



**Consolidated Financial Statements and  
Shareholder Report**

**Fiscal year ended 31 December 2008**

March 18, 2009

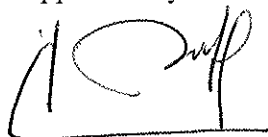
***AUDITORS' REPORT***

***To the Shareholders of  
Euro Ressources SA***

We have audited the consolidated balance sheets of Euro Ressources SA for the years ended December 31, 2008 and December 31, 2007 and the consolidated statements of income, changes in consolidated equity and cash flows for each of the years in the two-year period ended December 31, 2008. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with International Standards of Auditing. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2008 and December 31, 2007 and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2008 in accordance with International Financial Reporting Standards as approved by the IASB.



Jean-François Châtel

Partner

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## I Consolidated Balance Sheets

(in thousands of €uro)

	Notes	As at 31 December 2008	As at 31 December 2007
<b>NON-CURRENT ASSETS</b>		<b><u>€13,812</u></b>	<b><u>€16,204</u></b>
Intangible assets	4	8,256	8,368
Property, plant and equipment	5	1	3
Other financial assets		3	4
Deferred tax	16	5,552	7,829
<b>CURRENT ASSETS</b>		<b><u>€4,554</u></b>	<b><u>€3,587</u></b>
Trade receivables and similar accounts	6	3,016	2,931
Other current assets	6	1,070	99
Cash and cash equivalents	7	468	557
<b>TOTAL ASSETS</b>		<b><u>€18,366</u></b>	<b><u>€19,791</u></b>
<b>EQUITY – GROUP SHARE</b>		<b><u>€12,005</u></b>	<b><u>€5,776</u></b>
Issued capital stock	8	625	606
Additional paid-in capital	8	46,976	45,634
Translation adjustment		928	810
Other reserves		(41,208)	(40,511)
Retained earnings		4,684	(763)
<b>TOTAL EQUITY</b>		<b><u>€12,005</u></b>	<b><u>€5,776</u></b>
<b>NON-CURRENT LIABILITIES</b>		<b><u>€-</u></b>	<b><u>€7,846</u></b>
Loans	10	-	447
Derivative financial instruments	10	-	7,399
<b>CURRENT LIABILITIES</b>		<b><u>€6,361</u></b>	<b><u>€6,169</u></b>
Loans	10	-	1,603
Derivative financial instruments	10	2,440	2,615
Other financial debt	10	2,566	1,270
Trade payables and similar accounts	11	1,258	514
Other liabilities	11	97	168
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b><u>€18,366</u></b>	<b><u>€19,791</u></b>

## II Consolidated Income Statements

(in thousands of €uro)

	Notes	Fiscal Year Ended	
		31 December 2008	31 December 2007
Revenue from ordinary activities	12	12,437	8,086
Operating expenses	13	(4,023)	(1,921)
<i>Of which expenses related to IAMGOLD arbitration</i>	19	(137)	-
<i>Of which expenses related to the unsolicited takeover bid by IAMGOLD</i>	20	(1,971)	-
Depreciation and amortization expenses	15	(468)	(585)
Other income		-	9
Other expenses		-	(12)
<b>OPERATING PROFIT</b>		<b><u>€7,946</u></b>	<b><u>€5,577</u></b>
Financial income	14	206	166
Financial expenses	14	(1,161)	(7,444)
<b>NET FINANCIAL EXPENSE</b>		<b><u>€(955)</u></b>	<b><u>€(7,278)</u></b>
<b>PROFIT (LOSS) BEFORE TAX</b>		<b><u>€6,991</u></b>	<b><u>€(1,701)</u></b>
Future income tax recovery	16	(2,307)	938
<b>NET PROFIT (LOSS) FOR THE YEAR</b>		<b><u>€4,684</u></b>	<b><u>€(763)</u></b>
Net profit (loss)		<b>€4,684</b>	<b>€(763)</b>
<b>EARNINGS (LOSS) PER SHARE</b>			
Basic		<b>€0.077</b>	<b>€(0.015)</b>
Diluted		<b>€0.077</b>	<b>€(0.015)</b>

### III Consolidated Cash Flow Statements (in thousands of €uro)

	Fiscal Year Ended		
	Notes	31 December 2008	31 December 2007
<b>CASH FLOW RELATING TO OPERATING ACTIVITIES</b>			
NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES		4,684	(763)
<i>Elimination of expenses which do not have an impact on the cash flow and/or are not related to operating activities:</i>			
Depreciation, amortization and provisions	15	468	585
Provisions		-	(8)
Deferred tax	16	2,307	(938)
Derivative financial instruments	14	(52)	2,334
Stock option expense		67	125
Impact of discounting other financial debt	14	-	317
Amortization of loan costs		38	31
Other		-	12
<b>GROSS CASH FLOW FROM OPERATIONS GENERATED BY CONSOLIDATED COMPANIES BEFORE NET CHANGE IN OPERATING WORKING CAPITAL</b>		<b>7,511</b>	<b>1,695</b>
Change in trade receivables and other current assets		660	(1,295)
Change in trade payables and other current liabilities		(790)	617
<b>NET CHANGE IN OPERATING WORKING CAPITAL</b>		<b>(1,451)</b>	<b>(678)</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>€6,061</b>	<b>€1,017</b>
<b>CASH FLOW RELATING TO INVESTING ACTIVITIES</b>			
AMOUNTS PAID TO PURCHASE FIXED ASSETS		-	(1)
<b>NET CASH FLOW (USED IN) INVESTING ACTIVITIES</b>		<b>€ -</b>	<b>€(1)</b>
<b>CASH FLOW RELATING TO FINANCING ACTIVITIES</b>			
Capital increase in cash		1,361	7,348
Borrowings issued and capitalized interest		-	5
Borrowings repaid		(2,178)	(6,947)
Early settlement of derivative financial instrument		(5,199)	(2,096)
<b>NET CASH FLOW RELATING TO FINANCIAL ACTIVITIES</b>		<b>€(6,016)</b>	<b>€(1,690)</b>
Impact of changes in foreign exchange rates		(134)	(75)
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>€(89)</b>	<b>€(746)</b>
OPENING BALANCE		557	1,303
CLOSING BALANCE		468	557
INCREASE/(DECREASE)		(89)	(746)

