MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE SECOND QUARTER AND SIX MONTHS ENDED JUNE 30, 2012

Notice to Reader:

The accompanying management's discussion and analysis for the second quarter and six months ended June 30, 2012 has been prepared by management and approved by the Audit Committee and the Board of Directors of the Company. The Company's auditors have not reviewed the management's discussion and analysis. Financial information is presented in Euros and, where appropriate, in United States dollars and Canadian dollars, in accordance with International Financial Reporting Standards as adopted by the International Accounting Standards Board. Readers are cautioned that this financial information contains certain forward-looking information as described in management's discussion and analysis.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management's discussion and analysis ("MD&A") is prepared as at August 10, 2012 and should be read in conjunction with, and is qualified by, the Company's interim financial statements and related notes for the periods indicated. The interim financial statements have been prepared in Euros and in accordance with International Financial Reporting Standards as adopted by the International Accounting Standards Board.

INTRODUCTION

EURO Ressources S.A. ("EURO" or the "Company") is a French company and is listed on Euronext in Paris. The Company prepares its accounts in Euros which is the presentation currency for its financial statements. The functional currency of EURO is the United States dollar which is the denominational currency for its major transactions, such as income from the Rosebel royalty. Therefore, management has presented certain data in this MD&A in US dollars. All dollar amounts are United States dollars (US dollars or $) or Canadian dollars ("C$"), unless otherwise designated.

The currency exchange rate used to present the financial statements in Euros was €1 for $1.2590 for balance sheet items at June 30, 2012 ($1.2939 as at December 31, 2011). The average currency exchange rate for the six months ended June 30, 2012, used to present the Company's income and cash flow statements, was €1 for $1.2965 (2011: $1.4326), except for significant transactions, such as revenue and taxes, where they are translated at the exchange rate of the date of the transaction. The average exchange rate for the quarter ended June 30, 2012 was €1 for $1.2814 (2011: $1.4385).

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 expenditure. 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.

OVERVIEW

EURO currently owns a royalty (the "Rosebel royalty") on the Rosebel gold mine in Suriname which is owned and operated by IAMGOLD Corporation ("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 June 30, 2012, the Rosebel mine has produced 2.9 million ounces of gold and there remains 4.1 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.

Through a successful tender offer in late 2008, IAMGOLD owns today approximately 86% of all outstanding shares of EURO. As a result of an internal restructuring in 2012, IAMGOLD transferred all of its shares in EURO to its wholly owned subsidiary IAMGOLD France. This transfer does not affect EURO.

RESULTS OF OPERATIONS

Three months ended June 30, 2012 compared to three months ended June 30, 2011

EURO recorded a net profit of €5.53 million (€0.089 per share) for the second quarter of 2012 compared to €4.46 million (€0.071 per share) for the second quarter of 2011.

EURO recorded revenues of €10.14 million for the second quarter of 2012, an increase of 36% compared to revenues of €7.48 million for the second quarter of 2011. The revenues are essentially attributable to the Rosebel royalty with €10.05 million (2011: €7.44 million) earned from Rosebel. The Rosebel gold mine produced 99,486 ounces of gold during the second quarter of 2012, which compares to 91,608 ounces of gold during the second quarter of 2011, an increase of 9%. The 36% increase in revenues is due to the weakened euro currency for €1.3 million, to the increase in the average gold price to $1,609 per ounce for the second quarter of 2012 as compared to $1,506 per ounce for the second quarter in 2011 for €0.8 million, and lastly to the increase in production for the second quarter of 2012 as compared to the second quarter of 2011 for €0.6 million.

Operating expenses for the second quarter of 2012 were €0.24 million, an 8% reduction compared to €0.26 million for the second quarter of 2011; this continues to reflect the general decline in activity for EURO.

The 32% increase in amortization expense to €0.165 million for the second quarter of 2012 (2011: €0.125 million), is due in part to the 9% increase in production, but primarily due to the weakened euro currency.

EURO recorded an income tax expense of €3.93 million for the second quarter of 2012 (2011: €2.28 million). The increase is mainly due to higher net profit before income tax.

Six months ended June 30, 2012 compared to six months ended June 30, 2011

EURO recorded a net profit of €12.00 million (€0.192 per share) for the six months ended June 30, 2012, compared to a net profit of €9.75 million (€0.156 per share) for the first six months of 2011.

EURO recorded revenues of €20.14 million for the first six months of 2012 compared to €15.36 million for the same period in 2011, with €19.93 million earned from the Rosebel royalty (€15.26 million during the same period in 2011). The 31% increase in revenues is primarily due to the increase in the average gold price for the six months ended June 30, 2012 to $1,651 per ounce of gold (2011: $1,445 per ounce of gold) for €2.8 million, and the weakened euro currency for €1.9 million. The gold production with 197,037 ounces for the period ended June 30, 2012 was consistent with the numbers achieved for the period ended June 30, 2011 with 196,745 ounces of gold produced.

