



**IFRS Financial Statements and
Shareholders' Report**
First Quarter Ended March 31, 2012

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FINANCIAL STATEMENTS

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I Balance Sheets

(in thousands of Euro)

	Notes	As at March 31 2012	As at December 31 2011
NON-CURRENT ASSETS		<u>€6,646</u>	<u>€7,019</u>
Intangible assets	4, 16,17	6,646	7,019
CURRENT ASSETS		<u>€26,278</u>	<u>€18,629</u>
Trade receivables	5	10,010	11,657
Other current assets	5	213	228
Cash and cash equivalents	6	14,932	5,584
Assets held for sale	16	1,123	1,160
TOTAL ASSETS		<u>€32,924</u>	<u>€25,648</u>
EQUITY		<u>€25,212</u>	<u>€19,427</u>
Share capital	7	625	625
Additional paid-in capital	7	104	104
Other reserves		18,012	(4,452)
Net profit for the period		6,471	23,150
TOTAL EQUITY		<u>€25,212</u>	<u>€19,427</u>
NON-CURRENT LIABILITIES		<u>133</u>	<u>137</u>
Deferred tax liabilities	13.3	133	137
CURRENT LIABILITIES		<u>€7,579</u>	<u>€6,084</u>
Trade payables	8	152	207
Other current liabilities	8	149	94
Current income tax payable	8	7,278	5,783
TOTAL EQUITY & LIABILITIES		<u>€32,924</u>	<u>€25,648</u>

II Income Statements

(in thousands of Euro, except per share amount)

	Notes	For the Quarter Ended	
		March 31 2012	March 31 2011
Revenues from ordinary activities	9	10,001	7,895
Operating expenses	10	(206)	(233)
Depreciation and amortization expenses	12	(157)	(160)
OPERATING PROFIT		<u>€9,638</u>	<u>€7,502</u>
Financial income	11	34	10
Financial expenses	11	(16)	(5)
NET FINANCIAL INCOME		<u>€18</u>	<u>€</u>
PROFIT BEFORE TAX		<u>€9,656</u>	<u>€7,507</u>
Income tax expense	13.1	(3,185)	(2,227)
NET PROFIT		<u>€6,471</u>	<u>€5,280</u>
EARNINGS PER SHARE (€share)			
Basic	14	<u>€0.104</u>	<u>€0.084</u>
Diluted	14	<u>€0.104</u>	<u>€0.084</u>

III Statements of Comprehensive Income (in thousands of Euro)

	For the Quarter Ended	
	March 31 2012	March 31 2011
NET PROFIT FOR THE PERIOD	<u>6,471</u>	<u>5,280</u>
OTHER COMPREHENSIVE INCOME (LOSS)		
Currency translation adjustments	(660)	(1,510)
Unrealized loss on available-for-sale assets	(41)	-
Tax on unrealized loss on available-for- sale assets	<u>15</u>	<u>-</u>
Other comprehensive income (loss) for the period	(686)	(1,510)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>€6,785</u>	<u>€3,770</u>

IV Cash Flow Statements

(in thousands of Euro)

	For the Quarter Ended		
	Notes	March 31 2012	March 31 2011
CASH FLOW RELATING TO OPERATING ACTIVITIES			
NET PROFIT		6,471	5,280
<i>Elimination of expenses which do not have an impact on the cash flow and/or are not related to operating activities:</i>			
Depreciation and amortization expenses	12	157	160
Income tax expense	13.1	3,185	2,227
GROSS CASH FLOW FROM OPERATING ACTIVITIES BEFORE NET CHANGE IN OPERATING WORKING CAPITAL		9,813	7,667
Change in trade receivables and other current assets		1,274	1,319
Change in trade payables and other current liabilities		9	74
NET CHANGE IN OPERATING WORKING CAPITAL		1,283	1,393
Income tax paid		(1,519)	(260)
NET CASH FLOW FROM OPERATING ACTIVITIES		€9,577	€8,800
Impact of changes in foreign exchange rates on cash and cash equivalents		(229)	(841)
INCREASE IN CASH AND CASH EQUIVALENTS		€9,348	€7,959
OPENING BALANCE		5,584	13,294
CLOSING BALANCE		14,932	21,253
INCREASE		9,348	7,959

