 and is included in the gain on exercise of the Option agreement (note 14 – Other income).
3. The fair value of the NSR royalty received was determined using a comparative transaction which occurred in May 2013 where COLUMBUS sold a 1% NSR royalty on production form its Paul Isnard gold project to another party for US$5.0 million.

5) Intangible assets

The carrying amounts of the intangible assets of EURO are set out in the tables below:

	December 31, 2011	Increase	Translation adjustment	December 31, 2012
Costs				
Rosebel[1]	11,865	-	(229)	11,636
Accumulated amortization				
Rosebel	(4,846)	(666)	111	(5,401)
Total carrying amount	**€ 7,019**	**€ (666)**	**€ (118)**	**€ 6,235**

	December 31, 2012	Increase	Translation adjustment	December 31, 2013
Costs				
Rosebel[1]	11,636	-	(504)	11,132
Paul Isnard[2]	-	4,195	(134)	4,061
	11,636	4,195	(638)	15,193
Accumulated amortization				
Rosebel	(5,401)	(569)	255	(5,715)
Total carrying amount	**€ 6,235**	**€3,626**	**€(383)**	**€9,478**

1 The Rosebel royalty paid by IAMGOLD applies to the first 7 million ounces of gold produced from the mine and the related payments are calculated on the basis of gold production at the Rosebel mine and the market price of gold based on the London PM fixing price. As of December 31, 2013, the Rosebel mine has produced 3.5 million ounces of gold and there remains approximately 3.5 million ounces of gold under the royalty contract. The 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.

2 A net smelter returns production royalty ("NSR royalty") covering the Paul Isnard concessions and an area of interest surrounding the concessions in French Guiana. This NSR royalty will pay 1.8% on the first 2 million ounces of gold followed by 0.9% on the next 3 million ounces of gold.

6) Available-for-sale financial assets

EURO holds certain marketable securities related to a mining company which is part of a volatile market. Share market price exposure risk is related to the fluctuation in the market price of marketable securities. These investments in marketable securities are classified as available-for-sale financial assets and are recorded at fair value. The fair value of available-for-sale 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.

	December 31, 2013	December 31, 2012
Marketable securities – Investment in COLUMBUS (15.8% of outstanding shares)	**€ 3,905**	**€ 206**

Unrealized gains/losses related to change in market price of marketable securities classified as available-for-sale are recorded in the accumulated other comprehensive income within equity. During the year, the Company reviewed the value of its marketable securities for objective evidence of impairment based on both quantitative and qualitative criteria and determined that impairment charges were required.

	Fiscal year ended December 31, 2013	2012
Net unrealized change in fair value of available-for-sale financial assets, net of tax		
Unrealized loss	(87)	(146)
Income tax impact	31	51
	(56)	(95)
Impairment of available-for-sale financial assets, net of tax		
Impairment loss	211	-
Income tax impact	(73)	-
	138	-
Other comprehensive income (loss)	**€ 82**	**€ (95)**

7) Trade receivables and other current assets

	December 31, 2013	December 31, 2012
Trade receivables[1]	5,208	11,131
Tax and social security receivables	27	27
Income tax receivable	409	-
	€ 5,644	**€ 11,158**

[1] Trade receivables included €5.1 million of amounts receivable from IAMGOLD at December 31, 2013 (€11.0 million at December 31, 2012).

8) Cash and cash equivalents

	December 31, 2013	December 31, 2012
Cash[1]	7,595	8,795
Cash equivalents[1,2]	431	1,206
	€ 8,026	**€ 10,001**

[1] Almost 100% of EURO's available cash is held in US dollars.

[2] There is no difference between the fair value and the carrying amount.

Through 2013, EURO continued to invest some of its excess liquidity in money market investments that were compliant with its short-term investment strategy to ensure reasonable return with an appropriate level of risk.

