



RAISING THE BAR

ANNUAL REPORT 2009

In 2009, we exceeded
everyone's expectations
...except our own

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2009 HIGHLIGHTS

939,000
ounces

Exceeded original
guidance by 7%

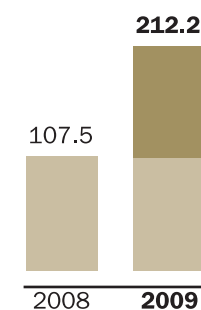
GOLD RESERVES (MILLIONS OF OUNCES)



Grew gold
reserves

17%

ADJUSTED NET EARNINGS² (\$ MILLIONS)



Increased
adjusted net
earnings

97%

Outperformed
S&P/TSX Global Gold Index
110%

(\$ millions except where noted)	2009	2008
Cash and Gold bullion at market ³	\$ 300.1	\$ 269.1
Total assets	\$ 2,996.8	\$ 2,151.7
Debt	\$ —	\$ 50.0
Adjusted net earnings ²	\$ 212.2	\$ 107.5
Net earnings (loss)	\$ 114.1	\$ (9.9)
Operating cash flow	\$ 257.0	\$ 258.2
Per share:		
Adjusted net earnings ² (\$/share)	\$ 0.60	\$ 0.36
Dividend (\$/share)	\$ 0.06	\$ 0.06
Gold production (ounces)	939,000	997,000
Cash cost per ounce ² (\$/oz)	\$ 461	\$ 459
Average realized gold price (\$/oz)	\$ 960	\$ 855

¹ 2008 Reserves include Essakane acquired February 25, 2009.

² Non-GAAP measures – see page 90 of the 2009 Annual Report.

³ As at December 31.

All monetary amounts in this report are expressed in US dollars unless otherwise indicated.

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2009 SCORECARD



We set new standards for productivity, profitability and share performance... and we're already working to surpass them

Achieve or exceed our production and cost guidance of 880,000 ounces of gold at cash costs between \$470 and \$480 per ounce.

Produced 939,000 ounces of gold at average cash costs of \$461 per ounce.

More...

Maximize new mill capacity and extend continuous improvement initiatives at Rosebel to deliver lower cash costs and higher throughput.

Rosebel increased throughput by 34% and lowered cash costs by 15%.

More...

Complete the Niobec mill expansion study by mid-year and advance construction to allow for completion by mid-2010.

On track to complete Niobec mill expansion and paste backfill plant in the second half of 2010.

More...

Continue the government and community consultation process to advance Project Harmonie (Camp Caiman).

Despite community support, there was no definitive progress towards a new mining framework and no assurance that French authorities will permit Camp Caiman development.

More...

Successfully integrate Essakane and ensure mine construction remains on schedule for a production start in the second half of 2010.

Essakane ahead of schedule and on budget for start-up by August 2010, and accelerated early production.

More...

Advance the Westwood shaft to a depth of 500 metres by year end and increase the confidence level of resources.

Westwood advanced shaft as planned, and increased mineral resources by 9% with improved confidence levels in mineralization continuity.

More...

Build reserves and resources to replace or exceed depletion.

Increased gold reserves by 17% to a record 14.5 million ounces, and niobium reserves by 32%.

More...

Achieve share price performance which is superior to our peers.

Share price increased 117% versus the S&P/TSX Global Gold Index (7%).

Advance exploration and a feasibility study at Quimsacocho.

Advanced engineering at Quimsacocho, and expect to complete a feasibility study within 15 months of receiving authorization to resume mining activity.

More...

Build our project pipeline through acquisitions and greenfields exploration.

Completed the acquisition of Essakane, invested in and advanced several promising exploration projects.

More...

Continue our commitment to our Zero Harm initiative.

Achieved 31% improvement in our days away injury rate and total accident rate.

More...

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Achieve or exceed our production and cost guidance of 940,000 to 1,000,000 ounces of gold at cash costs between \$490 and \$510 per ounce.

Deliver Essakane on budget, and on or ahead of the August 2010 schedule.

Build reserves and resources to replace or exceed depletion.

Continue our commitment to Zero Harm.

Build our financial strength.

Advance our other development projects on schedule and on budget.

Build our project pipeline through acquisitions and greenfields exploration.



LETTER TO SHAREHOLDERS

For IAMGOLD, 2009 marks the year in which we raised the bar, operating our properties more profitably, leading the way for sustainable development and creating exceptional value for our shareholders.

