EURO Ressources SA

A Gold Resource Royalty Company

IFRS Financial Statements and Shareholders' Report

Third Quarter Ended September 30, 2012

Contents

I Balance Sheets
(in thousands of Euro)

	Notes	As at September 30, 2012	As at December 31, 2011
NON-CURRENT ASSETS		**€6,773**	**€7,019**
Intangible assets	4	6,536	7,019
Marketable securities	5	237	-
CURRENT ASSETS		**€15,096**	**€18,629**
Trade receivables	6	10,302	11,657
Other current assets	6	80	228
Cash and cash equivalents	7	3,554	5,584
Assets held for sale	18	1,160	1,160
TOTAL ASSETS		**€21,869**	**€25,648**
EQUITY		**€19,655**	**€19,427**
Share capital	8	625	625
Additional paid-in capital	8	104	104
Other reserves		1,249	(4,452)
Net profit for the period		17,677	23,150
TOTAL EQUITY		**€19,655**	**€19,427**
NON-CURRENT LIABILITIES		**118**	**137**
Deferred tax liabilities	15.2	118	137
CURRENT LIABILITIES		**€2,096**	**€6,084**
Trade payables	9	152	207
Other current liabilities	9	95	94
Current income tax payable	9	1,849	5,783
TOTAL EQUITY AND LIABILITIES		**€21,869**	**€25,648**

The accompanying notes are an integral part of these unaudited IFRS interim financial statements.

II Income Statements
(in thousands of Euro, except per share amount)

		For the Quarter ended		For Nine Months ended	
	Notes	September 30 2012	September 30 2011	September 30 2012	September 30 2011
Revenues from ordinary activities	10	10,224	9,965	30,363	25,338
Operating expenses	12	(261)	(233)	(703)	(726)
Depreciation and amortization expenses	14	(171)	(151)	(493)	(436)
Other income	11	201	-	201	-
OPERATING PROFIT		**€9,993**	**€9,581**	**€29,368**	**€24,176**
Financial income	13	91	34	302	95
Financial expenses	13	(522)	(512)	(992)	(919)
NET FINANCIAL EXPENSES		**€(431)**	**€(478)**	**€(690)**	**€(824)**
PROFIT BEFORE INCOME TAX		**€9,562**	**€9,103**	**€28,678**	**€23,352**
Income tax expense	15.1	(3,889)	(3,253)	(11,001)	(7,757)
NET PROFIT		**€5,673**	**€5,850**	**€17,677**	**€15,595**
EARNINGS PER SHARE (€/share)					
Basic	16	**€0.091**	**€0.094**	**€0.283**	**€0.250**
Diluted	16	**€0.091**	**€0.094**	**€0.283**	**€0.250**

The accompanying notes are an integral part of these unaudited IFRS interim financial statements.

III Statements of Comprehensive Income

(in thousands of Euro)

		For the Quarter ended		For Nine Months ended	
		September 30 2012	September 30 2011	September 30 2012	September 30 2011
NET PROFIT		**5,673**	**5,850**	**17,677**	**15,595**
OTHER COMPREHENSIVE INCOME (LOSS)					
Currency translation adjustments		(532)	1,303	752	(584)
Unrealized loss on available-for-sale assets		(34)	-	(120)	-
Tax on unrealized loss on available-for-sale assets		12	-	43	-
Other comprehensive income (loss)		**(554)**	**1,303**	**675**	**(584)**
TOTAL COMPREHENSIVE INCOME		**€5,119**	**€7,153**	**€18,352**	**€15,011**

The accompanying notes are an integral part of these unaudited IFRS interim financial statements.

IV Cash Flow Statements
(in thousands of Euro)

	Notes	For the Quarter ended September 30 2012	For the Quarter ended September 30 2011	For Nine Months ended September 30 2012	For Nine Months ended September 30 2011
CASH FLOW RELATING TO OPERATING ACTIVITIES					
NET PROFIT		5,673	5,850	17,677	15,595
Elimination of income and expenses which do not have an impact on the cash flow:					
Depreciation and amortization expenses	14	171	151	493	436
Income tax expense	15	3,889	3,253	11,001	7,757
Non-cash other income	11	(201)	-	(201)	-
GROSS CASH FLOW FROM OPERATING ACTIVITIES BEFORE NET CHANGE IN OPERATING WORKING CAPITAL		**9,532**	**9,254**	**28,970**	**23,788**
Change in trade receivables and other current assets		(359)	(1,935)	1,366	(385)
Change in trade payables and other current liabilities		(24)	(77)	(53)	(33)
NET CHANGE IN OPERATING WORKING CAPITAL		**(383)**	**(2,012)**	**1,313**	**(418)**
Income tax paid		(3,192)	(1,498)	(15,127)	(9,548)
NET CASH FLOW FROM OPERATING ACTIVITIES		**€5,957**	**€5,744**	**€15,156**	**€13,822**
CASH FLOW RELATING TO FINANCING ACTIVITIES					
Payment of issuance premium/dividend	8	(18,124)	(17,499)	(18,124)	(17,499)
NET CASH FLOW RELATING TO FINANCING ACTIVITIES		**€(18,124)**	**€(17,499)**	**€(18,124)**	**€(17,499)**
Impact of changes in foreign exchange rates on cash and cash equivalents		80	372	938	(765)
DECREASE IN CASH AND CASH EQUIVALENTS		**€(12,087)**	**(11,383)**	**€(2,030)**	**€(4,442)**
OPENING BALANCE		15,641	20,235	5,584	13,294
CLOSING BALANCE		3,554	8,852	3,554	8,852
DECREASE		€ (12,087)	€ (11,383)	€(2,030)	€(4,442)

The accompanying notes are an integral part of these unaudited IFRS interim financial statements.

