



**IFRS Unaudited Financial Statements and
Shareholders' Report**

Third Quarter Ended September 30, 2013

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UNAUDITED INTERIM FINANCIAL STATEMENTS

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I Balance Sheets

(Unaudited)
(in thousands of Euros)

	Notes	As at September 30, 2013	As at December 31, 2012
NON-CURRENT ASSETS		€ 5,814	€ 6,441
Intangible assets	4	5,649	6,235
Available-for-sale financial assets	5	165	206
CURRENT ASSETS		€ 12,102	€ 22,296
Trade receivables	6	7,459	11,131
Other current assets	6	60	27
Current income tax receivable	6	2,766	-
Cash and cash equivalents	7	706	10,001
Assets held for sale	18	1,111	1,137
TOTAL ASSETS		€ 17,916	€ 28,737
EQUITY		€ 17,587	€ 26,433
Share capital	8	625	625
Additional paid-in capital	8	104	104
Other reserves		2,885	613
Net profit for the period		13,973	25,091
TOTAL EQUITY		€ 17,587	€ 26,433
NON-CURRENT LIABILITIES		132	109
Deferred tax liabilities	15.3	132	109
CURRENT LIABILITIES		€ 197	€ 2,195
Trade payables	9	106	147
Other current liabilities	9	91	109
Current income tax payable	9	-	1,939
TOTAL EQUITY AND LIABILITIES		€ 17,916	€ 28,737

II Income Statements

(Unaudited)
(in thousands of Euros, except per share amount)

	Notes	For the Quarter Ended		For Nine Months Ended	
		September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
Revenues from ordinary activities	11	7,347	10,224	24,166	30,363
Operating expenses	12	(283)	(261)	(790)	(703)
Amortization expense	14	(160)	(171)	(453)	(493)
Other income	19	-	201	-	201
OPERATING PROFIT		€ 6,904	€ 9,993	€ 22,923	€ 29,368
Investment income		4	7	28	22
Impairment on available-for-sale financial assets	14	-	-	(211)	-
Net foreign exchange gain (loss)	13	19	(438)	106	(712)
NET FINANCIAL EXPENSES		€ 23	€ (431)	€ (77)	€ (690)
PROFIT BEFORE INCOME TAX		€ 6,927	€ 9,562	€ 22,846	€ 28,678
Income tax expense	15.1	(2,531)	(3,889)	(8,873)	(11,001)
NET PROFIT		€ 4,396	€ 5,673	€ 13,973	€ 17,677
EARNINGS PER SHARE (€/share)					
Basic	16	€ 0.070	€ 0.091	€ 0.224	€ 0.283
Diluted	16	€ 0.070	€ 0.091	€ 0.224	€ 0.283

III Statements of Comprehensive Income

(Unaudited)
(in thousands of Euros)

	Notes	For the Quarter Ended		For Nine Months Ended	
		September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
NET PROFIT		4,396	5,673	13,973	17,677
OTHER COMPREHENSIVE INCOME (LOSS)					
Currency translation adjustments		(406)	(532)	(436)	752
Unrealized gain (loss) on available-for-sale financial assets		61	(34)	(33)	(120)
Income tax impact on unrealized change in fair value of available-for-sale financial assets		(21)	12	11	43
Impairment of available-for-sale financial assets	14	-	-	211	-
Income tax impact on impairment of available-for-sale financial assets		-	-	(73)	-
Other comprehensive income (loss)		(366)	(554)	(320)	675
TOTAL COMPREHENSIVE INCOME		€ 4,030	€ 5,119	€ 13,653	€ 18,352

IV Cash Flow Statements

(Unaudited)
(in thousands of Euros)