It was a year filled with remarkable achievements, including record production at the Rosebel mine; the acquisition and integration of Essakane, which was followed shortly thereafter by the announcement of earlier production; and the outstanding performance of the company's stock, which increased in value by 117%. As further proof of how much we have accomplished *en route* to becoming a premier gold company, IAMGOLD was added to the S&P/TSX 60 Index in 2009, as one of Canada's leading, most heavily traded corporations.

SOLID OPERATING RESULTS

In 2009, IAMGOLD produced 939,000 ounces of gold, exceeding our original guidance by 59,000 ounces. Performance was driven by operational efficiencies and increased throughput, most notably at our flagship Rosebel mine. In fact, nowhere was our transformation into an efficient mine operator more evident than at Rosebel. The mine achieved record gold production of 412,000 ounces (392,000 attributable ounces), a 24% increase over the previous year, while reducing cash costs per ounce of gold produced by over 15%. These outstanding accomplishments were the result of initiatives undertaken over the past few years, including a mill expansion, investments in the mining fleet, the acquisition of a royalty previously payable on Rosebel production and a culture of continuous improvement embraced by all employees.

Across the company, in a year in which we anticipated lower gold production at higher costs than in 2008, our teams innovated and found ways to extend mine lives, successfully growing reserves through drilling, controlling costs and optimizing processes to deliver strong operating results – outperforming initial expectations.

It is especially gratifying to have achieved these results while also recording our best-ever safety performance at all IAMGOLD operated mines. Of particular note are the results at Doyon, where the team never wavered in its commitment to close the mine with an exemplary safety record.

STRONG PROJECT PIPELINE

We also solidified our growth pipeline. In early 2009, we completed the acquisition of the Essakane project, one of West Africa's largest undeveloped gold reserves. Within seven months of assuming control of construction, we announced plans to accelerate Essakane production during the early years by increasing the processing rate and optimizing the mine plan to allow earlier access to higher grade ore. The mine is now expected to achieve commercial production by August 2010, several months ahead of schedule, and to produce between 480,000 and 490,000 ounces of gold before year-end 2011.

The Westwood development project is on schedule for start-up in early 2013. This long-life mine is expected to produce an average of 186,000 ounces of gold annually, at cash costs of \$358 per ounce, well below industry average costs.

We were highly encouraged that our joint venture partners agreed with us to proceed with the Sadiola deep sulphide feasibility study. Instead of processing stockpiles to the end of the mine life in 2013, the project proposes mining the mineralization beneath the oxides, potentially extending the operation by six years and increasing total gold production by approximately 2.2 million ounces. Assuming positive feasibility study results and a decision to proceed, a new plant could begin operating in mid-2012. As a sign of our confidence in the future of Sadiola we took an opportunity to raise our share ownership interest from 38% to 41% at the end of the year.



Peter C. Jones Interim President & Chief Executive Officer

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AGGRESSIVE EXPLORATION

In 2009, IAMGOLD took an aggressive approach to organic growth. We have large, highly prospective land packages and initiated major drilling programs at Rosebel, Essakane, Westwood, Sadiola and Niobec to build our reserve profile. In 2009, our work enabled us to convert significant resources to reserves and replace depletion, with total proven and probable mineral reserves increasing 17% over 2008, to 14.5 million ounces of gold.

We also entered into an option agreement in southwest Mali, granting the company the right to earn a 51% interest in Avnel Gold Mining Limited and its 80% stake in a small operating gold mining company. The investment represents an outstanding opportunity to explore a strong gold mineralized system with a view to aggressively evaluating its large-scale bulk mineable potential. We have the option to increase our interest up to 70% upon delivering a feasibility study that supports the development of a gold mine.

2010 OUTLOOK

IAMGOLD entered 2010 in a strong position, confident that we will continue to grow and deliver the same – if not better – performance as seen in 2009. There is excitement within our organization as we build and prepare to operate the Essakane and, subsequently, the Westwood mine. They will be the first two mines that IAMGOLD has built on its own and brought into operation.

We anticipate 2010 production to be between 940,000 and 1,000,000 ounces of gold, with increases at Essakane and Tarkwa partially offset by lower grades at Rosebel and Sadiola, reduced mining at Mouska and the Doyon mine closure at year-end 2009. While we anticipate an average cash cost of \$490 to \$510 per ounce for the year, the company's cash cost trend should improve once Essakane begins production.