#### IV Statement of Changes in Consolidated Equity (in thousands of €uro)

	Capital Stock	Additional paid-in capital	Translation adjustment	Other reserves	Profit/loss for the year	Total Equity
<b>Position as of 1 January 2007</b>	<b>504</b>	<b>38,387</b>	<b>319</b>	<b>(40,637)</b>		<b>(1,427)</b>
Capital Increase	101	7,247				7,348
Options Issued				126		126
Other			492			492
Loss for fiscal year 2007					(763)	(763)
<b>Position as of 31 December 2007 before appropriation of profit or loss</b>	<b>606</b>	<b>45,634</b>	<b>810</b>	<b>(40,511)</b>	<b>(763)</b>	<b>5,776</b>
Appropriation of 2007 loss				(763)	763	-
<b>Position as of 31 December 2007 after appropriation of profit or loss</b>	<b>606</b>	<b>45,634</b>	<b>810</b>	<b>(41,274)</b>	<b>-</b>	<b>5,776</b>
Capital Increase	19	1,342				1,361
Options Issued				67		67
Other			118			118
Profit for fiscal year 2008					4,684	4,684
<b>Position as of 31 December 2008 before appropriation of profit or loss</b>	<b>625</b>	<b>46,976</b>	<b>928</b>	<b>(41,208)</b>	<b>(4,684)</b>	<b>12,005</b>

## V Notes to the Consolidated Financial Statements

### 1) General information

#### 1.1) Euro Ressources Group

The Euro Ressources Group comprises the parent company, EURO Ressources SA (“EURO”, the “Company” or the “Group”), and its 100%-owned subsidiary, Société de Travaux Publics et de Mines Aurifères en Guyane S.A.R.L. (“SOTRAPMAG”). EURO is a *Société Anonyme*, domiciled in metropolitan France with its registered office located in Paris.

The Company’s common shares are traded on the Paris stock exchange’s Eurolist by Euronext C compartment, under the symbol “EUR”, and on the Toronto Stock Exchange, also under the symbol “EUR”.

On 5 December, 2008, EURO became a majority (84.55%) owned subsidiary of IAMGOLD Corporation (“IAMGOLD”), subsequent to a successful takeover bid launched by IAMGOLD in October of 2008. IAMGOLD is a Canadian mining company with headquarters in Toronto, Canada. IAMGOLD’s shares are traded on the Toronto Stock Exchange under the symbol “IMG” and on the New York Stock Exchange under the symbol “IAG”.

These consolidated financial statements have been approved for publication by the Board of Directors on 26 February 2009.

#### 1.2) Description of operations

The Group’s operations are within the gold mining sector.

In 2004, EURO completed the acquisition of a royalty interest on the Rosebel mine in Suriname, operated by IAMGOLD. Until IAMGOLD’s acquisition of EURO in late 2008, EURO’s strategy was to acquire additional royalty interests on gold mining operations of a similar nature.

The Group’s main source of revenue is the royalty relating to the Gross Rosebel mine. Operations at the mine are neither of a seasonal nor cyclical nature. Royalties are payable to EURO based on the volume of gold production from the mine and the market price of gold.

#### 1.3) List of Group companies

As at 31 December, 2008 the consolidated financial statements comprise the accounts of Euro and its subsidiary. There has been no change in the Group’s consolidation scope during 2008:

<b>Company</b>	EURO Ressources SA	SOTRAPMAG SARL
<b>Identification Number</b>	390 919 082 00029	339 146 284 00015
<b>Registered Office</b>	23 rue du Roule 75001 Paris France	859 Rocade du Baduel Cayenne, French Guiana 97300
<b>Consolidation Method 2008</b>	Parent Company	Full Consolidation
<b>Consolidation Method 2007</b>	Parent Company	Full Consolidation
<b>% Control 2008</b>	Parent Company	100%
<b>% Control 2007</b>	Parent Company	100%
<b>% Interest 2008</b>	100%	100%
<b>% Interest 2007</b>	100%	100%



## 2) Basis of accounting and presentation

### 2.1) Standards

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

As at 31 December 2008, these standards differ from the International Financial Reporting Standard as approved by the International Accounting Standard Board ("IASB") by the following standards and interpretations that have not yet been approved by the European Union:

- IAS 27 R1 – Consolidated and separate financial statements
- Amendments to IAS 39 – Financial Instruments: Recognition and Measurement- eligible hedged items
- Amendments to IAS 39 – Financial Instruments: Recognition and Measurement and to IFRS 7: Disclosures – Reclassification of certain financial instruments (version was modified in November 2008)
- IFRS 1 R1 – First-time adoption of International Financial Reporting Standards (restructured version)
- IFRS 3 R1 – Business Combinations
- IFRIC 12 – Service concession
- IFRIC 15 – Agreements for the construction of real estate
- IFRIC 16 – Hedges of a net investment in a foreign operation
- IFRIC 17 – Distribution of non-cash assets to owners
- IFRIC 18 – Transfer of Assets from Customers

As at 31 December 2008 these standards and interpretations (with the exceptions to IAS 39 and IFRS7 relating to the reclassification of certain financial instruments) and interpretations are either not yet in force or not applicable to Euro Ressources.

The modified version to the amendments to IAS 39 and IFRS 7 published by the IASB on November 27, 2008 has provided specific details of the effective date and the transition.

Therefore, these consolidated financial statements are also prepared in accordance with the International Financial Reporting Standards as approved by the International Accounting Standard Board.

The consolidated financial statements for the fiscal year ended 31 December, 2008 have been prepared using the historical cost basis of accounting adjusted by revaluation through profit or loss of financial liabilities in order to recognize derivative financial instruments at their fair value.

Preparation of financial statements in accordance with IFRS requires the use of certain accounting estimates, and the use of estimates is described in Note 2.3.