Notes	For the Quarter Ended		For Nine Months Ended	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
OPERATING ACTIVITIES				
	4,396	5,673	13,973	17,677
	Elimination of items which do not have an impact on the cash flow:			
14	160	171	453	493
19	-	(201)	-	(201)
14	-	-	211	-
15.1	2,531	3,889	8,873	11,001
	Gross cash flow from operating activities before net change in operating working capital and income tax paid			
	7,087	9,532	23,510	28,970
	(497)	(359)	3,469	1,366
	(2)	(24)	(56)	(53)
	(499)	(383)	3,413	1,313
	(4,356)	(3,192)	(13,407)	(15,127)
	€ 2,232	€ 5,957	€ 13,516	€ 15,156
FINANCING ACTIVITIES				
8	(22,499)	(18,124)	(22,499)	(18,124)
	€ (22,499)	€ (18,124)	€ (22,499)	€ (18,124)
	Unrealized impact from changes in foreign currency exchange rates on cash and cash equivalents			
	€ (129)	€ 80	€ (312)	€ 938
	€ (20,396)	€ (12,087)	€ (9,295)	€ (2,030)
	21,102	15,641	10,001	5,584
	€ 706	€ 3,554	€ 706	€ 3,554

V Statements of Changes in Equity

(Unaudited)
(in thousands of Euros)

	Share capital	Additional paid-in capital	Currency translation adjustments	Available-for-sale fair value reserve	Retained earnings	Net profit for the period	Total equity
Position as of December 31, 2012 before appropriation of profit	€ 625	€ 104	€ 2,891	€ (76)	€ (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	€ 2,891	€ (76)	€ 22,889	-	€ 26,433
Dividend (note 8)	-	-	-	-	(22,499)	-	(22,499)
Total comprehensive income for the period ended September 30, 2013	-	-	(436)	116	-	13,973	13,653
Position as of September 30, 2013	€ 625	€ 104	€ 2,455	€ 40	€ 390	€ 13,973	€ 17,587

VI Notes to the Interim 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.

As a result of internal restructuring in 2012, IAMGOLD Corporation (“IAMGOLD”) transferred all of its shares in EURO Ressources S.A. (“EURO” or the “Company”) to its wholly owned subsidiary IAMGOLD France S.A.S., which owns approximately 86% of all outstanding shares of EURO.

These unaudited financial statements 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.

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.

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 September 30, 2013, the Rosebel mine has produced 3.43 million ounces of gold and there remains approximately 3.57 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) Basis of preparation

2.1) Statement of compliance

These unaudited condensed interim financial statements (“interim financial statements”) of EURO as at and for the nine months ended September 30, 2013 have been prepared in accordance with IAS 34, Interim Financial Reporting, and do not include all of the information required for full annual financial statements. Accordingly certain information and disclosures normally included in annual financial statements prepared in accordance with IFRS as approved by the International Accounting Standard Board (“IASB”) have been omitted or condensed.

The interim financial statements of EURO have been approved for publication by the Board of Directors on October 30, 2013.

2.2) Significant accounting judgments, estimates and assumptions

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the interim financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

2.3) Significant accounting policies

These interim 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 interim financial statements. The Company evaluated the impact of the change to its interim 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 amendments do not address which items are presented in OCI and did not impact the Company's financial statements.

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 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. 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 both of the following:

- For 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.
- For recurring fair value measurements using significant unobservable inputs (Level 3), the effect of the measurements on profit or loss or other comprehensive income for the period.

2.4) Future accounting policies

The following new standards were not yet effective for the nine months ended September 30, 2013, and have not been applied in preparing these interim 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 is in the process of being finalized by the IASB. 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.

2.5) Currency

EURO presents its financial statements in Euros (€ or Euro). 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 the related cash are denominated. Certain additional information are presented in these financial statements in United States dollars ("US\$") and in Canadian dollars ("C\$").

3) Management of financial risk

EURO is exposed to different types of financial risks:

- The market risk (principally: the market price for gold 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

Royalty variance

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 is anticipated to be approximately between 384,000 and 405,000 ounces in 2013. The table below illustrates the impact of changes in the quarterly average gold price on EURO's annual revenues, based on an estimated production of 395,000 ounces:

Change in gold price per ounce (US\$/oz)	US\$100	US\$200	US\$300	US\$400
Change in royalty revenues (US\$000)	3,950	7,900	11,850	15,800

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. EURO's income tax expense and dividend payments represent the largest foreign currency translation risk as they are denominated in the Euro currency.