By 2011, gold production is expected to rise to well above one million ounces, bolstered by a full year of production at Essakane. By 2014, when the Westwood, Quimsacocha and Sadiola deeps projects could all be in production, we expect gold output of approximately 1.3 to 1.4 million ounces. As our low-cost production base and resource profile grow, we are able to provide our shareholders with increasing leverage to the price of gold.

SUMMARY

In conclusion, we would like to thank our management team and employees for their dedication and hard work. We have always felt, and benefited from, their collective passion and commitment to helping IAMGOLD succeed. In 2009, our people set new records and continued to work toward improvements in safety, production and competitive costs. We are truly grateful for their contributions.

On behalf of the Board of Directors and the whole organization, we would also like to express our sincerest thanks to Joseph F. Conway, long-time President and Chief Executive Officer, who left our company in January 2010. Joseph left a lasting mark on this organization, having led its growth and transformation into one of Canada's leading intermediate gold producers. We wish him every success in the future.

We now look forward to continuing to raise the bar on our strategy of disciplined growth and operational excellence that has served the company and its shareholders so well over the last few years.

Sincerely,



William D. Pugliese
Chairman



Peter C. Jones
Interim President &
Chief Executive Officer

March 25, 2010

Across the company, our teams innovated and found ways to extend mine lives, control costs and optimize processes to deliver strong operating results and outperform expectations.

FINANCIAL STRENGTH

Positioned to capitalize on market opportunity



FOUNDATION FOR ESSAKANE CRUSHER

\$300 MILLION
IN CASH AND GOLD BULLION

\$257 MILLION
IN OPERATING CASH FLOW

\$400 MILLION
CORPORATE CREDIT FACILITY AND LETTERS OF CREDIT

An exceptional balance sheet and solid cash flow provide IAMGOLD with the financial flexibility to fund growth initiatives and capitalize on market opportunities. In the midst of the global credit meltdown, we were uniquely positioned to acquire and finance the development of the Essakane project, one of West Africa's largest undeveloped gold reserves.

The company ended 2009 in excellent financial condition. Our portfolio of operations generated operating cash flow of \$257 million and record adjusted net earnings of \$212 million, up 97% from 2008. At December 31, 2009, the company had a strong cash position

with approximately \$300 million in cash and gold bullion (at market value), and in March 2010 amended our credit facility to \$350 million. In addition, a \$50 million facility for letters of credit will be established.

Since 2002, we have held a portion of our cash in gold bullion. In response to the acquisition and construction of the Essakane mine, we sold a portion of the bullion in early 2009 at \$901 per ounce, generating a 123% return on investment. Our gold bullion holdings at the end of 2009 were 99,999 ounces.

To strengthen the company's balance sheet during the year, we completed an equity financing in March, raising gross proceeds of C\$345 million. The financing was used to fund the construction and development of the Essakane project, capital expenditures at our other properties and for general corporate purposes.

With our strong balance sheet, together with the available credit facility and operating cash flow, IAMGOLD is well funded for planned capital expenditures of \$373 million and exploration expenses of \$38 million in 2010.

FULLY FUNDED GROWTH PROJECTS

2010 Forecast Capital Expenditures (\$ millions)

Development Projects

Essakane	\$	116
Westwood	\$	102
Quimsacocha	\$	12
Sadiola deep sulphide project	\$	4

Mining Operations

Niobec	\$	74
Rosebel	\$	49
Others combined	\$	16

TOTAL \$ **373**

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We have a longstanding presence in West Africa, the Guiana Shield of South America and Quebec.



GOLD PRODUCTION SUMMARY

IAMGOLD produced 939,000 ounces of gold at average cash costs of \$461 per ounce in 2009, surpassing its production and cash cost targets.



GOLD PRODUCTION SUMMARY		Attributable Gold Production (oz)	Total Cash Cost (\$/oz)
IAMGOLD OPERATOR			
Rosebel (95%)	Suriname	392,000	\$ 396
Doyon Division (100%)	Canada	109,000	\$ 524
Mupane (100%)	Botswana	51,000	\$ 735
PARTNER MINES			
Sadiola (38%) ¹	Mali	135,000	\$ 483
Yatela (40%)	Mali	89,000	\$ 339
Tarkwa (18.9%)	Ghana	125,000	\$ 513
Damang (18.9%)	Ghana	38,000	\$ 619

¹ On December 29, 2009, the company purchased an additional 3% interest, increasing the Sadiola joint venture ownership interest to 41%.

