

EURO Ressources S.A. Reports Earnings For Year Ended December 31, 2017

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Paris, February 23, 2018: [EURO Ressources S.A.](#) ("EURO" or "the Company") (Paris: EUR) today announced its audited statutory financial results prepared in accordance with French Generally Accepted Accounting Principles ("GAAP") and its audited financial results prepared in accordance with International Financial Reporting Standards ("IFRS") for the year ended December 31, 2017. These audited financial results were approved by the Board of Directors on February 23, 2018. All financial amounts are expressed in Euros ("â,¬" or "euros") unless otherwise specified.

Under French GAAP, EURO reported a net profit of â,¬15.9 million (â,¬0.255 per share) for the year ended December 31, 2017, compared to â,¬16.0 million (â,¬0.256 per share) for the year ended December 31, 2016.

Under IFRS, EURO reported a net profit of â,¬18.7 million (â,¬0.299 per share) for the year ended December 31, 2017, compared to â,¬15.9 million (â,¬0.255 per share) in 2016.

Highlights for 2017

EURO recorded revenues of â,¬26.1 million in 2017 similar to revenues reported in 2016.

EURO distributed a dividend in the amount of â,¬9.4 million (â,¬0.15 per share) in June 2017.

Liquidity and capital resources

Cash at December 31, 2017 totaled â,¬15.5 million as compared to â,¬11.1 million at December 31, 2016. The increase was mainly due to cash flow from operating activities partially offset by a dividend paid in 2017.

Comments on financial results prepared in accordance with French GAAP for the year ended December 31, 2017

EURO recorded revenues of â,¬26.1 million in 2017 similar to revenues reported in 2016. Revenues were mainly attributable to the Rosebel royalty for â,¬25.7 million in 2017 (2016: â,¬25.7 million). Revenues were similar but included the impact of a higher average gold price of US\$1,258 per ounce in 2017 compared to US\$1,249 per ounce in 2016 (â,¬0.3 million), and higher gold production with 318,117 ounces in 2017 compared to 311,808 ounces during 2016 (â,¬0.2 million), offset by the negative impact of a stronger euro (â,¬0.5 million).

Under French GAAP, operating expenses (excluding amortization and depreciation expenses) totaled â,¬1.08 million in 2017 compared to â,¬0.76 million in 2016. The increase was mainly due to higher administrative costs in 2017 following the accounting of a credit adjustment in 2016, and higher legal fees during 2017 mainly related to the claim of prior years' tax on dividends.

The amortization expense for â,¬0.527 million in 2017 was lower than the amortization expense of â,¬0.585 million in 2016 mainly due to higher gold reserves at the Rosebel mine.

EURO recorded a net foreign exchange loss of â,¬2.6 million in 2017 compared to a gain of â,¬0.2 million in 2016, mainly due to a significant fluctuation of foreign exchange rates in 2017 used for the conversion of bank accounts and trade receivables held in US dollars.

Under French GAAP, EURO recorded an income tax expense of $\hat{a},-6.3$ million in 2017 compared to $\hat{a},-9.0$ million in 2016. The decrease was mainly due to the tax impact of the higher foreign exchange loss and the reimbursement receivable of the 3% tax on dividends paid during prior years. On October 6, 2017, the Constitutional Council of France ruled that the 3% tax on dividends in its entirety is contrary to the Constitution. Therefore, whatever the origin of the dividends distributed (distribution of dividends from subsidiaries or operating profit), this 3% tax is abolished from that date. The Constitutional Council's decision also applies retrospectively. EURO's estimated refund of the tax on dividends paid from 2014 to 2017 of $\hat{a},-1.56$ million was accounted for in 2017.

Select IFRS financial results for 2017 compared to 2016

Since December 31, 2010, EURO no longer prepares and publishes consolidated financial statements for French purposes; only French GAAP can be applied for the presentation of statutory financial statements and approval by the shareholders. However, in order to comply with Canadian requirements and have equivalency of information between French financial requirements and Canadian financial requirements, the following information on the IFRS financial results is provided for comparison purposes.

2017 compared to 2016 (IFRS)

Under IFRS, EURO recorded a net profit of $\hat{a},-18.7$ million ($\hat{a},-0.299$ per share) in 2017 compared to $\hat{a},-15.9$ million ($\hat{a},-0.255$ per share) during 2016.

Under IFRS, revenues totaled $\hat{a},-26.1$ million in 2017 compared to revenues of $\hat{a},-26.1$ million during 2016, the same as under French GAAP as explained above.

Operating expenses in 2017 were $\hat{a},-0.5$ million, higher than $\hat{a},-0.4$ million in 2016. The difference was mainly due to higher administrative costs in 2017 following the accounting of a credit adjustment in 2016, and higher legal fees during 2017 mainly related to the claim of prior years' tax on dividends, partially offset by a reimbursement of operating taxes paid in prior years and interest receivable on the reimbursement of tax on dividends.

