



**EURO RESSOURCES REPORTS EARNINGS FOR THE
SECOND QUARTER AND SIX MONTHS ENDED JUNE 30, 2020**

Paris, France, August 6, 2020: EURO Ressources S.A. (“EURO” or “the Company”) (Paris: EUR) today announced its unaudited statutory interim financial results prepared in accordance with French Generally Accepted Accounting Principles (“GAAP”) and its unaudited condensed interim financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) for the six months ended June 30, 2020. These unaudited interim financial statements were approved by the Board of Directors on August 6, 2020. All financial amounts are expressed in Euros (“€” or “euros”) unless otherwise specified.

Highlights

Under French GAAP, EURO reported a net profit of €8.5 million (€0.137 per share) for the six months ended June 30, 2020 (€3.5 million for the second quarter of 2020 (€0.055 per share)) compared to €8.3 million (€0.132 per share) for the six months ended June 30, 2019 (€3.7 million for the second quarter of 2019 (€0.059 per share)).

Under IFRS, EURO reported a net profit of €8.3 million (€0.132 per share) for the six months ended June 30, 2020 (€3.3 million for the second quarter of 2020 (€0.053 per share)) compared to €8.2 million (€0.131 per share) for the six months ended June 30, 2019 (€4.7 million for the second quarter of 2019 (€0.074 per share)).

EURO recorded revenues of €12.5 million in the first six months of 2020 (€5.2 million in the second quarter of 2020) compared to revenues of €12.4 million in the first six months of 2019 (€6.5 million reported in the second quarter of 2019).

On June 11, 2020, EURO paid dividends of €12.5 million (€0.20 per share).

Liquidity and capital resources

Cash at June 30, 2020 totaled €28.7 million as compared to €31.6 million at December 31, 2019. The decrease was mainly due to the dividends 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 June 30, 2020, marketable securities were comprised of 19,095,345 shares of Orea Mining Corp. (formerly Columbus Gold Corp) (“Orea”) (9.7% of outstanding shares; December 31, 2019: 10.6%) and 3,819,069 shares of Allegiant Gold Ltd. (“Allegiant”) (6.2% of outstanding shares; December 31, 2019: 6.2%).

During the six month period ended June 30, 2020, the Company recognized an unrealized gain under IFRS following the increase of the fair value of these marketable securities. Under IFRS, this gain of €0.3 million was recorded in other comprehensive income (loss of €0.6 million during the six months ended June 30, 2019). Under French GAAP, the gain of €0.1 million was recorded in investment income in the statement of earnings.

Royalty assets

(Refer to MD&A for more detail)

As at June 30, 2020, the Company's impairment review indicated that the facts and circumstances did not represent an indication of potential impairment. In May 2019, The French Government declared the Montagne D'Or project not yet compatible with environmental requirements. The statements by the French Government regarding the Compagnie Minière Montagne d'Or (the joint venture) in May 2019, to which the Paul Isnard royalty is attached, 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. Nevertheless, work continues on both the design of the project and the environmental framework around it. According to the press release issued by Orea Mining Corp. on June 4, 2020, the engineering studies for the project's improvements and modifications for mining permits are expected to be completed by mid-year. In light of the above, the Company maintains the same assumption as in the impairment test performed as at December 31, 2019. The Company continues to assume that the various authorizations and permits would be granted under conditions that will allow the joint venture to go forward with this project, although the timing is somewhat uncertain. No impairment charges were recorded in the statement of earnings for the second quarter ended June 30, 2020.

Comments on financial results prepared in accordance with French GAAP for the six month period ended June 30, 2020 compared to the same period in 2019

Under French GAAP and IFRS, EURO accounted for revenues of €12.5 million, an increase compared to revenues of €12.4 million for the same period in 2019. Revenues were primarily attributable to the Rosebel royalty of €12.5 million (six months ended June 30, 2019: €12.5 million). Revenues were similar to the prior period, primarily as a result of a higher average gold price in the first six months of 2020 of US\$1,633 per ounce compared to US\$1,307 per ounce in the first six months of 2019 (€3.1 million) and a weakened euro (€0.3 million), partially offset by lower gold production of 107,794 ounces in the first six months of 2020 compared to 147,744 ounces in the first six months of 2019 (€3.4 million), due to lower throughput and ore mined as a result of the temporary suspension of operations (see news releases dated July 20, 2020 and July 27, 2020). There were no other royalties from third parties in French Guiana for the six months ended June 30, 2020 (first six months of 2019: -€0.1 million due to a reversal of a previously over estimated royalty receivable).

Under French GAAP, operating expenses (excluding amortization expense) for the six months ended June 30, 2020 were €0.57 million compared to €0.46 million during the same period in 2019. The increase was mainly due to higher administrative costs in 2020.

The depreciation expense related to intangible assets was €0.15 million during the first half of 2020 compared to €0.21 million during the first six months of 2019. This decrease was mainly due to lower production at the Rosebel mine.

The investment income for the first six months ended June 30, 2020 was €0.2 million compared to €0.4 million during the same period in 2019. The decrease was mainly due to lower interest rates applied to bank balances in 2020.

Financial results included a foreign exchange gain on bank accounts under French GAAP of €0.04 million in the first six months of 2020 compared to a foreign exchange gain on bank accounts of €0.37 million in the first six months of 2019. The decrease of the foreign exchange gain was mainly due to the weakening of the Euro compared to the United States dollar in 2020 compared to the same period in 2019.

During the first six months ended June 30, 2020, EURO recorded an income tax expense of €3.5 million compared to €3.9 million during the six months ended June 30, 2019. The decrease was mainly due to the impact of a lower tax rate and translation adjustments, partially offset by the tax impact of the change in fair value of the marketable securities in the six months ended June 30, 2020 compared to the same period in 2019.