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OPERATING EXCELLENCE

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Setting bold goals, and delivering above and beyond them

**RECORD GOLD PRODUCTION OF
412,000 OUNCES AT ROSEBEL**

**DEEP SULPHIDE OPPORTUNITY
AT SADIOLA**

**MINE LIFE EXTENSIONS AT THE
DOYON AND MOUSKA MINES**

EXPANSION AT NIOBEC





ROSEBEL MILL EXPANSION

392,000 OUNCES

2009 ATTRIBUTABLE GOLD PRODUCTION

\$396

2009 CASH COST PER OUNCE

For 2009, we set challenging goals for optimizing productivity and controlling costs at our operating mines, recognizing that we had the talent to achieve great things. Our results are a testament to the skill, experience and dedication of our people.

ROSEBEL (95% interest)

At Rosebel, we have made a concerted effort over the past two years to maximize the potential of our flagship mine. The management team established an aggressive vision for the site that included greater employee involvement, a step change in safety performance and a focus on breakthrough process improvements. We also invested in a mill expansion and upgraded our mining fleet.

In 2009, the results of this work exceeded expectations and compelled us to raise our production guidance twice during the year. The mine achieved record gold production of 412,000 ounces, or 392,000 attributable ounces, a 24% increase over the 2008 result.

The expanded mill operated at, or above, its nameplate capacity for most of the year, increasing throughput by 34% over the prior year. To maximize the use of the additional mill capacity, reduce maintenance costs and improve fuel consumption, we advanced capital spending from 2010 to 2009 for a new and enhanced mining fleet. We also introduced contractor ore haulage for more distant pits.

These and other optimization initiatives helped lower cash costs per ounce of gold produced at Rosebel by 15% in 2009. They also enabled us to reduce injury rates by 66% in 2008 and 56% in 2009.

Production is expected to remain constant in 2010 at between 380,000 and 400,000 attributable ounces of gold with higher cash costs because of increased ore hardness, lower grades and longer ore hauls. However, the drive to optimize production will continue with additional capital investments and an ongoing emphasis on eliminating waste, cutting costs and improving efficiency.

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MOUSKA HEADFRAME

DOYON DIVISION (100% owned)

Our Doyon and Mouska mines had been operating since 1980 and 1988, respectively, and would have closed in mid-2009 were it not for the technical know-how and ingenuity of the Doyon Division teams. We are fortunate to be able to transfer our skill and experience from Doyon to the nearby Westwood project, where many of the same people will work.

At the Doyon mine, aggressive planning and a strong ground control monitoring program enabled us to continue production seven months past the anticipated end of life. We were also able to extend the anticipated life of the Mouska mine to early 2012 at reduced output of between 20,000 and 30,000 ounces because of high grade mineralization delineated in 2009. Full year gold production at the Doyon Division exceeded plans by 38%, adding 109,000 ounces.

MUPANE (100% owned)

Having produced approximately 400,000 ounces of gold since production began in 2004, the Mupane mine in Botswana is undergoing review as we seek to maximize its potential. Open pit mining is currently scheduled to close in 2012.

109,000 OUNCES

2009 GOLD PRODUCTION

\$524

2009 CASH COST PER OUNCE

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SADIOLA PIT

135,000 OUNCES

2009 ATTRIBUTABLE GOLD PRODUCTION

\$483

2009 CASH COST PER OUNCE

SADIOLA (41% interest)

At Sadiola, we are bringing new life to the mine that helped establish IAMGOLD as a prominent gold producer in West Africa. Our company was founded on the discovery of Sadiola in 1990, and the mine has produced approximately six million ounces of gold since 1996.

In late 2009, our joint venture partners agreed with us to proceed with the Sadiola deep sulphide feasibility study. Instead of processing stockpiles to the end of the mine life in 2013, the project proposes mining the mineralization beneath the oxides, potentially extending the operation by six years. The preliminary feasibility study, which was led by the IAMGOLD project team, forecasts a production increase at Sadiola to

between 400,000 and 500,000 ounces per year from 2013 to 2018 with an end of mine life in 2019. The expansion could increase the total gold production at Sadiola by approximately 2.2 million ounces beyond the current mine plan. Assuming positive results and a decision to proceed, construction could begin in late 2010 and a new plant could begin operating in mid-2012. The project is highly dependent on successfully addressing a number of major variables that could significantly affect the viability of the project, including agreement by the joint venture partners, negotiating an economic energy supply and tax framework, and achieving an adequate return on investment.