V Statement of Changes in Equity

(in thousands of Euro)

	Share Capital	Additional paid-in capital	Currency translation adjustments	Accumulated other comprehensive Income	Retained earnings	Net profit for the period	Total Equity
Position as of December 31, 2011 before appropriation of profit	625	104	2,757	19	(7,228)	23,150	19,427
Appropriation of 2011 profit	-	-	-	-	23,150	(23,150)	-
Position as of December 31, 2011 after appropriation of profit	625	104	2,757	19	15,922	-	19,427
Total comprehensive income for the period to March 31, 2012	-	-	(660)	(26)	-	6,471	5,785
Position as of March 31, 2012	625	104	2,097	(7)	15,922	6,471	25,212

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.

Through a successful tender offer in late 2008, IAMGOLD Corporation (“IAMGOLD”) owns today approximately 86% of all outstanding shares of EURO Ressources S.A. (“EURO” or the “Company”).

The financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) to comply with Canadian requirements. As at December 31, 2010, following the sale of its sole subsidiary, Société de Travaux Publics et de Mines Aurifères en Guyane S.A.S. (“SOTRAPMAG”), in October 2010, EURO no longer prepares and publishes consolidated financial accounts. In France, only French rules can be applied for establishment of individual accounts of listed companies.

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

These financial statements have been approved for publication by the Board of Directors on May 7, 2012.

1.2) Description of operations

EURO owns a royalty (the “Rosebel royalty”) on the Rosebel gold mine in Suriname 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 March 31, 2012, the Rosebel mine has produced 2.8 million ounces of gold and there remains approximately 4.2 million ounces of gold under the royalty contract.

This amount 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.

1.3) List of companies

As at March 31, 2012, the financial statements only comprise the accounts of EURO. There has been a change in EURO’s consolidation scope during 2010, since SOTRAPMAG was transferred to Auplata S.A. (“AUPLATA”) on October 22, 2010 (note 16).

2) Basis of accounting and presentation

2.1) Standards

The interim financial statements are prepared in accordance with the International Financial Reporting Standards (“IFRS”) as approved by the International Accounting Standard Board (“IASB”). The interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting. The accounting policies are consistent with those applied in the financial statements for the fiscal year ended December 31, 2011.

Financial statements for the period ended March 31, 2012 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.

EURO prepares its financial accounts in Euros (€ or Euro) and presents its financial 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 the related cash are denominated. Certain additional information is presented in these financial statements in US dollars (“\$”) and in Canadian dollars (“C\$”).

2.1.1) Revisions, amendments and interpretations to the published standards which took effect in 2011

There are no IFRSs or IFRIC interpretations issued, that are effective for the first time for the financial year beginning on or after January 1, 2012 that would be expected to have a material impact on EURO.

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

There are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on EURO.

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 the 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 in 2011 was 406,000 ounces and is anticipated to be approximately between 390,000 and 415,000 ounces in 2012. The table below illustrates the impact of changes in the calendar quarter average gold price on EURO’s revenues, based on 415,000 ounces of production:

Gold price/oz change – average per quarter (US\$/ oz)	\$25	\$50	\$75	\$100
Change in royalty revenues (US\$000)	1,038	2,075	3,113	4,150

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. With revenues increasing, EURO's tax expense has also increased substantially and it represents the largest foreign currency translation risk, because it is denominated in the Euro currency.