EURO is a French company and prepares its financial accounts in euros (€ or Euro) and presents its consolidated statements in Euros. However, the functional currency of EURO is the US dollar, since this is the currency in which its major transactions, such as income from royalties and its borrowings, are denominated. Certain additional information is presented in these consolidated financial statements in US dollars ("\$").

**2.1.1 Interpretations and amendments to the published standards which took effect in 2008**

Application of the following amendment became obligatory with effect from the 2008 fiscal year:

- Amendments to IAS 39 – Financial Instruments: Recognition and Measurement and to IFRS 7: Disclosures – Reclassification of certain financial instruments: published by the IASB on 13 October 2008 and adopted at the European level in commission regulation (EC) No 1004/2008 on 15 October 2008.

This amendment is not applicable to EURO Ressources.

**2.1.2) Standards, and interpretations and amendments to existing standards, pending application**

The Group has decided not to opt for early adoption of new standards, and interpretations and amendments to existing standards, not applicable until fiscal years commencing after 1 January 2008. Among such new standards, interpretations and amendments, the Group has identified the following requirements which may apply to it during the coming years:

- First annual improvements to IFRS
- IAS 1 R1 – Presentation of Financial Statements – a revised presentation
- Amendments to IAS 23 - Borrowing Costs
- Amendments to IAS 32 - Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements – Puttable Financial Instruments and obligations arising on liquidation
- Amendments IFRS1 and IAS 27: cost of an investment in a subsidiary, jointly controlled entity or associate
- Amendments to IFRS 2 – Share-based payments – vesting conditions and cancellations
- IFRS 8: Operating Segments
- IFRIC 11 – IFRS 2 - - Group and treasury share transactions
- IFRIC 13 – Customer loyalty programs
- IFRIC 14 – The Limit on a defined benefit asset, minimum funding requirements and their interaction

The impact of these new requirements on the Group's financial statements is currently being assessed.

**2.2) Consolidated methods**

A subsidiary is an entity over which the parent company, EURO, exercises control, i.e. the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. Control is presumed to exist when the parent owns, directly or indirectly through other subsidiaries, more than half of the voting rights of the entity. Subsidiaries are fully consolidated with effect from the date of control and cease to be consolidated as soon as control has ceased.

Intra-group transactions, balances and unrealized profits on transactions are eliminated on consolidation. Subsidiaries' accounting policies have been aligned on those of the Group.

The results of subsidiaries acquired or disposed of during the fiscal year are included in the consolidated income statement from the date of acquisition or until the date of disposal.

### 2.3) Use of estimates

When preparing consolidated 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 the Group'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 the Rosebel rights, any impairment of non-current assets, the valuation of hedging instruments, deferred tax and the stock-based payment plan.

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

### 2.4 Conversion of financial statements expressed in foreign currencies

#### Determination of the functional currency

The functional currency is determined on the basis of the economic environment in which the parent operates.

Analysis of material transactions in the Group's economic environment suggests that its functional currency is the US dollar since this is the currency in which its major transactions, such as income from royalties, Macquarie loans and derivative liabilities are denominated.

#### Determination of the presentation currency

The parent company, EURO, is a company governed by French law and is therefore obliged to prepare its consolidated accounts in Euros. The Euro has therefore been defined as the presentation currency for the Group's consolidated accounts.

#### Bookkeeping and presentation of the accounts of consolidated companies

The individual books of account of each Group company are prepared in their respective functional or local currencies namely:

- EURO: in US dollars
- SOTRAPMAG: in Euros

and each are presented in Euros

#### 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.

In practice, the companies maintaining their accounts in US dollar convert all their transactions on the basis of the spot exchange rates applying on the transaction dates.

#### Measurement rules

In order to present consolidated financial statements denominated in Euros, the results and financial position of each entity are converted into Euros on the basis of the individual entity accounts prepared in the functional currency.

For this purpose, a distinction is made between assets and liabilities, income and expenses and equity to which different translation rules apply.

➤ Assets and Liabilities

Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

➤ Income and expenses

Income and expenses for each income statement are translated at an average rate for the period;

➤ Equity

Equity is translated using the exchange rate at the date of the transaction.

➤ Translation adjustments

The exchange differences arising from conversion of the financial statements into the presentation currency are recognized within equity.

## 2.5) Segment information

Two levels of segment information are published.

### First level:

Information analyzed by business segment: only one segment has been identified namely income from gold mine royalties.

### Second level:

Information analyzed by geographic segment: only one material segment has been identified, namely Canada. The Rosebel royalty emanates from Canada and accounts for 98% of the Company's operating revenue.

## 2.6) Intangible assets

### Costs of prospecting and valuation

The costs of prospecting and valuation include all the costs of mining exploration, including interest expense, incurred for Paul Isnard. These costs have been entirely written off since 1999.

### Software

Software is classified as an intangible asset with a finite useful life giving rise to depreciation over periods ranging from one to three years.

### Other intangible assets

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 amortized cost based on their applicable useful lives.

Other intangible assets comprise the royalty rights in respect of the Rosebel mine.

They are recognized at their acquisition cost, based on the expected level of production from the mine, and are amortized on the basis of the actual duration of operation.

The amortization charge is calculated 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.

**2.7) Property, plant and equipment**

Property, plant and equipment are measured at their cost of acquisition less cumulative depreciation and the cumulative amount of any impairment losses.

The amount initially recognized for an amount of property, plant or equipment is allocated by material component whenever components are subject to different useful lives.

Depreciation is charged on a straight-line basis over each component's expected useful life. The following table presents the useful lives most commonly applied:

Property, plant and equipment	Method	Duration
Equipment and tools	Straight-line	5 years
Vehicles	Straight-line	3 to 5 years
Office and computer equipment	Straight-line	3 to 5 years

Estimated useful lives are regularly reviewed and any changes in estimates give rise to adjustment of the related prospective depreciation schedules.

Whenever the carrying amount of an asset is in excess of the estimated recoverable amount, the carrying amount is immediately aligned to its recoverable amount, by recognition of an impairment loss.

**2.8) Impairment of tangible and intangible fixed assets**

Intangible assets with indefinite useful lives are systematically subjected to impairment testing at least annually as of 31 December or more often if any indication exists that impairment has occurred.