Demonstrating the confidence we have in the future of the Sadiola mine, IAMGOLD acquired an additional 3% share in Sadiola on December 29, 2009, which would have represented approximately 144,000 total attributable ounces of gold in 2009.

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YATELA (40% interest)

At the Yatela mine in Mali, attributable gold production rose 35% over 2008 levels, reflecting higher gold grades, and cash costs decreased by 34%. Previously scheduled to cease operations in 2010, the mine life has been extended into early 2012 as a result of 2009 exploration drilling, which increased the resource base.

TARKWA (18.9% interest)

The Tarkwa mine in Ghana is a long-life, open pit mine consisting of heap leach operations and a carbon-in-leach ("CIL") plant. In early 2009, an expansion project doubled the capacity of the CIL plant and added a new tailings storage facility. Expansions over the past two years will enable total gold production to remain above 700,000 ounces per year until 2021.

DAMANG (18.9% interest)

The Damang mine is approximately 30 kilometres from the Tarkwa mine. The mine offers good exploration potential and new discoveries were made in 2009. Plans are to accelerate the new discoveries to maintain a pipeline of quality projects and provide additional mineable reserves to extend the mine life.



NIOBEC MILL EXPANSION

NIOBEC (100% owned)

Our Niobec mine is a long-life, high margin producer of niobium, a metal used in specialty high strength steels. The mine generates approximately 15% to 20% of IAMGOLD's cash flow, helping fund our broader growth strategy.

In June 2009, we began work on a mill expansion to increase throughput by 24%, and a paste backfill plant that will enable near-complete extraction of the ore body at lower levels of the mine. The two construction projects are being run concurrently with completion of the backfill plant anticipated in the second quarter of 2010 and the mill expansion in the third quarter.

During 2009, revenue grew as a result of higher realized niobium prices and increased sales volumes. The company has 2010 commitments for more than 80% of estimated production, which is expected to be between 4.2 and 4.4 million kilograms of niobium at an operating margin of between \$17 and \$19 per kilogram.

4.1 MILLION KG
 2009 NIOBIUM PRODUCTION

\$20 PER KG
 2009 OPERATING MARGIN

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SOLID PROJECT PIPELINE

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Poised to produce more gold at a lower cost



ACQUIRED, INTEGRATED AND
ACCELERATED PLANNED
PRODUCTION AT ESSAKANE

ON TRACK TO DELIVER THE
LONG-LIFE, LOW-COST
WESTWOOD MINE IN EARLY 2013

READY TO RESUME FIELDWORK
AT QUIMSACOCHA



ESSAKANE GRINDING MILL

315,000 OUNCES

LIFE-OF-MINE ANNUAL GOLD PRODUCTION (EST.)

\$400-410

AVERAGE CASH COST PER OUNCE (EST.)

AUGUST 2010
START-UP

9+ YEARS
MINE LIFE (EST.)

Essakane and Westwood, our two most advanced development projects, will add over 500,000 ounces of annual gold production at lower cash costs than our current portfolio average. Together with projects at Rosebel, Niobec, Sadiola and Quimsacocha, IAMGOLD has set a foundation for growth in 2010 and beyond.

ESSAKANE (90% interest)

In February 2009, we acquired the Essakane gold project in Burkina Faso, providing a second flagship gold project and near-term production in one of our geographic focus areas. Essakane also increased IAMGOLD's reserve base at the time by more than 30%.

Within seven months of assuming control of construction, we announced plans to accelerate production during the early years by increasing the processing rate and optimizing the mine plan to allow access to higher grade ore sooner.

The mine is slated to achieve commercial production by August 2010, ahead of schedule and on budget. Initial gold output is estimated at between 480,000 and 490,000 ounces from start-up to year-end 2011.

The \$443 million project has involved more than 3,000 people, and adhered to international standards and best practices for all parts of construction. Nowhere is our commitment to Zero Harm more evident than at Essakane, where we achieved the successful relocation of the Essakane village, providing 12,000 people

with improved housing and access to water and education. Health and safety results exceeded expectations and were well below construction standards with only four lost-time accidents on the project with more than 7.7 million hours worked.

While construction is underway, our team has begun exploring the concessions surrounding the mine property. Their work will continue while we have already recorded a 38% increase in mineral reserves and a 40% increase in mineral resources on this promising land package.

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WESTWOOD (100% owned)

Towering above all others in the prolific Cadillac region of northern Quebec, an 85-metre headframe oversees the Westwood project, located 2.0 kilometres east of the Doyon mine. The Westwood project contains three gold-bearing corridors that are known to extend at least 3.0 kilometres along strike and to a minimum depth of 2.4 kilometres.