Operating expenses for the six months ended June 30, 2012 were €0.44 million, a 10% reduction compared to €0.49 million for the six months ended June 30, 2011; this continues to reflect the general decline in activity for EURO.

The 13% increase in amortization expense to €0.32 million for the six months ended June 30, 2012 (2011: €0.29 million) is substantially due to the weakened euro currency.

EURO recorded an income tax expense of €7.11 million for the six months ended June 30, 2012 (2011: €4.50 million).

OUTLOOK

Over the next twelve months, the Rosebel royalty is expected to provide cash flow to the Company of approximately €37 - €39 million (US$52 - US$55 million). These pre-tax numbers assume that EURO is using a gold price of $1,700 per ounce and an exchange rate of €1 for US$1.4. The Rosebel royalty production is anticipated to be approximately between 390,000 and 415,000 ounces in 2012. EURO's cash flow will primarily be affected by the dividend and income tax payments, since there are no more tax losses carried forward to offset any future revenue. EURO expects its cash-flow will be adequate to meet all corporate and related expenses.

KEY FINANCIAL DATA

The following financial information for the six months and second quarters of 2012 and 2011 is presented in thousands of Euros, except per share data.

	Q2 2012	Q2 2011	YTD 2012	YTD 2011
Revenues	€10,138	€7,478	€20,139	€15,373
Profit before tax	9,460	6,742	19,116	14,249
Income tax expense	(3,927)	(2,277)	(7,112)	(4,504)
Net profit	5,533	4,465	12,004	9,745
Earnings per share, basic	0.089	0.071	0.192	0.156
Earnings per share, fully diluted	0.089	0.071	0.192	0.156
Total assets	34,064	35,461	34,064	35,461
Total non-current liabilities	136	125	136	125

Quarterly data (in thousands of Euros, except per share data)

	2012 Q2	2012 Q1	2011 Q4	2011 Q3
Revenues	€10,138	€10,001	€11,685	€9,965
Cash provided by (used in) operating activities	(378)	9,577	9,071	5,744
Net profit	5,533	6,471	7,555	5,850
Earnings per share, basic	0.089	0.104	0.121	0.094
Earnings per share, diluted	0.089	0.104	0.121	0.094

	2011 Q2	2011 Q1	2010 Q4	2010 Q3
Revenues	€7,478	€7,895	€9,750	€7,374
Cash provided by (used in) operating activities	(722)	8,800	4,228	7,560
Net profit	4,465	5,280	8,096	4,478
Earnings per share, basic	0.071	0.084	0.130	0.072
Earnings per share, diluted	0.071	0.084	0.130	0.072

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents at June 30, 2012 totaled €15.64 million (December 31, 2011: €5.58 million). All of the cash and cash equivalents are unrestricted. EURO expects to have sufficient cash flow to fund its on-going operational needs.

At the end of July 2012, EURO received payment of $12.65 million (€10.30 million) related to the 2nd quarter 2012 Rosebel royalty. EURO will be making its first dividend distribution on September 18, 2012 in the amount of €18.12 million.

During the first six months of 2012, EURO has continued to invest some of its cash surplus in money market investments that were compliant with its short-term investment strategy to ensure reasonable return with an appropriate level of risk.

SHARE CAPITAL

As at June 30, 2012 and the date of this report, the Company had 62,496,461 common shares outstanding with a par value of €0.01 per share.

There were no shares issued during the first six months of 2012.

During the Annual Shareholders Meeting held on June 26, 2012 in Paris, shareholders approved a dividend distribution in the amount of €18.12 million (€0.29 per share) to be paid on September 18, 2012.

This is the first dividend distribution for EURO and any future distributions of dividends will be proposed by the Board of Directors after taking into account various factors, including EURO's operating results, financial condition, current and anticipated cash needs, and will be subject to shareholders' approval.

As at June 30, 2012 and the date of this report, the Company's share capital was (in millions of Euro):

Par	€0.6
Additional Paid-In-Capital	0.1
Total Share Capital	€ 0.7

CRITICAL ACCOUNTING ESTIMATES

Preparation of EURO's financial statements requires the use of estimates and assumptions that can affect reported amounts of assets, liabilities, revenues and expenses. Accounting policies relating to current and future values, depreciation, depletion or amortization, future royalty payments, equipment, and expense accruals are subject to estimates and assumptions regarding reserves, gold recoveries, future gold prices and future mining activities.

RELATED PARTY TRANSACTIONS

In early 2009, EURO entered into a management services agreement with IAMGOLD, its majority shareholder. Management fees incurred during the first six months of 2012 were €0.11 million (first six months of 2011: €0.10 million) and payable at June 30, 2012 were €0.02 million (December 31, 2011: €0.02 million).