Tangible and intangible fixed assets with finite useful lives are subjected to impairment testing whenever an indication exists that impairment has occurred.

**2.9) Other financial assets**

Other financial assets comprise guarantee deposits.

**2.10) Deferred tax**

Deferred tax is calculated for each taxable entity on the basis of the temporary differences between the tax basis amounts and carrying amounts of the entity's assets and liabilities.

Deferred tax liabilities are systematically recognized in respect of all taxable temporary differences; deferred tax assets are recognized to the extent that it is probable that sufficient future taxable profits will be generated against which to allocate the deductible temporary differences. In particular, deferred tax assets are recognized for each entity's tax losses carried forward if it appears sufficiently probable that it will be possible to use them against future taxable profits.

The carrying amount of deferred tax assets is reviewed on a quarterly basis.

Deferred tax is calculated using the tax rates expected to apply to the periods during which deferred tax liabilities will be settled or deferred tax assets recovered.

**2.11) Trade receivables and similar accounts**

Trade receivables and similar accounts are initially recognized at their fair value which generally equates with their nominal amount. They are subjected 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.

**2.12) Cash and cash equivalents**

Cash and cash equivalents mainly comprise liquidities, bank demand deposits and other investments with initial maturities not exceeding three months. Any bank overdrafts are classified as current liabilities.

**2.13) Borrowings and other financial liabilities**

Borrowings and other financial liabilities are initially recognized at their fair value net of any transaction costs. Borrowings are subsequently measured at amortized cost; any difference between the issue amount (net of transaction costs) and the amount repayable is recognized in profit or loss over the duration of the loan using the effective interest method.

Borrowings are classified as current liabilities except when the Group has an unconditional right to defer repayment until at least 12 months after the balance sheet date, in which case they are classified as non-current liabilities.

**2.14) Derivative financial instruments**

Derivative financial instruments are recognized at their fair value since inception and are revalued on the last day of each quarter using the London PM gold price in US dollars. The accounting treatment of related gains and losses depends on whether or not derivatives are designated as hedging instruments and, if so, on the nature of the hedged items.

The Company does not engage in hedge accounting so all changes in the fair value of derivatives are immediately recognized in the income statement as part of net financial expense.

The fair value of a derivative is classified as a non-current asset or liability when the remaining maturity of the underlying is in excess of 12 months duration, and as a current asset or liability when the remaining maturity of the underlying is of less than 12 months duration.

**2.15) Trade payables and similar accounts**

Trade payables and similar accounts are initially recognized at their fair value which generally equates with their nominal amount.

**2.16) Revenue from ordinary activities**

Revenue from ordinary activities comprises royalty income. Royalties are payable based on volume of gold production or sales and the realized gold price or the London bullion market fixing. They are recognized on an accrual basis.

**2.17) Financial income and expense**

Financial income and expense comprises interest receivable and payable in respect of bank accounts, loans and current accounts and also includes foreign exchange gains/losses on financing and operational transactions, as well as changes in the fair value of derivative financial instruments.

**2.18) Stock-based payments**

The Company has implemented a stock subscription plan which authorizes the Board of Directors to grant stock subscription options to certain executives, managers and employees of the Company or of Group companies.

The plan provides for issue of a maximum number of 6,059,146 common shares. Options have an exercise period of up to 10 years and may have a vesting period of up to three years.

The fair value of the options granted is recognized as an operating expense at the time of vesting.

At each balance sheet date, the entity records the number of options outstanding, both exercisable and not-exercisable, and those forfeited or expired during the reporting period.

Amounts received by the Company when options are exercised are credited to "capital stock" (for the nominal amount of the stock issued) and to "additional paid-in capital" (for the amount received net of the nominal amount of the stock issued and of any directly attributable transaction costs).

### 3) Management of financial risk

The Group's activities expose it to different types of financial risks: market risk (principally: the market price for gold, foreign currency risk and risk of changes in value of derivative instruments due to fluctuation in interest rates), credit risk and liquidity risk. The Group has a risk management program which monitors the volatility of the financial markets and which seeks to minimize the potentially unfavorable effects of that volatility for the Group's financial performance.

#### 3.1) Market risk

##### 3.1.1) Gold Price risk

###### Royalty variance

The Group is exposed to the risk of changes in the market price of gold. Its revenue from the Rosebel royalty is determined with reference to the simple average of the London PM gold price for each calendar quarter. The Rosebel royalty attributable production in 2008 was approx. 324,000 ounces and is anticipated to be approx 325,000 ounces in 2009. The table below illustrates the impact of changes in the calendar quarter average gold price on EURO's revenue, based on 325,000 ounces of attributable production:

Gold price/oz change –average per quarter	\$25	\$50	\$75	\$100
Change in royalty revenue	\$812,500	\$1,625,000	\$2,437,500	\$3,250,000

###### Derivative variance

As part of its risk management program, the Group holds certain gold derivative forward sales contracts which mirror the method of calculation of the applicable gold price calculation under the Rosebel royalty for the respective calendar quarter (see Note 10.2). At the end of each calendar quarter, the associated forward sales contract is liquidated and the difference between the settlement price for that quarter and the contractual price of \$458.50/oz. is settled. The table below illustrates the impact of changes in the calendar quarter average gold price on the liquidated settlement amount for each 1,000 ounces of gold forward contract (equivalent to 10,000 ounces of attributable production), which is netted against EURO's revenue.

Change in gold price/oz – quarterly average	\$25	\$50	\$75	\$100
Change in settlement amount	\$25,000	\$50,000	\$75,000	\$100,000

##### 3.1.2) Foreign currency translation risk

EURO is a French company that is exposed to foreign currency translation risk given that its transactions are mainly denominated in US dollars but presented in Euros, with 98% of its revenue in US dollars and 2% in Euros. Operational costs incurred in Euros exceed revenue denominated in Euros however, this risk is considered negligible since the excess of our Euro denominated expenses over revenue is a small proportion of total expenses.