Construction began in 2008 and is on schedule and on budget for commercial production in early 2013. During 2009, the construction team demonstrated its prowess, simultaneously erecting the headframe and sinking the shaft to over

500 metres. The operation will utilize the 3,500-tonne-per-day Doyon mill and other infrastructure, and will employ many of the skilled and experienced employees and management team members from the Doyon Division.

In June 2009, we announced a 9% increase in mineral resources at Westwood, where we completed an 84,700-metre underground and surface drilling program. An updated preliminary assessment study confirmed that over a projected 16-year mine life, Westwood will produce an average of 186,000 ounces of gold annually, expected at costs below the industry average.

UPDATE ON CAMP CAIMAN

A draft Mining Framework was published by the French authorities in June 2009 but there has been no definitive progress towards a final framework and no assurance that it would permit development of the Camp Caiman project in French Guiana. IAMGOLD remains committed to the project but has prepared legal claims to protect the interests of our shareholders. We recorded a non-cash impairment charge in our fourth quarter for the net carrying value of the project.

QUIMSACOCHA (100% owned)

We are taking a measured approach to the Quimsacocha project in Ecuador, which has the potential to add 202,000 ounces of annual gold production at an estimated cash cost of \$272 per ounce.

While a pre-feasibility study had been completed, a moratorium on mining stopped all fieldwork in 2008. A new mining law was passed in February 2009 and the accompanying regulations were signed in November. We are awaiting authorization to resume ground work and

Total capital expenditures from January 2009 are estimated at \$401 million, of which \$81.4 million was spent in 2009.

In 2010, \$102 million will be spent on ongoing development, construction and drilling.

exploration drilling. Once this occurs, the final feasibility study is expected to take within 15 months to complete, at a cost of \$14 million. Production start-up is expected 24 months later.



186,000 OUNCES

LIFE-OF-MINE ANNUAL
GOLD PRODUCTION (EST.)

\$358

AVERAGE CASH COST PER OUNCE (EST.)

EARLY 2013

START-UP

16 YEARS

MINE LIFE (EST.)

202,000 OUNCES

LIFE-OF-MINE ANNUAL
GOLD PRODUCTION (EST.)

\$272

AVERAGE CASH COST PER OUNCE (EST.)

7.5 YEARS

MINE LIFE (EST.)

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GROWTH THROUGH EXPLORATION

 [PRINTER FRIENDLY VERSION](#)

Aggressive in our pursuit of gold

**SUCCESSFUL NEAR-MINE
EXPLORATION AND
RESOURCE DEVELOPMENT**

**INCREASED GOLD RESERVES TO
A RECORD 14.5 MILLION OUNCES**

**GREW NIOBIUM RESERVES TO
181.3 MILLION KILOGRAMS**

**INVESTED IN GREENFIELD
EXPLORATION TO SET THE STAGE
FOR FUTURE GROWTH**



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GEOLOGISTS WITH EXPLORATION DRILL RIG

Our 60 exploration professionals are based in Africa and the Americas. They focus on under-explored regions that we believe to hold good potential for sizeable gold discoveries. The goal is to locate – whether by exploration or acquisition – long-life deposits capable of producing more than 150,000 ounces of gold annually at below industry-average cash costs.

WEST AFRICA

As part of our strategy to build IAMGOLD's resource base and production profile in West Africa, we completed significant near-mine and regional exploration programs including investments in two promising joint ventures in Mali.

In the Sadiola/Yatela area, we are involved in an 18-month, \$18 million exploration program aimed at fully evaluating the remaining oxide gold potential on the joint venture lands and conducting further investigation of potential sulphide mineralization in the immediate mine vicinity. This is in addition to the deep sulphide preliminary feasibility

study, which led to an 11% increase in attributable measured and indicated mineral resources and a 47% increase in inferred mineral resources at the Sadiola mine in 2009.

We are undertaking a 70,500-metre combined drill program at Essakane in 2010, targeted at maximizing the conversion of inferred mineral resources directly below the current pit design to mineral reserves plus testing regional satellite zones. The 3,000-metre greenfield exploration program marks the beginning of a multi-year initiative on the exploration leases. Since acquiring

Essakane, we have already achieved a 38% increase in mineral reserves and a 40% increase in mineral resources.