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.

Six months ended June 30, 2020 compared to the same period in 2019 (IFRS)

Under IFRS, EURO reported a net profit of €8.3 million (€0.132 per share) for the six months ended June 30, 2020 compared to €8.2 million (€0.131 per share) for the six months ended June 30, 2019.

Under IFRS, revenues totaled €12.5 million in the first half of 2020 compared to revenues of €12.4 million during the same period in 2019, the same as under French GAAP as explained above.

Operating expenses for the six months ended June 30, 2020 were €0.33 million compared to €0.31 million in the same period in 2019. The increase was mainly due to higher administrative costs in 2019.

The amortization expense of €0.19 million during the six months ended June 30, 2020 was lower than the amortization expense of €0.26 million recorded during the same period in 2019, mainly due to lower production at the Rosebel mine.

Under IFRS, the investment income for the first six months ended June 30, 2020 was €0.2 million compared to €0.4 million during the same period in 2019, the same as under French GAAP, as explained above.

EURO recorded a foreign exchange loss of €0.18 million in the first six months of 2020 compared to a gain of €0.01 million in the first six months of 2019, mainly due to the revaluation of dividends payable, bank accounts and income tax payable.

EURO recorded an income tax expense of €3.7 million in the six months ended June 30, 2020 compared to €4.0 million in the same period of 2019. The decrease was mainly due to the tax impact of lower earnings and translation adjustments, partially offset by the tax impact of the change in fair value of the marketable securities in the six months ended June 30, 2020 compared to the same period in 2019.

Second quarter ended June 30, 2020 compared to the same period in 2019 (IFRS)

Under IFRS, EURO reported a net profit of €3.3 million (€0.053 per share) for the second quarter of 2020 compared to €4.7 million (€0.074 per share) for the second quarter of 2019.

Revenues were €5.2 million during the second quarter of 2020, a decrease of 20% compared to €6.5 million for the second quarter of 2019. Revenues were only attributable to the Rosebel royalty in the second quarter of 2020 and 2019. The decrease in revenues was mainly due to a lower gold production of 42,395 ounces in the second quarter of 2020 compared to 76,208 ounces in the second quarter of 2019 (€2.9 million), due to lower throughput and ore mined as a result of the temporary suspension of operations, partially offset by a higher average gold price in the second quarter of 2020 of US\$1,711 per ounce compared to US\$1,309 per ounce in the second quarter of 2019 (€1.5 million) and a weakened euro (€0.1 million).

During the second quarter of 2020, the Company recorded operating expenses of €0.21 million compared to €0.17 million during the same period in 2019. The increase was mainly explained by higher administrative costs in 2020.

The amortization expense of €0.08 million during the second quarter of 2020 was lower than the amortization expense of €0.13 million recorded during the second quarter of 2019, mainly due to lower production at the Rosebel mine.

The investment income during the second quarter of 2020 was €0.06 million compared to €0.23 million for the second quarter of 2019. The decrease was mainly due to lower interest rates applied to bank balances in 2020.

EURO recorded a foreign exchange loss of €0.19 million in the second quarter of 2020 compared to a loss of €0.02 million in the second quarter of 2019, mainly due to the revaluation of dividends payable, bank accounts and income tax payable.

EURO recorded an income tax expense of €1.5 million in the second quarter of 2020 compared to €1.8 million in the second quarter of 2019. The decrease was mainly due to the tax impact of lower earnings partially offset by the tax impact of the change in fair value of the marketable securities in the second quarter of 2020 compared to the same period in 2019.

Outlook

The Rosebel royalty production is anticipated to be between 160,000 ounces and 180,000 ounces in 2020. The range of production guidance has been lowered for 2020 reflecting the operational impact of the global COVID-19 crisis and the suspension of operations on June 12, 2020.

In 2020, the Rosebel royalty is expected to provide revenues to the Company of between approximately €18.8 million and €21.3 million (US\$21.0 million and US\$23.8 million). These pre-tax numbers assume a gold price of US\$1,675 per ounce and an exchange rate of €1 for US\$1.12. The impact of changes in the average gold price on EURO's annual revenues, based on an estimated production of 170,000 ounces, would be approximately US\$1.7 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 €1.0 million. EURO's cash flow is expected to be primarily affected by income tax payments. The Company maintains certain cash available to pursue opportunities that would enhance the Company's long-term business.

GLOBAL COVID-19 CRISIS

The global COVID-19 pandemic continues to evolve including the continuing imposition of restrictions on the movement of people and goods, social distancing measures, restrictions on group gatherings, quarantine requirements and contact tracing. The Company has been closely monitoring and taking necessary measures to manage the impact of the COVID-19 crisis on all aspects of its operations.

The Rosebel mine in Suriname was moved into self-confinement on March 22, 2020 to better protect employees and communities, and to support the continuity of operations. Given the surge in COVID-19 infections in Suriname, a number of personnel at Rosebel were diagnosed with COVID-19. In response, the unionized employees at Rosebel initiated a work stoppage on June 12, 2020 which required Rosebel to concurrently suspend operations. In conjunction with the Surinamese Health Authorities, Rosebel implemented all required preventative measures. Rosebel was put under quarantine by the Health Authorities on June 25, 2020. The quarantine was subsequently lifted on July 15, 2020. The suspension of operations ended on July 16, 2020, with the recall of employees and contractors beginning shortly thereafter. Operations resumed on July 24, 2020 with the restart of the mill and mine operations.

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, 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.

EURO has approximately 62.5 million shares outstanding. At June 30, 2020, IAMGOLD France S.A.S. ("IAMGOLD France"), an indirect wholly owned subsidiary of IAMGOLD, owned approximately 89.71% of all issued outstanding shares of EURO. As at June 30, 2020, 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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