(in thousands of Euros)

	Nine months ended September 30, 2013	US \$	€	C\$	% exposed to currency translation risk
Revenues from ordinary activities	€24,166	€23,873	€293	€-	1%
Expenses	€10,193	€776	€9,165	€252	92%
<i>Operating</i>	€790	€351	€398	€41	56%
<i>Amortization</i>	€453	€453	€-	€-	0%
<i>Net financial expenses</i>	€77	€(28)	€(106)	€211	136%
<i>Income tax</i>	€8,873	€-	€8,873	€-	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 is investing its surplus cash to obtain a reasonable return on its investments 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) Intangible assets
(in thousands of Euros)**

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

	December 31, 2012	Increase	Translation adjustment	September 30, 2013
<u>Cost</u>				
Rosebel	11,636	-	(268)	11,368
<u>Accumulated amortization</u>				
Rosebel	(5,401)	(453)	135	(5,719)
<u>Carrying amount</u>				
Total – Rosebel	€6,235	€(453)	€(133)	€5,649

**5) Available-for-sale financial assets
(in thousands of Euros)**

	September 30, 2013	December 31, 2012
Marketable securities ¹	165	206
Total	€165	€206

- 1 Shares received from COLUMBUS Gold Corporation ("COLUMBUS") on December 21, 2011 in connection with the pre-exercise payment from the Option agreement entered into on December 5, 2011, and shares received on August 31, 2012 in connection with the amendment to the Option agreement signed on July 25, 2012 (note 19). At the end of the second quarter 2013, EURO reviewed the value of its available-for-sale financial assets for objective evidence of impairment based on both quantitative and qualitative criteria and determined that an impairment charge of €0.21 million was required (note 14) which was transferred from other comprehensive income to the income statement. During the third quarter of 2013, positive changes in fair value were recorded in other comprehensive income.

6) Trade receivables and other current assets
(in thousands of Euros)

Current assets	September 30, 2013	December 31, 2012
Trade receivables ¹	7,459	11,131
Subtotal of trade receivables	€7,459	€11,131
Tax and social security receivables	54	27
Prepaid expenses	6	-
Subtotal of other current assets	€60	€27
Current income tax receivable	2,766	-
Subtotal of tax receivable	€2,766	€-
Total	€10,285	€11,158

¹ Trade receivables included €7.3 million of amounts receivable from IAMGOLD at September 30, 2013 (€10.98 million at December 31, 2012).

7) Cash and cash equivalents
(in thousands of Euros)

	September 30, 2013	December 31, 2012
Cash equivalents ^{1,2}	440	1,206
Cash ^{1,2}	266	8,795
Total	€706	€10,001

¹ There is no difference between the fair value and the carrying amount.

² Almost 100% of EURO's available cash is held in US dollars.

Through the first nine months ended September 30, 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.

8) Share capital

As of September 30, 2013, the Company's share capital comprised 62,496,461 common shares with a nominal value of €0.01 per share. There were no shares issued during the first nine months of 2013.

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.

Any future distributions of dividends will be proposed by the board of directors after taking 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 will be based on the annual financial statements prepared in accordance with French GAAP.

	Number of shares	Nominal value per share	Share capital (in 000 Euro)	Additional paid-in capital (in 000 Euro)
As at December 31, 2012	62,496,461	€0.01	€625	€104
As at September 30, 2013	62,496,461	€0.01	€625	€104

9) Trade payables and other current liabilities (in thousands of Euros)

	September 30, 2013	December 31, 2012
Trade payables	€106	€147
Tax and social security liabilities	58	73
Intercompany with IAMGOLD	21	24
Directors' fees	12	12
Other current liabilities	€91	€109
Current income tax payable	€-	€1,939
Total current liabilities	€ 197	€ 2,195

10) Fair value measurements

The fair value is 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.

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

At September 30, 2013, the Company's assets and liabilities recorded at fair value were as follows:

Financial assets	Level 1	Level 2	Level 3	Total
Marketable securities	165	-	-	165
Total	€165	€-	€-	€165

10.2) Valuation techniques

Marketable securities

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 price from the exchange market that is the principal active market for that particular security.