9) Share capital

9.1) Common shares

	Number of shares	Nominal value per share	Share capital (In thousands of euros)	Additional paid-in capital (In thousands of euros)
As at December 31, 2012	62,496,461	€0.01	€ 625	€ 104
Repurchase of shares[1]	(5,180)		-	(20)
As at December 31, 2013	62,491,281	€0.01	€ 625	€ 84

[1] During 2013, EURO has put in place a share repurchase plan of its own shares. This share repurchase plan was submitted and approved by the Combined General Meeting of June 25, 2013. The acquisition, disposal or transfer of these shares may be achieved by any means on the market or over the counter, including block trades (without limit), until December 24, 2014.

In 2013, EURO repurchased 5,180 of its own shares, at an average price of €2.36 per share for a total amount of €20,000 (including commission and legal fees) which was all allocated to additional paid-in capital as these shares were not cancelled as at December 31, 2013. Upon the Board approval to cancel these treasury shares, share capital will be reduced based on the nominal value.

9.2) Earnings per share

Earnings per share are calculated based on the net profit attributable to holders of common shares of EURO divided by the average number of shares in issue during the fiscal period (excluding treasury stock).

	Fiscal year ended December 31, 2013	2012
Net profit attributable to holders of common shares	**€ 23,792**	€ 25,091
Basic and diluted weighted average number of common shares	**62,496,053**	62,496,461
Earnings per share (€/share)		
Basic	**€ 0.381**	€ 0.401
Diluted	**€ 0.381**	€ 0.401

9.3) Dividends

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

In May 2013, the Board of Directors recommended a maximum dividend in the amount of €24,999,000 (€0.40 per share), subject to the Company having sufficient disposable funds on August 6, 2013. On June 25, 2013, the shareholders approved said recommendation and granted all necessary power to the Board of Directors to adjust, if necessary, this maximum amount with the Company's on-going operational needs. On June 25, 2013, based on the resolution adopted by the shareholders, the financial situation of the Company and the Company's ongoing operational needs, the Board of Directors determined the amount of the dividend to be €22,499,000 (€0.36 per share). The dividend in the amount of €0.36 per share was paid to shareholders on August 6, 2013.

During the Annual Shareholders Meeting held on June 26, 2012 in Paris, shareholders approved a dividend distribution in the amount of €18,124,000 (€0.29 per share) that was paid on September 18, 2012.

10) Trade payables and other current liabilities

	December 31, 2013	December 31, 2012
Trade payables	123	147
Tax and social security liabilities	65	73
Intercompany with IAMGOLD	20	24
Directors' fees	12	12
Other current liabilities	97	109
Current income tax payable	-	1,939
Total current liabilities	**€ 220**	**€ 2,195**

11) Income tax

11.1) Tax reconciliation

The income tax expense differs from the amount that would have been computed by applying the income tax rate for corporations in France of 34.43% in 2013 (2012: 34.43%) to profit before income tax. The reasons for the differences are as follows:

	Fiscal year ended December 31, 2013	2012
Profit before income tax	**€ 37,486**	**€ 39,853**
Theoretical tax calculated at the income tax rate for corporations in France	(12,906)	(13,721)
Tax effects of C.V.A.E. (value added tax)	(247)	(374)
Tax on dividend payment	(675)	(544)
Translation adjustments and other	134	(123)
Income tax expense	**€ (13,694)**	**€ (14,762)**

11.2) Current and deferred income tax expense

	Fiscal year ended December 31, 2013	2012
Current income tax expense	(13,671)	(14,768)
Deferred income tax recovery (expense) on temporary differences	(23)	6
	€ (13,694)	**€ (14,762)**

11.3) Deferred tax liabilities

Deferred tax liabilities pertain to temporary differences, mostly due to the value added tax (*Cotisation sur la Valeur Ajoutée des Entreprises ("C.V.A.E.")*). There are no tax losses carried forward. The movements related to the deferred tax liabilities are as follows:

	2013	2012
At January 1	(109)	(137)
Translation adjustment	52	11
Deferred income tax recovery (expense) per the income statement	(23)	6
Tax charge relating to components of other comprehensive income	(3)	11
At December 31	**€ (83)**	**€ (109)**

12) Revenues from ordinary activities

	Fiscal year ended December 31, 2013	Fiscal year ended December 31, 2012
Royalties related to the operation of the Rosebel mine	28,936	41,067
Royalties related to mining operations by third parties in French Guiana	376	388
Revenues from ordinary activities	**€ 29,312**	**€ 41,455**

13) Operating expenses

	Fiscal year ended December 31, 2013	Fiscal year ended December 31, 2012
Administrative costs	488	469
Directors' fees	73	76
Audit fees	83	101
Legal fees	167	78
Legal exchange and listing fees	106	103
Operating taxes	99	73
Operating expenses	**€ 1,016**	**€ 900**

14) Other income

	Fiscal year ended December 31, 2013	Fiscal year ended December 31, 2012
Gain on exercise of the Option agreement[1]	10,015	-
Non-cash income from COLUMBUS[2]	-	200
Cash income from COLUMBUS[3]	-	39
Other income	**€ 10,015**	**€ 239**

1 Refer to note 4.

2 Following the amendment to the Option agreement with COLUMBUS on July 25, 2012 and the approval by the Toronto Stock Exchange on August 22, 2012, EURO received 650,000 additional shares of COLUMBUS.

3 On November 30, 2012, EURO received C$50,000 as its first annual maintenance payment pursuant to the option agreement entered into on December 5, 2011.

15) Foreign exchange gain/loss

	Fiscal year ended December 31, 2013	2012
Foreign exchange gain (loss) related to the:		
Revaluation of bank accounts denominated in euros	55	191
Revaluation and payment of taxes	(7)	135
Revaluation and payment of the dividend payable	(174)	(613)
Revaluation of other balance sheet accounts	50	(16)
Foreign exchange loss	**€ (76)**	**€ (303)**

16) Related parties

Information on related parties:

IAMGOLD France S.A.S., an indirect wholly owned subsidiary of IAMGOLD, is the majority shareholder of EURO (approximately 86% of all outstanding and diluted shares). Management fees incurred with IAMGOLD during 2013 were €0.22 million (2012: €0.21 million) and payable at December 31, 2013 were €0.02 million (December 31, 2012: €0.02 million).

Compensation to the directors of the Company:

- During 2013, each independent director received an annual retainer of US$ 21,428 (2012 – US$20,000) gross, an additional US$1,339 (2012 – US$1,250) gross per meeting attended, and US$1,071 (2012 – US$1,000) gross for each meeting of a committee of the Board of Directors attended. The compensation paid and payable to directors of the Company for fiscal years was as follows:

	Fiscal year ended December 31, 2013	2012
Ian L. Boxall	22.7	24.6
David Watkins	22.7	24.6
Ian Smith	22.7	24.6
	US$ 68.1	**US$ 73.8**

- Mr. Benjamin Little, Senior Vice-President, Corporate Affairs of IAMGOLD, appointed as director and Directeur-Général of EURO following the 2013 annual shareholders' meeting, and Ms Line Lacroix, appointed as Directeur-Général Délégué of EURO in October 2013, did not receive any directors' fees during 2013 and 2012.
- Mr. Phillip Marks, Associate General Counsel of IAMGOLD, Mr. Paul Olmsted, Senior Vice-President, Corporate Development of IAMGOLD, and Mr. Brian Trnkus, former Vice-President Finance of IAMGOLD, did not receive any directors' fees during 2013 and 2012.

Compensation to the key management officers of the Company:

- The compensation paid and payable to Susanne Hermans was US$160,000 for 2012 and US$155,500 for 2013.
- The other officers did not receive any compensation during 2013 and 2012. Compensations of officers that are also senior executives of IAMGOLD are included in management fees paid to IAMGOLD.