



EURO RESSOURCES REPORTS EARNINGS FOR THE YEAR ENDED DECEMBER 31, 2021

Paris, France, February 24, 2022: 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, 2021. These audited financial results were approved by the Board of Directors on February 24, 2022. All financial amounts are expressed in Euros (“€” or “euros”) unless otherwise specified.

Highlights

Under French GAAP, EURO reported a net profit of €10.1 million (€0.162 per share) for the year ended December 31, 2021, compared to €10.8 million (€0.173 per share) for the year ended December 31, 2020.

Under IFRS, EURO reported a net profit of €7.6 million (€0.122 per share) for the year ended December 31, 2021, compared to €14.0 million (€0.223 per share) in 2020.

Under French GAAP, EURO recorded revenues of €12.8 million in 2021, lower than revenues of €19.2 million reported in 2020.

Under IFRS, EURO recorded revenues of €12.6 million in 2021, lower than revenues of €19.2 million reported in 2020.

On June 10, 2021, EURO paid dividends in the amount of €15.6 million (€0.25 per share).

Liquidity and capital resources

Cash at December 31, 2021 totaled €20.4 million as compared to €31.5 million at December 31, 2020. The decrease was mainly due to the dividends, acquisition of the Bombore project royalty asset and income tax paid, partially offset by cash flow from operating activities.

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. Investments in marketable securities are recorded at fair value.

As at December 31, 2021, marketable securities comprised 19,095,345 shares of Orea Mining Corp. (“Orea”) (9.3% of outstanding shares; December 31, 2020: 9.7%) and 3,819,069 shares of Allegiant Gold Ltd. (“Allegiant”) (4.9% of outstanding shares; December 31, 2020: 6.2%).

Under IFRS, in 2021, the Company recognized an unrealized loss of €1.2 million in other comprehensive income following the decrease of the fair value of these marketable securities (gain of €0.7 million in 2020).

Under French GAAP, a gain of €0.4 million was recorded following the increase of the fair value of the marketable securities (2020: loss of €0.2 million), in the financial results in the statement of earnings.

Royalty assets

(Refer to MD&A for more detail)

As at December 31, 2021, the Company's impairment review indicated that the facts and circumstances did not represent an indication of potential impairment for Rosebel and Bombore.

With regards to Paul Isnard, the statements by the French Government in 2019 regarding the Compagnie Minière Montagne d'Or (the joint venture) have created some uncertainty around the delivery of the various authorizations and permits not yet obtained and required for developing the project, and can potentially affect the operational and financial capacities of the project. The JV is still awaiting a decision by the Supreme Court on whether it will admit and hear a final appeal by the French Government on the renewal of the Montagne d'Or mining titles, following the fact that the Administrative Court of Appeal in Bordeaux had rejected the French Government's appeal in July 2021. In those circumstances, the Company is maintaining the same assumption from the impairment test related to the Paul Isnard royalty asset performed as at December 31, 2020. The Company continues to assume that the various authorizations and permits would be granted under conditions that will allow the JV to go on with this project, though the timing is somewhat uncertain. No impairment charges were recorded in the statement of earnings for the year ended December 31, 2021.

Comments on financial results prepared in accordance with French GAAP for the year ended December 31, 2021 compared to 2020

Under French GAAP, revenues totaled €12.8 million in 2021, a decrease compared to revenues of €19.2 million reported in 2020. Revenues were mainly attributable to the Rosebel royalty in 2021 and only from Rosebel royalty in 2020. The decrease in revenues was mainly due to lower gold production of 104,319 ounces in 2021 compared to 160,412 ounces in 2020 (€6.5 million). This is mainly explained by the workforce productivity levels that have been adversely impacted due to the COVID-19 situation which has resulted in the overall reduced activity levels at Rosebel throughout the year and also due to the unusually severe rainy season that adversely impacted mine production during 2021. The decrease in revenues is also due to a strengthened euro (€0.4 million), partially offset by a higher average gold price in 2021 of US\$1,797 per ounce of gold compared to US\$1,718 per ounce of gold in 2020 (€0.3 million). In 2021, the revenues also include a foreign exchange gain on commercial operations of €0.2 million.

Under French GAAP, operating expenses (excluding amortization and depreciation expenses) totaled €0.8 million in 2021 compared to €1.1 million in 2020. The decrease was mainly due to lower administrative costs.

The amortization expense of €0.1 million in 2021 was lower compared to €0.2 million in 2020 mainly due to lower gold production at the Rosebel mine in 2021.

The investment income was €0.1 million in 2021 compared to €0.3 million in 2020. The decrease was mainly due to lower bank balances in 2021.

Financial results included a foreign exchange gain on bank accounts under French GAAP of €1.5 million in 2021 compared to a foreign exchange loss on bank accounts of €2.7 million in 2020. The foreign exchange gain is mainly due to a significant fluctuation of foreign exchange rates in 2021 used for the conversion of bank accounts held in US dollars. This positive exchange rate differential in 2021 compared to the negative variance in 2020 was mainly due to the weakening of the euro against the US dollar in 2021 compared to a strengthening in 2020.

Under French GAAP, EURO recorded an income tax expense of €3.8 million in 2021 compared to €4.4 million in 2020. The decrease was mainly due to the tax impact of lower earnings, partially offset by translation adjustments and the tax impact of the change in fair value of the marketable securities.

Select IFRS financial results

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.

2021 compared to 2020 (IFRS)

Under IFRS, EURO recorded a net profit of €7.6 million (€0.122 per share) in 2021 compared to €14.0 million (€0.223 per share) during 2020.