In late 2008, we acquired an option to earn a 50% interest in Merrex Gold's Siribaya gold project. The project consists of a 700-square-kilometre land package that holds significant potential for economic gold mineralization. Drill results from the 2009 exploration program almost tripled the strike length of the continuously mineralized zone from 300 metres to 900 metres.

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WESTWOOD CORESHACK

In 2009, we signed an option agreement with Avnef Gold Mining Limited to earn an initial 51% interest in its Kalana gold project in southwest Mali. The 30-year mining exploitation permit encompasses 387 square kilometres around a small, high grade underground mine. The investment represents an outstanding opportunity to explore a strong gold mineralized system with a view to realizing its large-scale bulk mineable potential. We have the option to increase our interest up to 70% upon delivering a feasibility study that supports the development of a gold mine. The 2010 20,000-metre drill program is focused on testing the extent and nature of gold mineralization in the immediate mine area and exploring several satellite targets.

SOUTH AMERICA

We are engaged in a multi-year exploration effort on the Rosebel concession holdings. The focus of the 2009 program was on converting resources to reserves, extending resources along strike and at depth, and

identifying new resources near known deposits. Approximately 86,000 metres were drilled on six known gold deposits, resulting in a 37% increase in proven and probable reserves. In 2010, a \$12 million, 81,000-metre near-mine drill program is designed to upgrade additional resources to reserves and pursue targets close to the existing resource.

IAMGOLD holds more than 400,000 hectares covering historic gold workings in the Minas Gerais state of Brazil. The 2009 drilling program identified a continuous low grade mineralized system extending over 800 metres along strike. The 2010 drill program is designed to investigate this mineralization further as well as add new gold targets across our extensive property package.

IAMGOLD conducted greenfield exploration in three priority regions of northern and southern Peru in 2009. Several attractive early-stage projects were added to the exploration portfolio which we plan to drill in 2010.

CANADA

In 2009, we announced a 9% increase in mineral resources at the Westwood development project resulting from our 84,700-metre underground and surface drilling program. The 2010 program includes 41,000 metres of infill drilling to upgrade resources to a higher confidence level. A further 30,000 metres of exploration drilling will test the projected down dip and along strike extensions of the three major mineralized corridors at Westwood.

At the Niobec mine, we are conducting infill drilling in the lower development blocks to convert resources into reserves and carry out resource delineation drilling. This work resulted in a 32% increase in proven and probable reserves of niobium to 181 million kilograms of contained niobium pentoxide (Nb₂O₅) at year-end 2009. We also increased inferred mineral resources by 53.6 million kilograms of contained Nb₂O₅.

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ENTREPRENEURIAL, BUSINESS-ORIENTED CULTURE

 PRINTER FRIENDLY VERSION

Driven by a vibrant, engaged workforce



96% OF EMPLOYEES AT
INTERNATIONAL OPERATIONS
ARE NATIONALS

MORE THAN 1,700 APPRENTICES
AT ESSAKANE SINCE 2006

AVERAGE 14,820 HOURS OF
TRAINING PER YEAR PER
OPERATING SITE



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IAMGOLD has a strong and dedicated workforce that is the driving force behind our success. Since early 2006, we have grown from less than 100 employees to close to 6,000 at year-end 2009, and established an entrepreneurial, business-oriented culture.

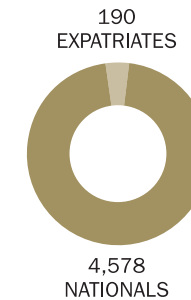
We are committed to hiring locally and nationally. In this way, IAMGOLD contributes to the economic sustainability of our host communities, by building employees' transferable technical and management skills. At Rosebel, we marked the mine's five-year anniversary in 2009 with a number of events, including Nationals Management Week, during which local employees assumed all of the management roles at the mine. It was an opportunity to showcase the site's achievements in building technical, management and leadership capabilities within the local workforce and was highly successful.

Throughout the company, an emphasis on training and development supports employees' career goals and aspirations. We conducted an average of approximately 14,820 hours of training per operating site in 2009, equivalent to about 30 hours of training per person. This included technical skills and leadership training, safety training, apprenticeships and our unique Ounce by Ounce business literacy program.

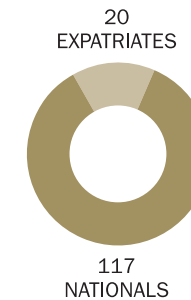
The Ounce by Ounce program educates and engages employees in all facets of our business so that they can directly impact their site's objectives and contribute to the achievement of corporate goals. The program is jointly delivered in multiple languages by senior executives and trained internal facilitators, using a mix of presentations, video and brainstorming sessions. To date, close to 3,000 employees have participated, 74 facilitators have been trained and 17,500 business improvement ideas have been generated.