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**
Dividend (note 8)	-	-	-	-	(18,124)	-	(18,124)
Total comprehensive income for the period ended September 30, 2012	-	-	752	(77)	-	17,677	18,352
Position as of September 30, 2012	**€625**	**€104**	**€3,509**	**€(58)**	**€(2,202)**	**€17,677**	**€19,655**

The accompanying notes are an integral part of these unaudited IFRS interim financial statements.

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 to its wholly owned subsidiary IAMGOLD France S.A.S., which owns today approximately 86% of all outstanding shares of EURO Ressources ("EURO" or the "Company").

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") to comply with Canadian requirements. 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 November 9, 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 September 30, 2012, the Rosebel mine has produced 3.0 million ounces of gold and there remains approximately 4.0 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 accounting and presentation

2.1) Standards

The interim financial statements are prepared in accordance with the 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. Accounting policies are consistent with those applied in the financial statements for the fiscal year ended December 31, 2011.

Financial statements for the nine months ended September 30, 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. 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 US dollars ("$") and in Canadian dollars ("C$").

2.1.1) Revisions, amendments and interpretations to the published standards which took effect in 2012

There are no IFRSs, IASs 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 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 thousands of Euro)	Nine months ended September 30, 2012	US $	€	C$	% exposed to currency translation risk
Revenues from ordinary activities	€30,363	€30,092	€271	-	1%
Other income	€201	€-	€-	€201	100%
Expenses	€12,887	€853	€11,989	€45	93%
Operating	*€703*	*€360*	*€298*	*€45*	*49%*
Net financial expenses	*€690*	€-	*€690*	€-	*100%*
Income tax	*€11,001*	€-	*€11,001*	-	*100%*
Amortization	*€493*	*€493*	€-	€-	*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 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. 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	September 30, 2012
Gross values				
Rosebel	11,865	-	8	11,873
Total	**€11,865**	**€-**	**€8**	**€11,873**
Amortization / Depreciation				
Rosebel	(4,846)	(493)	2	(5,337)
Total	**€(4,846)**	**€(493)**	**€2**	**€(5,337)**
Net values				
Rosebel	7,019	(493)	10	6,536
Total	**€7,019**	**€(493)**	**€10**	**€6,536**

5) Marketable securities
(in thousands of Euro)

	September 30, 2012	December 31, 2011
Marketable securities[1]	237	-
Total	**€237**	**€-**

[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 (note 18) and the shares received on August 31, 2012 in connection with the amendment to the Option agreement signed on July 25, 2012 (note 19). These shares are classified as available-for-sale financial assets. Investments in marketable securities are recorded at fair value. In 2012, these marketable securities have been moved from current assets to other non-current assets due to the amendment to the option agreement with COLUMBUS (note 19), allowing for an extension to exercise the option for one additional year.

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

Current assets	September 30, 2012	December 31, 2011
Trade receivables [1]	10,302	11,657
Subtotal of trade receivables	**€10,302**	**€11,657**
Tax and social security receivables	75	70
Prepaid expenses	5	-
Marketable securities (note 5)	-	158
Subtotal other current assets	**80**	**228**
Total	**€10,382**	**€11,885**

[1] Trade receivables included €10.159 million of amounts receivable from IAMGOLD at September 30, 2012 (€11.491 million at December 31, 2011).

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

	September 30, 2012	December 31, 2011
Cash equivalents[1,2]	1,230	1,227
Cash[2]	2,324	4,357
Total	**€3,554**	**€5,584**

[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.

During the third 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.

8) Share capital

As of September 30, 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 nine months of 2012.

During the Annual Shareholders Meeting held on June 26, 2012 in Paris, shareholders approved a dividend distribution in the amount of €18,124,000 (€0.29 per share) that was paid on September 18, 2012.

This was 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.

	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 September 30, 2012	**62,496,461**	**€0.01**	**€625**	**€104**

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

	September 30, 2012	December 31, 2011
Trade payables	**152**	**207**
Other current liabilities		
Tax and social security liabilities	59	63
Intercompany with IAMGOLD	19	19
Directors' fees	17	12
Subtotal of other current liabilities	**95**	**94**
Current income tax payable	**1,849**	**5,783**
Total current liabilities	**€ 2,096**	**€ 6,084**

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

	Nine Months Ended September 30	
	2012	2011
Rosebel royalty	30,092	25,162
Other revenues	271	176
Total revenues from ordinary activities	**€ 30,363**	**€ 25,338**

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.