(in 000s)		US \$	€	C\$	% exposed to currency translation risk
Revenue	€12,437	€12,158	€279	-	98%
Expenses	€5,704	€4,314	€774	€616	76%
Operational	€4,023	€2,633	€774	€616	65%
Financial	€1,213	€1,213	-	-	100%
Amortization	€468	€468	-	-	100%



**3.2) Credit risk**

The Group is subject to a concentrated credit risk with 98% of its revenue 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 small.

**3.3) Liquidity risk**

Prudent management of liquidity risk requires the retention of adequate liquidity to meet expected expenditures and possible contingencies. The Group believes that its recurring financial income and established credit facilities are adequate for this purpose and EURO is in full compliance of the financial and liquidity covenants under its existing credit facility.

**3.4) Interest rate risk**

At the beginning of December 2008, EURO repaid the balance of the loan due to Macquarie Bank Limited, and as a consequence there is no interest rate risk for EURO.

#### 4) Intangible assets (in thousands of €uro)

The carrying values of the intangible assets of the Group are set out in the tables below:

	31 December 2006	Increase	Decrease	Translation adjustment	31 December 2007
<b><u>Gross values</u></b>					
Paul Isnard	4,164			(432)	3,732
Rosebel	11,626			(1,203)	10,423
<b>Total</b>	<b>€15,790</b>	<b>€ -</b>	<b>€-</b>	<b>€(1,635)</b>	<b>€14,155</b>
<b><u>Amortization</u></b>					
Paul Isnard	(4,164)			432	(3,732)
Rosebel	(1,687)	(583)		215	(2,055)
<b>Total</b>	<b>€(5,851)</b>	<b>€(583)</b>	<b>€-</b>	<b>€647</b>	<b>€(5,787)</b>
<b><u>Net values</u></b>					
Paul Isnard	-	-		-	-
Rosebel	9,939	(583)		(988)	8,368
<b>Total</b>	<b>€9,939</b>	<b>€(583)</b>	<b>€-</b>	<b>€(988)</b>	<b>€8,368</b>

	31 December 2007	Increase	Decrease	Translation adjustment	31 December 2008
<b><u>Gross values</u></b>					
Paul Isnard	3,732			167	3,899
Rosebel	10,423			467	10,890
<b>Total</b>	<b>€14,155</b>	<b>€ -</b>	<b>€ -</b>	<b>€634</b>	<b>€14,788</b>
<b><u>Amortization</u></b>					
Paul Isnard	(3,732)			(167)	(3,899)
Rosebel	(2,055)	(466)		(112)	(2,633)
<b>Total</b>	<b>€(5,787)</b>	<b>€(466)</b>	<b>€-</b>	<b>€(279)</b>	<b>€(6,532)</b>
<b><u>Net values</u></b>					
Paul Isnard	-	-		-	-
Rosebel	8,368	(466)		355	8,256
<b>Total</b>	<b>€8,368</b>	<b>€(466)</b>	<b>€-</b>	<b>€355</b>	<b>€8,256</b>

On 23 March 2007, EURO signed a memorandum of understanding with Golden Star regarding, amongst other things, an amendment to the previous agreement with Golden Star for their acquisition of the Paul Isnard concessions and exploration permit held by EURO in French Guiana. This amendment provided for the sale of the Paul Isnard properties in exchange for a royalty consideration payable to EURO.

Golden Star was required to complete a feasibility study on Paul Isnard within one year of the signing of the memorandum, however Golden Star did not complete the required feasibility study.

On 29 September 2008 litigation commenced in Canada between EURO and Golden Star concerning the Paul Isnard property held by EURO. EURO has asked the Court to confirm Golden Star's repudiation of the Option Agreement on Paul Isnard and is seeking damages from Golden Star. Golden Star has filed a countersuit seeking transfer of the Paul Isnard properties to Golden Star. Golden Star also seeks monetary damages. EURO considers Golden Star's claim to be without merit.

### 5) Property, plant and equipment (in thousands of €uro)

	31 December 2006	Increase	Decrease	Translation adjustment	31 December 2007
<b><u>Gross values</u></b>					
Other property, plant and equipment	5	2	-	(1)	6
<b>Total</b>	<b>€5</b>	<b>€2</b>	<b>€-</b>	<b>€(1)</b>	<b>€6</b>
<b><u>Depreciation</u></b>					
Other property, plant and equipment	(2)	(2)	-	1	(3)
<b>Total</b>	<b>€(2)</b>	<b>€(2)</b>	<b>€-</b>	<b>€1</b>	<b>€(3)</b>
<b><u>Net values</u></b>					
Other property, plant and equipment	3	-	-	-	3
<b>Total</b>	<b>€3</b>	<b>€-</b>	<b>€-</b>	<b>€-</b>	<b>€3</b>

	31 December 2007	Increase	Decrease	Translation adjustment	31 December 2008
<b><u>Gross values</u></b>					
Other property, plant and equipment	6	-	-	(1)	5
<b>Total</b>	<b>€6</b>	<b>€-</b>	<b>€-</b>	<b>€(1)</b>	<b>€5</b>
<b><u>Depreciation</u></b>					
Equipment and tools	-	-	-	-	-
Other property, plant and equipment	(3)	(2)	-	1	(4)
<b>Total</b>	<b>€(3)</b>	<b>€(2)</b>	<b>€-</b>	<b>€1</b>	<b>€(4)</b>
<b><u>Net values</u></b>					
Equipment and tools	-	-	-	-	-
Other property, plant and equipment	3	(2)	-	-	1
<b>Total</b>	<b>€3</b>	<b>€(2)</b>	<b>€-</b>	<b>- €</b>	<b>€1</b>

**6) Trade receivables and other current assets**  
(in thousands of €uro)

Current assets	31 December 2008	31 December 2007
Trade receivables and similar accounts <sup>1</sup>	3,016	2,931
<b>Subtotal of trade receivables and similar accounts</b>	<b>3,016</b>	<b>2,931</b>
Tax and social security receivables	161	84
Advances, guarantees <sup>2</sup>	890	-
Prepaid expenses	20	15
<b>Subtotal other current assets</b>	<b>1,070</b>	<b>99</b>
<b>Total</b>	<b>€4,086</b>	<b>€3,030</b>

<sup>1</sup> Trade receivables include €2.984 million of amounts receivable from IAMGOLD.

