



MANAGEMENT’S DISCUSSION AND ANALYSIS SECOND QUARTER ENDED JUNE 30, 2015

The following management’s discussion and analysis (“MD&A”) of EURO Ressources S.A. (“EURO” or the “Company”) for the second quarter ended June 30, 2015 and dated August 14, 2015, has been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. This MD&A should be read in conjunction with EURO’s annual audited financial statements and related notes for the year ended December 31, 2014. Financial information is presented in Euros (€ or euros), unless stated otherwise and in accordance with International Financial Reporting Standards as adopted by the International Accounting Standards Board. Additional information on EURO can be found at www.sedar.com. EURO’s securities trade on the NYSE Euronext Paris stock exchange under the symbol EUR. Readers are cautioned that this financial information contains certain forward-looking information as described in this MD&A.

About EURO

EURO is a French company whose principal asset is a gold production royalty from the Rosebel gold mine in Suriname (the “Rosebel royalty”). The Rosebel gold mine is 95% owned by IAMGOLD Corporation (“IAMGOLD”), and is operated by IAMGOLD. EURO has approximately 62.5 million shares outstanding. IAMGOLD France S.A.S., an indirect wholly owned subsidiary of IAMGOLD, owned 86% (86% at December 31, 2014) of all outstanding shares of EURO at June 30, 2015.

EURO receives quarterly royalty payments from IAMGOLD. The Rosebel royalty applies to the first seven million ounces of gold produced from the Rosebel mine and is calculated on the basis of gold production at the Rosebel mine and the market price of gold based on the London PM fixing price. The Rosebel mine has produced 3.9 million ounces of gold since production commenced and 3.1 million ounces of gold remain under the Rosebel royalty contract. 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.

STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements, with respect to the Company's financial condition, results of operations, business prospects, plans, objectives, goals, strategies, future events and capital expenditures. Words such as "anticipates", "expects", "intends", "plans", "forecasts", "projects", "budgets", "believes", "seeks", "estimates", "could", "might", "should", and similar expressions identify forward-looking statements. Although the Company believes that its plans, intentions and expectations reflected in these forward-looking statements are reasonable, the Company cannot be certain that these plans, intentions or expectations will be achieved. Actual results, performance or achievements could differ materially from those contemplated, expressed or implied by the forward-looking statements contained in this MD&A. These statements may include comments regarding the closing of certain transactions including acquisitions and offerings and expectations of future participation rights payments.

INTRODUCTION

EURO presents its financial statements in Euros (€ or euros). The functional currency of EURO is the United States dollar since this is the currency in which its major transactions, such as income from royalties and the related cash are denominated.

The currency exchange rate used to present the balance sheets in euros was €1 for US\$1.1150 at June 30, 2015 (€1 for US\$1.2101 as at December 31, 2014). The average currency exchange rate for the six months ended June 30, 2015, used to present the Company's income statements, statements of comprehensive income and cash flow statements was €1 for US\$1.1256 (six months ended June 30, 2014: €1 for US\$1.3725). The average currency exchange rate for the second quarter ended June 30, 2015 was €1 for US\$1.1150 (second quarter ended June 30, 2014: €1 for US\$1.3760). Significant transactions are translated at the exchange rate on the date of the transaction.

RESULTS OF OPERATIONS

Second quarter ended June 30, 2015 compared to the second quarter of 2014

EURO reported a net profit of €3.6 million (€0.057 per share) for the second quarter of 2015 compared to €2.6 million (€0.041 per share) for the second quarter of 2014. The increase was mainly the result of higher revenues from royalties in 2015.

Revenues were €6.0 million during the second quarter of 2015, an increase of 20% compared to revenues of €5.0 million for the second quarter of 2014. Revenues were mainly attributable to the Rosebel royalty of €5.9 million (second quarter of 2014: €4.9 million). The increase in revenues was due to the weaker euro (€1.2 million), and higher gold production of 75,472 ounces in the second quarter of 2015 compared to 70,954 ounces in the second quarter of 2014 (€0.3 million), partially offset by a lower average gold price in the second quarter of 2015 of US\$1,192 per ounce compared to US\$1,288 per ounce in the second quarter of 2014 (€0.5 million). Other royalties were €0.090 million from the St-Elie concession and €0.005 million from the Auplata-Yaou Dorlin concession during the second quarter of 2015 (€0.063 million from the St-Elie concession and €0.006 million from the Auplata-Yaou Dorlin concession during the second quarter of 2014).