**11) Revenues from ordinary activities
(in thousands of Euros)**

	Nine months ended September 30	
	2013	2012
Rosebel royalty	23,873	30,092
Other revenues	293	271
Total revenues from ordinary activities	€24,166	€30,363

Revenues from ordinary activities are 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.

**12) Operating expenses
(in thousands of Euros)**

	Nine months ended September 30	
	2013	2012
Administrative costs	363	363
Directors' fees	56	60
Audit fees	64	76
Legal fees	130	75
Legal exchange and listing fees	93	73
Operating taxes	84	56
Total operating expenses	€790	€703

13) Net foreign exchange gain/loss
(in thousands of Euros)

	Nine months ended September 30	
	2013	2012
Foreign exchange gain related to the revaluation of bank accounts denominated in euro	108	146
Foreign exchange (loss) related to the revaluation of the dividend payable	(174)	(615)
Foreign exchange gain (loss) related to the revaluation and payment of taxes	179	(229)
Foreign exchange (loss) related to the revaluation of other balance sheet accounts	(7)	(14)
Net foreign exchange gain (loss)	€106	€(712)

14) Amortization and impairment expenses
(in thousands of Euros)

	Nine months ended September 30	
	2013	2012
Amortization charge in respect of intangible assets (note 4)	453	493
Total amortization expense	€453	€493
Impairment of available-for-sale financial assets (note 5)	211	-
Total impairment expenses	€211	-

15) Income tax
(in thousands of Euros)**15.1) 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 the first nine months of 2013 (first nine months of 2012: 34.43%) to profit before income tax. The reasons for the differences are as follows:

	Nine months ended September 30	
	2013	2012
Profit before income tax	€22,846	€28,678
Theoretical tax calculated at the corporate income tax rate applicable in the country	(7,866)	(9,846)
Tax effects of C.V.A.E. (value added tax)	(203)	(419)
Taxes on dividend	(675)	(544)
Translation adjustment	(129)	(192)
Income tax expense	€(8,873)	€(11,001)

15.2) Current and deferred income tax expense
(in thousands of Euros)

	Nine months ended September 30	
	2013	2012
Current income tax expense	(8,869)	(10,996)
Deferred income tax expense on temporary differences	(4)	(5)
Total	€(8,873)	€(11,001)

15.3) Deferred tax liabilities

Deferred tax liabilities amounted to €132,000 at the end of September 2013, all of which 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.

16) Earnings per share
(in thousands of Euros, except per share amount)

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

	Nine months ended September 30	
	2013	2012
Net profit attributable to holders of common shares (in thousands of Euros)	€13,973	€17,677
Weighted average number of common shares	62,496,461	62,496,461
Earnings per share (€/share)		
Basic	€0.224	€0.283
Diluted	€0.224	€0.283

17) Related parties

Information on related parties:

Presentation of related parties	IAMGOLD, through its indirect wholly owned subsidiary IAMGOLD France S.A.S., is the indirect majority shareholder of EURO with approximately 86% of all outstanding and diluted shares.
Nature of relationship between related parties	Management fees incurred with IAMGOLD during the first nine months of 2013 were €0.17 million (first nine months of 2012: €0.17 million) and payable at September 30, 2013 were €0.02 million (December 31, 2012: €0.02 million).

18) Assets held for sale
(in thousands of Euros)

As at September 30, 2013, EURO's assets held for sale are summarized as follows:

Assets classified as held for sale	September 30, 2013	December 31, 2012
<i>Paul Isnard PER</i> (costs of mining exploration incurred for the Paul Isnard Permit (<i>Permis Exclusif de Recherche</i>) ("PER"))	4,070	4,166
<i>Accumulated depreciation on Paul Isnard PER</i>	<u>(3,515)</u>	<u>(3,598)</u>
Subtotal Paul Isnard PER (net carrying amount)	555	568
Intangible asset related to the royalty on gold production from the Paul Isnard concessions receivable from AUPLATA	556	569
Total	€1,111	€1,137

The "Paul Isnard Properties" are comprised of eight mineral concessions held by SOTRAPMAG and the Paul Isnard PER held by EURO, (collectively, the "Paul Isnard Properties").