The amortization expense of $\hat{a},-0.6$ million during 2017 was lower than the amortization expense of $\hat{a},-0.7$ million recorded during 2016, mainly due to higher gold reserves at the Rosebel mine.

EURO recorded an income tax expense of $\hat{a},-6.2$ million in 2017 compared to $\hat{a},-9.2$ million in 2016. The decrease was mainly due to translation adjustments and the reimbursement receivable of the 3% tax on dividends paid during prior years as mentioned above.

Fourth quarter ended December 31, 2017 compared to the same period in 2016 (IFRS)

Under IFRS, EURO recorded a net profit of $\hat{a},-6.1$ million ($\hat{a},-0.097$ per share) for the fourth quarter of 2017 compared to $\hat{a},-4.1$ million ($\hat{a},-0.066$ per share) for the fourth quarter of 2016.

Revenues were $\hat{a},-6.7$ million during the fourth quarter of 2017, a decrease of 8% compared to revenues of $\hat{a},-7.2$ million for the fourth quarter of 2016. Revenues were mainly attributable to the Rosebel royalty of $\hat{a},-6.6$ million (fourth quarter of 2016: $\hat{a},-7.2$ million). The decrease in revenues was mainly due to lower gold production with 83,595 ounces in the fourth quarter of 2017 compared to 88,121 ounces during the fourth quarter of 2016 ($\hat{a},-0.5$ million), and the strengthened euro ($\hat{a},-0.5$ million), partially offset by the higher average gold price during the fourth quarter of 2017 of US\$1,275 per ounce of gold compared to US\$1,222 per ounce of gold during the fourth quarter of 2016 ($\hat{a},-0.4$ million).

The amortization expense of $\hat{a},-0.14$ million during the fourth quarter of 2017 was lower than the amortization expense of $\hat{a},-0.21$ million recorded during the fourth quarter of 2016, mainly due to higher gold reserves at the Rosebel mine.

EURO recorded income tax expense of \hat{a} ,-0.4 million during the fourth quarter of 2017 compared to \hat{a} ,-2.9 million during the fourth quarter of 2016. The decrease was mainly due to translation adjustments and the reimbursement receivable of the 3% tax on dividends paid during prior years as mentioned above.

Marketable securities

EURO holds marketable securities related to mining companies which are part of a volatile market. Share market price exposure risk is related to the fluctuation in the market price of marketable securities. This investment in marketable securities is recorded at fair value.

Marketable securities were comprised of 19.1 million shares of [Columbus Gold Corp.](#) ("Columbus") (12.0% of outstanding shares at December 31, 2017; December 31, 2016: 13.4%).

Subsequent event

Following the approval of an arrangement by Columbus' shareholders on November 27, 2017, and the approval from the TSX Venture exchange, Columbus completed the spin-out of [Allegiant Gold Ltd.](#) ("Allegiant") to Columbus shareholders. EURO holds 19,095,345 shares of Columbus. Accordingly, EURO received in January 2018, a common share of Allegiant for every five Columbus shares held, being 3,819,069 shares. This transaction resulted in a non-cash gain of \hat{a} ,-1.7 million which will be accounted for in 2018, based on the fair value of shares received of C\$0.68 per share on the date of the transaction.

Outlook

The Rosebel royalty production in 2017 was 318,117 ounces and is anticipated to be between 311,000 ounces and 326,000 ounces in 2018. In 2018, the Rosebel royalty is expected to provide revenues to the Company of between approximately \hat{a} ,-23.7 million and \hat{a} ,-24.9 million (US\$28.0 million and US\$29.4 million). These pre-tax numbers assume a gold price of US\$1,250 per ounce and an exchange rate of \hat{a} ,-1 for US\$1.18. The impact of changes in the average gold price on EURO's annual revenues, based on an estimated production of 318,000 ounces, would be approximately US\$3.1 million for each US\$100 per ounce change in the gold price. The impact of a 5% change in the average foreign exchange rate on EURO's annual revenues would be approximately \hat{a} ,-1.2 million. EURO's cash flow is expected to be primarily affected by income tax payments.

About EURO

EURO is a French company whose principal asset is a gold production royalty from the Rosebel gold mine in Suriname (the "Rosebel royalty"). The Rosebel gold mine is 95%-owned by [IAMGold Corp.](#) ("IAMGOLD"), and is operated by IAMGOLD. EURO has approximately 62.5 million shares outstanding. At December 31, 2017, IAMGOLD France S.A.S., a wholly owned subsidiary of IAMGOLD, owned approximately 89.71% of all issued outstanding shares of EURO.

Statements Regarding Forward-Looking Information: Some statements in this news release are forward-looking statements. Investors are cautioned that forward-looking statements are inherently uncertain and involve risks and uncertainties. There can be no assurance that future developments affecting the Company will be those anticipated by management.

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Additional information relating to EURO Ressources S.A. is available on SEDAR at www.sedar.com. Further requests for information should be addressed to:

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