11) Other income
(in thousands of Euro)

	Nine Months Ended September 30	
	2012	2011
Non-cash income from COLUMBUS[1]	201	-
Other Income	**€201**	**€-**

[1] Following the amendment to the option agreement with COLUMBUS on July 25, 2012 and the approval by the Toronto Stock Exchange on August 22, 2012, EURO received 650,000 additional shares of COLUMBUS (notes 5, 18, 19).

12) Operating expenses
(in thousands of Euro)

	Nine Months Ended September 30	
	2012	**2011**
Administrative costs	363	354
Directors' fees	60	50
Audit fees	76	120
Legal fees	75	97
Legal exchange and listing fees	73	64
Operating taxes	56	41
Total Operating Expenses	**€703**	**€726**

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

	Nine Months Ended September 30	
	2012	**2011**
Other investment income	22	1
Foreign exchange gain[1]	280	94
Total financial income	**€302**	**€95**
Foreign exchange loss[2]	(992)	(919)
Total financial expenses	**€(992)**	**€(919)**
Net financial expenses	**€(690)**	**€(824)**

[1] **Foreign exchange gain**

The foreign exchange gain essentially relates to the gain recognized from the income tax and other operating tax payments made during the first nine months of 2012.

[2] **Foreign exchange loss**

The foreign exchange loss essentially relates to the impact of paying the dividend in the euro currency and the revaluation of significant euro denominated balance sheet accounts for the first nine months of 2012.

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

	Nine Months Ended September 30	
	2012	**2011**
Amortization charge in respect of intangible assets (note 4)	493	436
Total expenses	**€493**	**€436**

15) Income tax
(in thousands of Euro)

15.1) 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:

	Nine Months Ended September 30	
	2012	**2011**
Profit before income tax	**€28,678**	**€23,352**
Theoretical tax calculated at the corporate income tax rate applicable in the country	(9,846)	(8,018)
Tax effects of C.V.A.E. (value added tax)	(419)	(300)
Additional tax on dividend payment[1]	(544)	-
Translation adjustment	(192)	561
Income tax expense	**€(11,001)**	**€(7,757)**

The corporate income tax rate applied for the first nine months of 2011 and 2012 is $34^1/_3$%.

[1] In August 2012, the French government enacted the second rectifying Finance Act, which imposes a 3% additional tax on all dividend distributions.

15.2) Deferred tax liabilities

Deferred tax liabilities amounted to €118,000 at the end of September 2012, all of which pertain to temporary differences, mostly due to the value added tax (*Cotisation sur la Valeur Ajoutée des Enterprises ("C.V.A.E.")*). There are no tax losses carried forward.

16) 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).

	Nine Months Ended September 30	
	2012	**2011**
Net profit attributable to holders of common shares	€ 17,677	€ 15,595
Weighted average number of common shares	62,496,461	62,496,461
Earnings per share (€/share)		
Basic	**€0.283**	**€0.250**
Diluted	**€0.283**	**€0.250**

17) Related parties

Information on related parties:

	IAMGOLD
Presentation of related parties	IAMGOLD France S.A.S., an indirect wholly owned subsidiary of IAMGOLD, is the majority shareholder of EURO (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 2012 were €0.17 million (2011: €0.16 million) and payable at September 30, 2012 were €0.02 million (December 31, 2011: €0.02 million).

18) Assets held for sale

As at September 30, 2012, EURO's assets held for sale are summarized as follows:

Assets classified as held for sale (in thousands of Euro)	**September 30, 2012**	**December 31, 2011**
Paul Isnard PER (costs of mining exploration incurred for the Paul Isnard Permit (*Permis Exclusif de Recherche*) ("PER"))	*4,251*	*4,248*
Accumulated depreciation on Paul Isnard PER	*(3,671)*	*(3,668)*
Subtotal Paul Isnard PER (net carrying value)	580	580
Intangible asset related to the royalty on gold production from the Paul Isnard concessions receivable from AUPLATA	580	580
Total	**€1,160**	**€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.

- <u>Paul Isnard PER</u>

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 September 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 September 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 amended its Option agreement with AUPLATA related to the Paul Isnard Properties at the end of 2011.
3) In 2011 and during the first nine 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 September 30, 2012, EURO maintains the reinstatement of the PER net value of $750,000 (€580,000) in its books.

- 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 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.

19) 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 will have 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 12.6% of existing shares (excluding warrants and options) as of September 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 five million ounces.

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. COLUMBUS has 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.

The Option agreement remains unchanged except for the key terms of the amendment listed below, which have been approved by the TSX-V on August 22, 2012:

- EURO received on August 31, 2012, 650,000 additional shares of COLUMBUS, valued at C$255,000 (€201,000), in consideration of the amendment to the Option agreement.
- Increase in the number of shares to be paid to EURO of 2,409,376 additional shares (due 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 shares or 14.9% of outstanding shares excluding warrants and options).
- The deemed share price for future share price adjustment consideration now being C$0.45 per share.