(in €000s)	2012	US \$	€	C\$	% exposed to currency translation risk
Revenues from ordinary activities	€10,001	€9,885	€116	-	1%
Expenses	€3,548	€277	€3,263	€8	92%
<i>Operating</i>	€206	€120	€78	€8	42%
<i>Income tax</i>	€3,185	€-	3,185	-	100%
<i>Amortization</i>	€157	€157	-	-	0%

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 small.

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. Since October 2009, the Company has been investing its surplus cash to maximize profits and to mitigate any potential risk. EURO has specific guidelines that are followed under its short-term investment policy. EURO reviews its strategies for investments on a quarterly basis and ensures that ratings of financial institutions have remained excellent and that there are no better investment opportunities. The objective is to ensure reasonable shareholders' return and appropriate safeguard of the Company's assets.

4) Intangible assets (in thousands of Euro)

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

	December 31 2011	Increase	Translation adjustment	March 31 2012
Gross values				
Rosebel	11,865	-	(371)	11,494
Total	€11,865	€	€(371)	€11,494
Amortization / Depreciation				
Rosebel	(4,846)	(157)	155	(4,848)
Total	€(4,846)	€(157)	€155	€(4,848)
Net values				
Rosebel	7,019	(157)	(216)	6,646
Total	€7,019	€(157)	€(216)	€6,646

5) Trade receivables and other current assets (in thousands of Euro)

Current assets	March 31 2012	December 31 2011
Trade receivables ¹	10,010	11,657
Subtotal of trade receivables	10,010	11,657
Tax and social security receivables	88	70
Prepaid expenses	13	-
Marketable securities ²	112	158
Subtotal other current assets	213	228
Total	€10,223	€11,885

¹ Trade receivables included €9.885 million of amounts receivable from IAMGOLD at March 31, 2012 (€11.491 million at December 31, 2011).

² The shares received from COLUMBUS Gold Corporation on December 21, 2011 in connection with the pre-exercise payment from the Option agreement entered into on December 5, 2011, have been classified as available-for-sale assets. At March 31, 2012, the shares were revalued at fair market value (note 17).

6) Cash and cash equivalents
(in thousands of Euro)

	March 31 2012	December 31 2011
Cash equivalents ^{1,2}	12,327	1,227
Cash ²	2,605	4,357
Total	€14,932	€5,584

¹ There is no difference between the fair value and the accounting value.

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

During the first quarter of 2012, EURO has 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 (note 3.3).

7) Share capital

As of March 31, 2012, the Company's share capital comprises 62,496,461 common shares with a nominal value of €0.01 per share.

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

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.

	Number of shares	Nominal value per share	Share Capital (in 000 Euro)	Additional paid-in capital (in 000 Euro)
As at December 31, 2011	62,496,461	€0.01	€625	€104
As at March 31, 2012	62,496,461	€0.01	€625	€104

8) Trade payables and other current liabilities
(in thousands of Euro)

	March 31, 2012	December 31, 2011
Trade payables	152	207
Tax and social security liabilities	119	63
Intercompany with IAMGOLD	18	19
Other liabilities ¹	12	12
Current income tax payable	7,278	5,783
Total	€7,579	€6,084

¹ Other liabilities mainly comprise directors' fees due in respect of the fourth quarter of 2011 and the first quarter of 2012.

9) Revenues from ordinary activities
(in thousands of Euro)

	For the Quarter Ended March 31	
	2012	2011
Rosebel royalty	9,885	7,824
Other revenues	116	71
Total revenues from ordinary activities	€10,001	€7,895

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.

10) Operating expenses
(in thousands of Euro)

	For the Quarter Ended March 31	
	2012	2011
Administrative costs	114	114
Directors' fees	17	16
Audit fees	19	42
Legal fees	24	36
Legal exchange and listing fees	12	8
Operating taxes	20	17
Total Operating Expenses	€206	€233

11) Financial income and expenses
(in thousands of Euro)

	For the Quarter Ended March 31	
	2012	2011
Other investment income	5	1
Foreign exchange gain ¹	29	9
Total financial income	€34	€10
Foreign exchange loss ²	(16)	(5)
Total financial expenses	€(16)	€(5)
Net financial income	€18	€

¹ Foreign exchange gain

The foreign exchange gain essentially relates to the revaluation of the Euro denominated bank accounts at quarter end.