ASSETS HELD FOR SALE

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

In 2009, EURO agreed to transfer ownership of SOTRAPMAG and of EURO's interest in the PER to Auplata S.A. ("AUPLATA") in exchange of a royalty on gold production from the Paul Isnard Properties. The royalty will be equal to the difference between the market price of an ounce of gold and US$400 multiplied by 10% of gold production up to two million ounces and by 5% of gold production between two and five million ounces. The completion date of the transfers to AUPLATA was initially expected by June 2010 pending the approval of the transfer of SOTRAPMAG and of the PER by the French authorities.

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 expires 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. As at June 30, 2012, the PEX had not been granted yet.

As a result of the settlement agreement for the transfer of Paul Isnard Properties, the recoverable value of the PER was updated as at December 31, 2009. At the end of June 2012, it was determined that this value is still justified based on the following reasons:

1) The mining plan ("*schéma minier*") in French Guiana has been approved.
2) COLUMBUS Gold Corporation ("COLUMBUS") amended its Option agreement with AUPLATA related to the Paul Isnard Properties at the end of 2011(see OPTION AGREEMENT WITH COLUMBUS for further explanation).
3) In 2011 and during the first six months of 2012, the price of gold has remained high, which could justify expedient exploration and exploitation on these properties.

As a consequence, as at June 30, 2012, EURO maintains the reinstatement of the PER net value of $750,000 (€595,000) in its books. The change in value is due to the foreign exchange translation recorded at the end of each reporting period.

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

On October 22, 2010, SOTRAPMAG was transferred to AUPLATA and EURO reversed an impairment provision previously recorded for an intangible asset related to the royalty on gold production from the Paul Isnard concessions in the amount of $750,000. The carrying value as at June 30, 2012 was €596,000.

OPTION AGREEMENT WITH COLUMBUS

Before the end of 2011, AUPLATA and COLUMBUS amended their respective agreement allowing COLUMBUS to accelerate its ability to earn a 100% direct or indirect interest in the Paul Isnard Properties. This amendment to the agreement was approved by the TSX Venture exchange on December 23, 2011 and by the French authorities on April 13, 2012.

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") (the "Option"). 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 (as more detailed below). The Option is only exercisable when COLUMBUS has earned a 100% direct or indirect interest in the Paul Isnard Properties. EURO maintains the right to compel COLUMBUS to exercise the Option. The Option expires on July 30, 2015 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.

In 2011 COLUMBUS has paid an option fee of C$250,000 (€186,000), which was comprised of the following:

- C$166,667 (€124,000) in shares of COLUMBUS at the 20-day volume weighted average price ("VWAP"), and
- C$83,333 (€62,000) in cash.

Under the VWAP, as of December 21, 2011, each share of COLUMBUS was valued at C$0.703 (€0.524), which translated to EURO receiving 237,017 shares in COLUMBUS, representing less than 0.3% of all outstanding shares.

In addition, until the Option is exercised or has expired, COLUMBUS must pay an annual C$50,000 maintenance fee at the anniversary date of the signed Option agreement.

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

- C$4.2 million cash,
- 12,865,600 shares of COLUMBUS (approximately 12.25% of existing shares as of June 30, 2012) subject to possible upward adjustments based on certain events and the VWAP at the time of 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.

AMENDMENT TO THE OPTION AGREEMENT WITH COLUMBUS

On July 25, 2012, EURO signed an amendment to the option agreement with COLUMBUS. The amendment gives COLUMBUS one additional year to consider exercising the option. Prior to the amendment, the Option would expire 120 days following the date on which COLUMBUS obtained the Paul Isnard Properties. Since COLUMBUS has now obtained a 100% beneficial interest in the Paul Isnard Properties and is in the process of transferring legal title, under the original agreement COLUMBUS would have been required to elect to exercise the Option sometime in late 2012.

The original agreement stated that if COLUMBUS completed a subsequent equity offering, before 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 COLUMBUS. 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.

Terms of the option agreement above are unchanged except for the key terms of the amendment listed below which are subject to TSX-V approval:

- Payment to EURO of 650,000 additional shares of COLUMBUS in consideration of the amendment to the option agreement. On the date of the amendment, these shares were valued at C$228,000 (€184,000).
- Payment to EURO of 2,409,376 additional shares of COLUMBUS relating to the May 2012 COLUMBUS equity issue, upon exercise of the Option (total of shares in COLUMBUS related to the future exercise of the Option now being 15,274,976).
- The deemed share price for future share price adjustment consideration now being C$0.45 per share.

DISCLOSURE CONTROLS AND PROCEDURE AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Directeur-Général and Vice-Président Finance have reasonable assurance that material information relating to the Company are known to them. The Directeur-Général and the Vice-Président Finance 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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