<sup>2</sup> Relates to severance amounts held in escrow related to the takeover bid by IAMGOLD Corporation, see also note 11

**7) Cash and cash equivalents**  
(in thousands of €uro)

	31 December 2008	31 December 2007
Marketable securities <sup>2</sup>	-	54
Cash	468	472
Restricted cash <sup>1</sup>	-	31
<b>Total</b>	<b>€468</b>	<b>€557</b>

<sup>1</sup> The royalties paid by IAMGOLD are paid to a restricted account at Macquarie Bank. These funds may only be used for approved corporate expenditures. Following the repayment of the loan to Macquarie, EURO was permitted by Macquarie to utilize the remaining funds in the account to pay fees related to the takeover bid by IAMGOLD.

<sup>2</sup> There is no difference between the fair value and the accounting value.

**8) Share capital**

As of 31 December, 2008 the Company's share capital comprises 62,496,461 common shares with a nominal value of €0.01 per share.

The share capital of Company changed during the last two fiscal years, as detailed below:

	Number of shares	Nominal value	Share Capital (in 000 €uro)	Additional paid-in capital (in 000 of €uro)
<b>As at 31 December 2006</b>	<b>50,442,884</b>	<b>€0.01</b>	<b>€504</b>	<b>€ 38,387</b>
4 April 2007	50,000	€0.01	€1	€9
22 November 2007	10,098,576	€0.01	€101	€7,238
<b>As at 31 December 2007</b>	<b>60,591,460</b>	<b>€0.01</b>	<b>€606</b>	<b>€ 45,634</b>
12 December 2008	1,905,001	€0.01	€19	€1,342
<b>As at 31 December 2008</b>	<b>62,496,461</b>	<b>€0.01</b>	<b>€625</b>	<b>€46,976</b>

The company's share capital was increased as follows during 2008:

- €19K in December 2008 upon the exercise of all of the outstanding options held by option holders; 1,905,001 options were exercised in respect of 1,905,001 common shares with a nominal value of €0.01 each. The additional paid in capital amounted to €1.417K.

## 9) Stock-based payments

EURO's Stock Option Plan permits the board of directors of EURO to grant of stock options to eligible participants at a minimum subscription price equal to 80% of the closing price on Euronext Paris during the 20 consecutive days of trading preceding the date of grant of the option.

In December 2008 all outstanding options remaining were exercised.

	2008		2007	
	Average Exercise Price	Number (in 000)	Average Exercise Price	Number (in 000)
<b>As of 1 January</b>	<b>€0.75</b>	<b>1,525</b>	<b>€0.73</b>	<b>1,475</b>
Granted	€0.79	380	€0.85	100
Exercised	€0.75	1,905	€0.21	(50)
<b>Expired</b>	-	-	-	-
<b>As of 31 December</b>	<b>€-</b>	<b>-</b>	<b>€0.75</b>	<b>1,525</b>

### Options granted during 2008

On 14 February 2008, 305,000 options were granted to the existing holders of stock options outstanding at the time of the rights issue made by the Company during 2007. Each option holder was granted one additional option to acquire one common share for a consideration price of €0.75 per common share for every five existing stock options held, with such additional options only to be exercisable to the extent that the holder's existing stock options are exercised.

235,400 of the 305,000 options vested immediately; 9,600 vested at the end of June 2008; 15,000 will vest at the end of October 2008; 30,000 will vest at the end of January 2009; and 15,000 will vest at the end of October 2009, subject to the continuing validity of the underlying grant.

On 26 June 2008, 75,000 options were granted of which 50,000 vested with effect of the date of grant and 25,000 options remain unvested until the Optionee ceases to be an officer of EURO.

### Options Exercised:

On December 12, 2008, 1,905,001 options were exercised consequent to the successful tender offer bid by IAMGOLD. Of these options, 295,001 had not vested as at 12 December 2008, but due to a specific provision in the company's stock option plan, the directors determined that non-vested options were accelerated to enable exercise because of the unsolicited tender offer. Following the directors resolution to that effect, all non-vested options became vested and exercisable.

**10) Financial liabilities (in thousands of €uro)**

	31 December 2008	31 December 2007
Macquarie Bank Limited loan <sup>1</sup>	-	447
Golden Star loan	-	-
Other financial debt	-	-
Derivative financial instruments	-	7,399
<b>Total non-current financial liabilities</b>	<b>€ -</b>	<b>€ 7,846</b>
Macquarie Bank Limited loan <sup>1</sup>	-	1,597
Accrued interest on loans <sup>1</sup>	-	5
Derivative financial instruments	2,440	2,615
Other financial debt <sup>2</sup>	2,566	1,270
<b>Total current financial liabilities</b>	<b>€ 5,006</b>	<b>€ 5,487</b>

<sup>1</sup> The Macquarie bank Limited loan was repaid in full at the beginning of December 2008; consequently there is no more interest payable at the end of December 2008 either.

<sup>2</sup> Debt owed to Macquarie for the forward sales of gold settled in late December 2008 and settled in January 2009.

**10.1) Macquarie Bank Limited loan**

The Company's bank borrowings comprised a loan from Macquarie Bank Limited ("Macquarie"). This was drawn in two tranches:

The first tranche of \$6 million was drawn on 7 January 2005, and used to pay the first installment of the Rosebel purchase price. The loan principal was repayable in nine equal quarterly installments of \$666,667 commencing 29 July 2005 with final maturity scheduled for 29 July 2007. On 26 April 2007, Macquarie agreed to extend the principal payment due on 29 April 2007 until 29 January 2009. A fee of \$13,333 was charged by Macquarie for this extension.

A second tranche of \$3 million was drawn on 30 September 2005, and used to pay part of the second installment of the Rosebel purchase price. The principal amount is repayable in five equal quarterly installments of \$600,000 that commenced on 29 October 2007. Final maturity is on 29 October 2008.

In early December 2008, the company paid Macquarie the outstanding balance of the loan in advance of its scheduled maturity, which was 29 January 2009.