- Paul Isnard PER

In January 2010, EURO was notified by the French Authorities that the PER could not be renewed after November 2010. For this reason, EURO in agreement with AUPLATA applied for an operating permit (*Permis d'exploitation* ("PEX")), which was filed on November 30, 2010. This application expired on May 30, 2013. This application also encompasses a transfer of the PEX to SOTRAPMAG, once granted. The PEX covers a much smaller area (14.4 square kilometers), but the area that it covers has been subject to a prefeasibility study. No application for a PEX can be made if it cannot be demonstrated that substantial work has been performed and that there is economic viability. Although, the PEX had not been granted due to an implicit rejection by the French authorities, EURO still considers the PEX to have a recoverable value of US\$750,000 (€555,000) for the following reasons:

- 1) COLUMBUS has acquired a 100% indirect interest in the Paul Isnard Properties (note 19).
- 2) At the end of September 2013, the PEX was still under review by government authorities.
- 3) In 2012 and the first nine months of 2013, the price of gold has remained elevated, which could justify expedient exploration and exploitation on these properties.

- Intangible asset related to the royalty on gold production from the Paul Isnard concessions

On October 22, 2010, SOTRAPMAG was transferred to AUPLATA and EURO recorded an intangible asset related to the royalty on gold production from the concessions in the amount of US\$750,000 (€556,000).

19) Option agreement with COLUMBUS

On December 5, 2011, EURO entered into an Option agreement (the "Option") with COLUMBUS that would allow for the restructuring of the Paul Isnard Royalty ("royalty on gold production from the Paul Isnard concessions, and the Paul Isnard PER"). On July 25, 2012, EURO signed an amendment to the Option with COLUMBUS and received 650,000 additional shares in consideration of granting the extension resulting in a gain of €201,000 during the third quarter of 2012. The Option provides COLUMBUS with the ability to purchase from EURO the existing Paul Isnard Royalty in return for cash, shares of COLUMBUS and a retained net smelter royalty.

On January 16, 2013, the royalty agreement initially signed on October 22, 2010 between COLUMBUS and AUPLATA was transferred to COLUMBUS. AUPLATA remains jointly and severally liable with COLUMBUS for all obligations resulting from the royalty agreement.

On February 4, 2013, COLUMBUS provided EURO with the Earn-in Notice, confirming that on January 16, 2013, it had taken a 100% direct interest in all of the outstanding shares of SOTRAPMAG and had acquired a 100% indirect interest in the Paul Isnard Properties.

In 2011 and 2012, EURO received the following shares and cash from COLUMBUS in connection with the Option agreement:

- 887,017 shares (which today represents less than 0.9% of all outstanding shares of COLUMBUS, excluding warrants and options).
- C\$133,333 (€98,000), including C\$50,000 (€39,000) for first annual maintenance fee.

The original agreement stated that if COLUMBUS completed a subsequent equity offering, before the exercise of the Option, at a share price that was less than the original deemed share price (C\$0.65 per share), there would be an automatic adjustment upward of the total Option exercise shares received by EURO. COLUMBUS completed an equity offering in May 2012 at C\$0.55 per share and as a consequence, COLUMBUS upon exercise of the Option, will give EURO additional shares.

Therefore, once the Option has been exercised, COLUMBUS must make the following payments:

- C\$4.2 million cash,
- 15,274,976 shares of COLUMBUS (approximately 14.9 % of existing shares (excluding warrants and options) subject to possible upward adjustments based on certain events and the volume weighted average price at the time of the exercise, and

- A 1.8% net smelter royalty on the first 2 million ounces of gold followed by a 0.9% net smelter royalty on the next 3 million ounces of gold. This royalty is capped at 5 million ounces.

The Option expires on November 25, 2013 if not exercised. The approval or non-approval of the PEX by the French authorities does not change the terms and conditions of the Option agreement.