² Foreign exchange loss

The foreign exchange loss essentially relates to the loss recognized from the income tax installment paid during the first quarter of 2012.

12) Depreciation and amortization expenses
(in thousands of Euro)

	For the Quarter Ended March 31	
	2012	2011
Amortization charge in respect of intangible assets (note 4)	157	160
Total expenses	€157	€160

13) Income tax expense
(in thousands of Euro)**13.1) Tax Reconciliation**

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 the Quarter Ended March 31	
	2012	2011
Profit before tax	€9,656	€7,507
Theoretical tax calculated at the corporate income tax rate applicable in the country	(3,315)	(2,577)
Tax effects of C.V.A.E. (property tax)	(126)	(101)
Non-deductible expenses	(6)	-
Translation adjustment	262	451
Effective tax	€(3,185)	€(2,227)

The corporate income tax rate applied for the first quarters of 2011 and 2012 is 34 1/3%

**13.2) Current and deferred income tax expense
(in thousands of Euro)**

	For the Quarter Ended March 31	
	2012	2011
Current income tax expense	(3,176)	(2,231)
Deferred tax expense	(9)	4
Total	€(3,185)	€(2,227)

13.3) Deferred taxes liabilities

Deferred tax liabilities amounted to €133,000 at the end of March 2012, all of which pertain to temporary differences, mostly due to the *Cotisation sur la Valeur Ajoutée des Entreprises* ("C.V.A.E.") (property tax). There are no tax losses carried forward.

**14) Earnings per share
(in thousands of Euro, except per share amount)**

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

	For the Quarter Ended March 31	
	2012	2011
Net profit attributable to holders of common shares	€ 6,471	€ 5,280
Weighted average number of common shares	62,496,461	62,496,461
Earnings per share (€share)		
Basic	€0.104	€0.084
Diluted	€0.104	€0.084

15) Related parties

Information on related parties:

	IAMGOLD
Presentation of related parties	IAMGOLD is the majority shareholder of EURO (approximately 86% of all outstanding and diluted shares)
Nature of relationship between related parties	Management Fees incurred during the first quarter of 2012 were €0.056 million (2011: €0.054 million) and payable at March 31, 2012 were €0.018 million (December 31, 2011: €0.019 million).

16) Assets held for sale

As at March 31, 2012, EURO had accounted for as assets held for sale as follows:

Assets classified as held for sale (in 000 Euro)	March 31 2012	December 31 2011
<i>Paul Isnard PER</i> (costs of mining exploration incurred for the Paul Isnard Permit (<i>Permis Exclusif de Recherches</i>) ("PER"))	4,116	4,248
<i>Cumulated depreciation on Paul Isnard PER</i>	(3,555)	(3,668)
Subtotal Paul Isnard PER (net carrying value)	561	580
Intangible asset related to the Royalty on gold production from the Paul Isnard concessions receivable from AUPLATA (note 17)	562	580
Total	€1,123	€1,160

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

In 2009, EURO agreed to transfer ownership of SOTRAPMAG and of EURO's interest in the PER to 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 March 31, 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 March 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") entered into an option agreement in 2011 with AUPLATA related to the Paul Isnard Properties (note 17).
- 3) In 2011 and in the first quarter of 2012, the price of gold reached high levels, which could justify expedient exploration and exploitation on these properties.

As a consequence, as at March 31, 2012, EURO maintains the reinstatement of the PER net value of \$750,000 (€561,000) in its books.

- Royalty on gold production from the Paul Isnard concessions

On October 22, 2010, SOTRAPMAG was transferred to AUPLATA. EURO recorded 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 March 31, 2012 was €562,000.

17) 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 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 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 March 31, 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 five million ounces.