The applicable interest rate was LIBOR (London Interbank Offered Rate) plus 2.5% p.a. As at 31 December 2008, there is no interest accrued since the loan due Macquarie was repaid in full, including any accrued interest.

The Company was required to respect certain financial ratios during the period of the loan. As a condition of the loan, the Company was required to implement a program of forward sales of gold (see Note 10.2).

**10.2) Derivative financial instruments**

For the purpose of the Macquarie financing, EURO was required to hedge a portion of the Rosebel royalty revenue against fluctuations in the market price for gold. EURO therefore concluded two forward sale agreements for gold:

A forward sale agreement for 57,000 ounces of gold at \$421 per ounce for settlement in 10 equal calendar quarter amounts of 5,700 ounces, commencing January 2005, settling 29 days after each calendar quarter. EURO settled its last forward sale agreement of 5,700 ounces of gold at \$421 per ounce on 31 July 2007.

A second forward sale agreement for 57,000 ounces of gold at \$458.50 per ounce for settlement in 10 equal calendar quarter amounts of 5,700 ounces, commencing July 2007, settling 29 days after each calendar quarter.

The contracts provide that in respect of each quarter, when the quarterly average of the London PM gold price is less than the settlement price, Macquarie pays EURO the difference between the average price and the contractual price for 5,700 ounces of gold. Conversely, when the quarterly average of the London PM gold price is higher than the contractual price, EURO pays Macquarie the difference between the average price and the settlement price for 5,700 ounces of gold.

During 2008, EURO liquidated the remaining 14,800 ounces of the hedge scheduled for maturity during 2008 and 14,250 ounces scheduled for maturity in April, (5,700 ounces) July (5,700 ounces) and October (2,850 ounces) of 2009. As at 31 December 2008, a settlement obligation of \$3.61 million (€2.56 million) was outstanding which will be paid on 29 January 2009. As at 31 December 2008 there were 8,550 ounces of gold derivative contracts outstanding, all at a contract price of \$458.50, with the following maturities:

Scheduled Maturity	2009				
	Q1	Q2	Q3	Q4	Total
Gold ounces	-	-	2,850	5,700	8,550

At 31 December 2008 the negative fair value (mark-to-market) of the forward sale agreements for gold amounted to \$3.44 million (€2.44 million) (compared to \$14.7 million or €10 million at 31 December, 2007). The Group has decided to account for changes in the fair value of this financial instrument through the income statement.

**11) Trade payables and other current liabilities  
(in thousands of €uro)**

	31 December 2008	31 December 2007
Trade payables <sup>1</sup>	1,258	514
Tax and social security liabilities	62	148
Other liabilities <sup>2</sup>	35	20
<b>Total</b>	<b>€ 1,355</b>	<b>€ 682</b>

<sup>1</sup> Includes €890K in settlement payables related to the takeover bid by IAMGOLD Corporation, see also note 6

<sup>2</sup> Other liabilities mainly comprise directors' fees due in respect of the fourth quarter 2008

**12) Revenue from ordinary activities and other operating income**  
(in thousands of €uro)

	For fiscal year ended 31 December	
	2008	2007
Rosebel Royalty	12,158	7,762
Other operating income	279	324
<b>Total</b>	<b>€ 12,437</b>	<b>€ 8,086</b>

Revenue from ordinary activities is derived from two categories of activity:

- royalties related to the operation of the Rosebel mine, and
- royalties related to mining operations by third parties in French Guiana.

The predominant source of revenue from ordinary activities is from royalty income related to operations at the Rosebel mine.

**13) Operating expenses**

Operating expenses mainly comprise:

- administrative expenses,
- directors' fees,
- fees related to the preparation and audit of the unconsolidated and consolidated financial statements,
- legal fees, and
- costs relating to the reporting obligations of the Company in France and Canada.
- costs relating to the IAMGOLD arbitration
- costs relating to the tender offer bid by IAMGOLD



**14) Financial income and expenses**  
(in thousands of €uro)

	For fiscal year ended 31 December	
	2008	2007
Other investment income	41	31
Foreign exchange gain	165	135
<b>Total financial income</b>	<b>€206</b>	<b>€166</b>
Interest on Macquarie loan	68	236
Effect of discounting other financial debt	-	317
Interest on Golden Star loan	-	197
Foreign exchange loss	93	66
Financial instrument expense	961	6,594
Other	38	34
<b>Total financial expenses</b>	<b>€1,161</b>	<b>€7,445</b>
<b>Net financial income (expense)</b>	<b>€(955)</b>	<b>€(7,278)</b>

**15) Depreciation and amortization expenses**  
(in thousands of €uro)

	For fiscal year ended 31 December	
	2008	2007
Amortization charge in respect of intangible assets	466	583
Depreciation charge in respect of plant, property and equipment	2	2
<b>Total</b>	<b>€468</b>	<b>€585</b>

**16) Tax****16.1) Tax Reconciliation  
(in thousands of €uro)**

Reconciliation of the theoretical tax liability calculated at the tax rate applicable to corporations in France may be reconciled to the effective tax as follows:

	For fiscal year ended 31 December	
	2008	2007
<b>Profit (loss) before tax</b>	<b>€6,991</b>	<b>€(1,701)</b>
Theoretical tax calculated at the legal rate applicable in the country of each subsidiary	(2,330)	567
Tax related to non-taxable revenue items	-	-
Tax related to non-deductible expenses	(46)	-
Tax related to permanent differences	3	(80)
Utilization of tax losses carried forward		602
Other		111
Translation adjustment	66	(262)
<b>Effective tax</b>	<b>€(2,307)</b>	<b>€938</b>

The corporate income tax rate applied for fiscal year 2008 is 33 1/3%.

**16.2) Tax Recovery  
(in thousands of €uro)**

Corporate income tax recovery comprises the following:

	For fiscal year ended 31 December	
	2008	2007
Current income tax recovery/(expense)		
Deferred tax recovery on temporary differences and tax losses carried forward	(2,307)	938
<b>Total</b>	<b>€(2,307)</b>	<b>€938</b>

**16.3) Deferred tax assets**

Deferred tax assets amount to €5.55 million. The principal categories of deferred tax assets are:

- **Tax losses carried forward** of EURO, amounting to €13.9 million generating a deferred tax asset of €4.65 million.
- **Temporary difference:**  
Deferred tax asset arising from gold forward sale contracts: €0.81 million.