Under IFRS, revenues totaled €12.6 million in 2021, lower than revenues of €19.2 million reported in 2020. Revenues were only attributable to the Rosebel royalty in 2021 and 2020. The decrease in revenues was mainly due to lower gold production of 104,319 ounces in 2021 compared to 160,412 ounces in 2020 (€6.5 million). This is mainly explained by the workforce productivity levels that have been adversely impacted due to the COVID-19 situation which has resulted in the overall reduced activity levels at Rosebel throughout the year. The decrease in revenues was also due to a strengthened euro (€0.4 million), partially offset by a higher average gold price in 2021 of US\$1,797 per ounce of gold compared to US\$1,718 per ounce of gold in 2020 (€0.3 million).

Operating expenses in 2021 were €0.7 million, same level as 2020.

The amortization expense of €0.2 million during 2021 was lower than the amortization expense of €0.3 million recorded during 2020, mainly due to lower gold production at the Rosebel mine.

The investment income in 2021 was €0.1 million compared to €0.3 million during the same period in 2020. The decrease was mainly due to lower bank balances in 2021.

EURO recorded a foreign exchange loss of €0.2 million in 2021 compared to a loss of €0.1 million in 2020, mainly due to the revaluation of dividends payable, bank accounts and income tax payable.

Under IFRS, EURO recorded an income tax expense of €4.0 million in 2021 compared to €4.4 million in 2020. The decrease was mainly due to the tax impact of lower earnings, partially offset by translation adjustments.

Fourth quarter ended December 31, 2021 compared to the same period in 2020 (IFRS)

Under IFRS, EURO recorded a net profit of €2.6 million (€0.042 per share) for the fourth quarter of 2021 compared to €2.8 million (€0.044 per share) for the fourth quarter of 2020.

Revenues were €3.5 million during the fourth quarter of 2021, an increase compared to revenues of €3.0 million during the fourth quarter of 2020. Revenues were only attributable to the Rosebel royalty in the fourth quarter of 2021 and 2020. The increase in revenues was mainly due to a higher gold production of 28,162 ounces in the fourth quarter of 2021 compared to 23,758 ounces during the fourth quarter of 2020 (€0.6 million) and by a weakened euro (€0.1 million), partially offset by a lower average gold price during the fourth quarter of 2021 of US\$1,795 per ounce of gold compared to US\$1,874 per ounce of gold during the fourth quarter of 2020 (€0.2 million).

Under IFRS, EURO recorded an income tax expense of €0.6 million during the fourth quarter of 2021 compared to €0.1 million during the fourth quarter of 2020. The increase was mainly due to translation adjustments, partially offset by the tax impact of the change in fair value of the marketable securities.

Outlook

The Rosebel royalty production in 2021 was 104,319 ounces and is anticipated to be between 113,000 ounces and 139,000 ounces in 2022. In 2022, the Rosebel royalty is expected to provide revenues to the Company of between approximately €12.2 million and €15.2 million (US\$14.7 million and US\$18.2 million). These pre-tax numbers assume a gold price of US\$1,700 per ounce and an exchange rate of €1 for US\$1.20. The impact of changes in the average gold price on EURO's annual revenues, based on an estimated production of 126,000 ounces, would be approximately US\$1.2 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 €0.7 million.

The Bombore project is anticipated to reach commercial production in the third quarter of 2022.

EURO's cash flow is expected to be primarily affected by income tax payments.

Global COVID-19 pandemic

The global COVID-19 pandemic continues to evolve. Despite widespread mass immunization programs intended to limit the effect of the virus in many countries, including Canada and Suriname, the emergence of new variants, such as the new Omicron variant, has been causing rates of infection to rapidly increase again globally. The previously implemented protocols remain in place and are reviewed on an ongoing basis to adapt to the evolving situation. The Company has been closely monitoring and taking necessary measures to manage the impact of the COVID-19 pandemic on all aspects of its operations.

At Rosebel, the COVID-19 situation has started to stabilize and improved during the fourth quarter, however the new Omicron variant remains a concern as new cases in January 2022 were the highest recorded since the start of the pandemic. Throughout 2021, workforce productivity levels were adversely impacted as a result of approximately 40% of the total workforce having had COVID-19 since the start of the pandemic. The site continues to monitor and implement mitigating measures to reduce the impact, including actively engaging in community related initiatives. Approximately 41% of the workforce was fully vaccinated as of December 2021.

About EURO

EURO is a French company whose main assets are a royalty on the Rosebel gold mine production in Suriname (the "Rosebel royalty"), a royalty on the Paul Isnard concessions, a silver stream from a subsidiary of Orezone Gold Corporation ("Orezone") and marketable securities. The Rosebel gold mine is 95%-owned by IAMGOLD Corporation ("IAMGOLD"), and is operated by IAMGOLD. The royalty on the Paul Isnard concessions is a net smelter returns production royalty on future production of the Paul Isnard concessions and an area of interest surrounding the concessions in French Guiana, owned under a joint venture agreement between Orea Mining Corp. and Nord Gold SE ("Compagnie Minière Montagne d'Or"). The silver stream entitles EURO to receive 50% of the payable silver production over the life of mine on Orezone's Bomboré Project, located in Burkina Faso, West Africa.

EURO has approximately 62.5 million shares outstanding. At December 31, 2021, IAMGOLD France S.A.S. ("IAMGOLD France"), a wholly owned subsidiary of IAMGOLD, owned approximately 89.71% of all issued outstanding shares of EURO. As at December 31, 2021, IAMGOLD France held 56,058,191 shares representing 112,116,382 voting rights or 94.25% of the voting rights of EURO. This threshold crossing results from a double voting rights allocation.

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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