Operating expenses for the second quarter of 2015 were €0.25 million, similar to €0.27 million in the same period in 2014.

The increase in amortization expense to €0.14 million (second quarter of 2014: €0.11 million) was due to the weaker euro and the increase in gold production at the Rosebel mine during the second quarter of 2015.

EURO recorded an income tax expense of €2.0 million in the second quarter of 2015 compared to €2.1 million in the second quarter of 2014. The tax impact of higher profit before income tax during the second quarter of 2015 was mainly offset by translation adjustments.

Six months ended June 30, 2015 compared to the same period in 2014

EURO reported a net profit of €6.4 million (€0.102 per share) for the six months ended June 30, 2015 compared to €6.2 million (€0.099 per share) for the six months ended June 30, 2014. The increase was mainly the result of higher revenues from royalties in 2015 partially offset by higher income tax expense.

Revenues were €12.2 million during the six months ended June 30, 2015, an increase of 11% compared to revenues of €11.0 million for the same period in 2014. Revenues were mainly attributable to the Rosebel royalty of €12.0 million (six months ended June 30, 2014: €10.8 million). The increase in revenues was due to the weaker euro (€2.1 million), partially offset by a lower average gold price in the six months ended June 30, 2015 of US\$1,206 per ounce compared to US\$1,291 per ounce in the six months ended June 30, 2014 (€1.0 million). Production was similar with 155,297 ounces in the six months ended June 30, 2015 compared to 155,267 ounces in the same period of 2014. Other royalties were €0.185 million from the St-Elie concession and €0.009 million from the Auplata-Yaou Dorlin concession during the first six months of 2015 (€0.183 million from the St-Elie concession and €0.025 million from the Auplata-Yaou Dorlin concession during the first six months of 2014).

Operating expenses for the six months ended June 30, 2015 were €0.49 million, similar to €0.46 million in the same period in 2014.

Despite the similar production, the amortization expense of €0.29 million was higher than the expense of €0.24 million during the six months ended June 30, 2014 due to the weaker euro.

EURO recorded an income tax expense of €5.0 million in the six months ended June 30, 2015 compared to €4.1 million in the same period of 2014. The tax impact of higher profit before income tax during the first six months of 2015 was mainly offset by translation adjustments.

OUTLOOK

In 2015, the Rosebel royalty is expected to provide cash flow to the Company of between approximately €23.0 million and €23.8 million (US\$27.6 million and US\$28.5 million). These pre-tax numbers assume a gold price of US\$1,250 per ounce and an exchange rate of €1 for US\$1.2. The Rosebel royalty production is anticipated to be approximately between 305,000 and 316,000 ounces in 2015. The impact of changes in the average gold price on EURO's annual revenues, based on an estimated production of 311,000 ounces, would be approximately US\$3.0 million for each change in gold price of US\$100 per ounce. EURO's cash flow will primarily be affected by income tax payments, since there are no tax losses available to be carried forward to offset any future revenue. EURO expects that its cash-flow will be adequate to meet all corporate and related expenses.

KEY FINANCIAL DATA

Quarterly financial information

(In millions of euros, except per share data)	Q2 2015	Q2 2014	YTD 2015	YTD 2014
Revenues	€ 6.0	€ 5.0	€ 12.2	€ 11.0
Profit before income tax	€ 5.7	€ 4.7	€ 11.4	€ 10.3
Income tax expense	€ 2.0	€ 2.1	€ 5.0	€ 4.1
Net profit	€ 3.6	€ 2.6	€ 6.4	€ 6.2
Basic and diluted net profit per share	€0.057	€0.041	€0.102	€ 0.099
Total assets			€ 23.2	€ 23.4

Quarterly data

(In millions of euros, except per share data)	2015		2014				2013	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenues	€ 6.0	€ 6.2	€ 6.9	€ 6.3	€ 5.0	€ 6.0	€ 5.1	€ 7.3
Net cash flow from operating activities	€ 3.5	€ 5.3	€ 5.5	€ 3.3	€ 2.7	€ 1.8	€ 4.3	€ 2.2
Net profit	€ 3.6	€ 2.8	€ 3.4	€ 3.5	€ 2.6	€ 3.6	€ 9.8	€ 4.4
Basic and diluted net profit per share	€0.057	€0.045	€0.055	€0.055	€0.041	€0.059	€0.157	€0.070

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents at June 30, 2015 totaled €0.7 million compared to €1.1 million at December 31, 2014. All of the cash and cash equivalents are unrestricted. EURO expects to have sufficient cash flow to fund its on-going operational needs.