Losses carried forward have been utilized on the basis of the business plan presented by management, which provide reasonable reassurance that these losses carried forward may be offset against future taxable income, within the immediate future (less than 5 years).

**17) Earnings (loss) per share**

Earnings (loss) per share are calculated based on the consolidated net income attributable to the group divided by the average number of shares of the parent company in issue during the fiscal year (excluding treasury stock).

	For fiscal year ended 31 December	
	2008	2007
Net profit (loss) attributable to holders of common shares	€ 4,684	€ (763)
Weighted average number of common shares	60,690,624	51,918,572
<b>Earnings (loss) per Share</b>		
Basic	<b>€0.077</b>	<b>€(0.015)</b>
Diluted	<b>€0.077</b>	<b>€(0.015)</b>

**18) Related parties**

Information on Related Parties:

	IAMGOLD Corporation
<b>Presentation of related parties</b>	EURO Ressources S.A. Shareholder
<b>Nature of relationship between related parties</b>	IAMGOLD is majority shareholder of EURO Ressources S.A. (84.55% of all outstanding and diluted shares)

The information relating to director's compensation includes the payments of director's fees and stock subscription options granted.

Directors' fees:

Compensation to the directors of the Company for the fiscal years 2007 and 2008 was as follows:

Mr. James H. Dunnett: \$4,500 paid in 2008 in respect of 2007, \$16,500 paid in 2008 in respect of 2008 and \$7,500 in respect of 2008 paid in 2009.

Mr. Allan J. Marter: \$4,500 paid in 2008 in respect of 2007, \$16,500 paid in 2008 in respect of 2008 and \$7,500 in respect of 2008 paid in 2009.

Mr. Ian L. Boxall: \$5,550 paid in 2008 in respect of 2007, \$17,850 paid in 2008 in respect of 2008 and \$7,275 in respect of 2008 paid in 2009.

Mr. Donald R. Getty: \$5,550 paid in 2008 in respect of 2007, \$18,600 paid in 2008 in respect of 2008 and \$8,025 in respect of 2008 paid in 2009.

Mr. David Watkins: \$5,550 paid in 2008 in respect of 2007, \$21,225 paid in 2008 in respect of 2008 and \$9,600 in respect of 2008 paid in 2009.

Mr. Jean-Pierre Prévot: \$4,000 paid in 2008 in respect of 2007. Mr. Jean-Pierre passed away in early February 2008. He was a founding director of the company.

Mr. Ian Smith: \$17,425 paid in 2008 in respect of 2008 and \$9,600 in respect of 2008 paid in 2009. Mr. Ian Smith was elected to the board of directors following the vacancy created by Mr. Jean-Pierre Prévot's passing in early February of 2008.

Stock Subscription options:

In fiscal year 2008, the following stock subscription options were awarded to directors:

Jean-Pierre Prevot (Directeur-General Délégué of the Company): 10,000 options

James H. Dunnett: 200,000 options

Allan J. Marter: 85,000 options

All of these options were granted consequent to the Rights Offering completed in late 2007. These directors were granted one additional option to acquire one common share for consideration price of €0.75 per common share for every five existing stock options held, such additional options only be exercisable to the extent of the holder's existing stock options that are exercised.

## 19) Arbitration

In October 2007 IAMGOLD withheld a portion of the Rosebel royalty then due to EURO. This deduction was a revision to the basis of the royalty payments made by Cambior from the inception of production at Rosebel and a revision to the payments made by IAMGOLD since its acquisition of Cambior in late 2006. Further deductions were made against the royalty payable in January, April, July and October 2008 in respect to production in the fourth quarter of 2007 and the first three quarters of 2008. Management believed that there was no basis for such a computation under the Participation Agreement between Cambior (now IAMGOLD) and EURO. Consequently, EURO objected to the deduction and sought arbitration as provided for in the Participation Agreement.

In late November 2008, the arbitrator ruled in favour of EURO and against IAMGOLD. Subsequently IAMGOLD paid EURO the full amount of the deductions, which amounted to \$0.976 million, which included interest for a few days (€0.72 million).

The royalty receivable for the fourth quarter of 2008 includes the full amount of the royalty receivable without any deductions.

## 20) Unsolicited takeover bid by IAMGOLD Corporation

On 29 August 2008, IAMGOLD filed with the Autorité des marchés financiers (the French financial services regulator) (the "AMF") an unsolicited takeover bid to acquire up to 100% of the outstanding shares of EURO for €1.20 per share. The offer was conditional on IAMGOLD receiving tenders from EURO's shareholders such that the total, together with the approx 4.95% shareholding held by IAMGOLD, would represent a minimum of 50% plus one share of EURO's fully diluted shares.

On 2 December 2008 The Autorités des Marches Financiers announced results of the tender offer made by IAMGOLD. The total number of shares that had been tendered was 43.4 million shares representing 71.6% (69.4% on a fully-diluted basis); in excess of the minimum threshold set by IAMGOLD of 50% + 1 share. The takeover bid for EURO was successful.

In early December 2008, the offer reopened with the same conditions as before allowing shareholders who previously held off from tendering their shares to do so. The offer closed on 17 December 2008 and The Autorité des Marches Financiers announced in late December that IAMGOLD now controlled 84.55 % of the outstanding and fully diluted shares of the company.

The expenses related to the takeover bid include €890K related to the severance payments that were held in escrow at the end of 2008 and €1,081K related to fees paid to financial advisors and attorneys.

## **21) Litigation in Canada between EURO and Golden Star**

On 29 September 2008 litigation commenced in Canada between EURO and Golden Star concerning the Paul Isnard property held by EURO. EURO has asked the Court to confirm Golden Star's repudiation of the Option Agreement on Paul Isnard and is seeking damages from Golden Star. Golden Star has filed a countersuit seeking transfer of the Paul Isnard properties to Golden Star. Golden Star also seeks monetary damages. EURO considers Golden Star's claim to be without merit