During 2015, EURO has continued to invest a portion of its excess liquidity in money market investments that were compliant with its short-term investment strategy to ensure a reasonable return with an appropriate level of risk.

SHARE CAPITAL

As at June 30, 2015, and the date of this MD&A, the Company had 62,491,281 common shares outstanding with a par value of €0.01 per share. There were no shares issued during the first six months of 2015.

DIVIDENDS

On May 28, 2015, the Company paid a dividend of €9.4 million (€0.15 per share) as determined by the Board of Directors on May 13, 2015 and according to resolutions approved during the annual general meeting held on May 13, 2015 by shareholders who first approved the resolution providing for the distribution of dividends to a maximum of €9.4 million (€0.15 per share) provided that the Company had sufficient cash and cash equivalents, and authorized the Board of Directors to adjust the amount distributed depending on the level of available cash and cash requirements.

Any dividends proposed by the Board of Directors will take into account various factors, including EURO's net profit, financial condition, current and anticipated cash needs and will be subject to shareholders' approval. The amount of distributable dividends is based on the annual financial statements prepared in accordance with French generally accepted accounting principles.

CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The Company's management makes judgments in its process of applying its accounting policies in the preparation of its financial statements. In addition, the preparation of financial data requires that the Company's management make assumptions and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The critical judgments, estimates and assumptions of the Company are reflected in note 2.11 of the Company's annual audited financial statements for the year ended December 31, 2014.

NEW 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, 2014, except for the following interpretation from the IFRS Interpretation Committee, which was adopted by the Company during the six months ended June 30, 2015, and applied in preparing these interim financial statements. The Company evaluated the impact of the change to its interim financial statements as a result of the new interpretation which is summarized as follows:

A translation gain or loss will arise as the local tax currency is not the same as the functional currency. Per the IFRS Interpretation Committee, such translation gain or loss should be accounted for as a deferred tax expense, and not grouped in foreign exchange gain or loss as was done previously. A deferred tax asset or liability is recognized on the difference between the carrying amount of the non-monetary assets and the underlying tax basis, translated to the functional currency using the current foreign exchange rate. The Company also decided to account for exchange differences arising from current foreign currency tax assets and liabilities within income tax expense. This adjustment did not have any impact on the balance sheets and resulted in a reclassification of foreign exchange gain and/loss to income tax expense.

(In millions of euros)	Q1-2014	Q2-2014	Q1-2015
Foreign exchange gain (loss) reclassified within income tax expense	€ (0.01)	€ 0.01	€ (0.44)

FUTURE ACCOUNTING POLICIES

For a discussion of future accounting policies that may impact the Company, refer to note 2.1.2 of the Company's unaudited condensed interim financial statements for the second quarter ended June 30, 2015.

RELATED PARTY TRANSACTIONS

IAMGOLD France S.A.S., an indirect wholly owned subsidiary of IAMGOLD, is the majority shareholder of EURO (86% of all outstanding shares). Revenues from royalties related to the Rosebel mine during the second quarter of 2015 of €5.9 million (first six months of 2015: €12.0 million) compared to €4.9 million during the second quarter of 2014 (first six months of 2014: €10.8 million). The related amount receivable at June 30, 2015 was €5.8 million (December 31, 2014: €7.1 million) and was included in trade receivables.

IAMGOLD charged fees for administrative services to EURO during the second quarter of 2015 of €0.1 million (first six months of 2015: €0.2 million) compared to €0.09 million during the second quarter of 2014 (first six months of 2014: €0.17 million). The related amount payable at June 30, 2015 was €0.026 million (December 31, 2014: €0.035 million) and was included in trade payables and other current liabilities.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Directeur-Général and the Directeur-Général Délégué have reasonable assurance that material information relating to the Company are known to them. The Directeur-Général and the Directeur-Général Délégué have concluded that the Company's disclosure controls and procedures and internal control over financial reporting are effective.

ADDITIONAL INFORMATION

Additional information relating to EURO Ressources S.A. is available on SEDAR at www.sedar.com. Information related to the Rosebel royalty can be found at IAMGOLD's website at www.iamgold.com. Further requests for information should be addressed to:

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