EMPLOYEES AT INTERNATIONAL SITES

OPERATIONS



EXPLORATION



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ZERO HARM

Committed to Zero Harm in everything we do



31% DECREASE IN TOTAL
ACCIDENT FREQUENCY RATE

RECORD SAFETY PERFORMANCE AT
ALL IAMGOLD OPERATED MINES

SUCCESSFUL VILLAGE
RELOCATIONS AT ESSAKANE

ISO 14001 CERTIFICATION

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Zero Harm is IAMGOLD's vision for maintaining the highest standards in human health, minimizing our impact on the environment and working co-operatively with our fellow workers and host communities. The way we look at it, not only is Zero Harm the right thing to do, it also makes very good business sense.

In 2009, we continued our course of improving health and safety performance, with zero fatalities and a 31% decrease in our days away (lost-time and modified duty accidents) and total accident frequency rate (lost-time, modified duty and medical aid accidents). A prime example of how safe work practices have taken hold at our sites was at the Doyon mine. Even though the mine was closing, employees achieved record safety performance. IAMGOLD is now focusing more on the preventative activities that drive health and safety performance than on injury rates alone. In 2009, IAMGOLD operated mines achieved over 100% of their preventative activity targets, raising the bar for future health and safety performance.

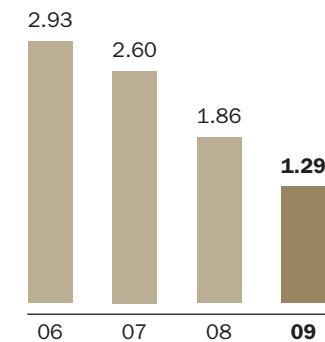
Among our other Zero Harm accomplishments, the Rosebel mine was awarded the *Towards Sustainable Mining* award for tailings management from the Mining Association of Canada.

At our Westwood project, the installation of geotube technology enables water to be reused and recycled to eliminate a discharge to the environment. In Suriname and French Guiana, we are growing native tree species in nurseries to reclaim our site and restore biodiversity.

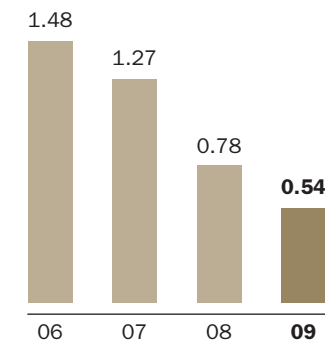
One of our most complex community initiatives was the resettlement of the Essakane village. Upon acquiring the property in early 2009, we were immediately involved in plans to relocate approximately 12,000 people and more than 2,000 buildings. New homes, mosques, churches, schools and other buildings were constructed. The process involved extensive community engagement, joining forces with the High Commissioner of Oudalan Province, 48 community representatives, 16 representatives from government departments, five civil society ("NGO") representatives and four company representatives. Five small villages were successfully resettled in early 2009, and the remaining population was moved in early 2010.

For more information about IAMGOLD's Zero Harm initiative and performance, please see the 2009 Health, Safety & Sustainability Report at www.iamgold.com.

TOTAL RECORDABLE INCIDENT RATE
(PER 100 WORKERS PER YEAR)



DAYS AWAY ACCIDENT RATE
(PER 100 WORKERS PER YEAR)



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In 2009, IAMGOLD increased its value by significantly converting resources to reserves and replacing depletion. Total proven and probable gold reserves increased by 2.1 million ounces, a 17% increase over the previous year, and total proven and probable niobium reserves rose by 32%.



	Attributable Contained Ounces of Gold (000)		Contained Nb ₂ O ₅ (million kilograms)
GOLD OPERATIONS		NON-GOLD OPERATIONS	
Total Proven & Probable Reserves	14,508	Total Proven & Probable Reserves	181.3
Total Measured & Indicated Resources (includes Mineral Reserves)	19,851	Total Measured & Indicated Resources (includes Mineral Reserves)	181.3
Total Inferred Resources	8,890	Total Inferred Resources	219.1

SENIOR MANAGEMENT



Peter C. Jones
Interim President &
Chief Executive Officer



Carol T. Banducci
Executive Vice President &
Chief Financial Officer



P. Gordon Stothart
Executive Vice President &
Chief Operating Officer



Larry E. Phillips
Executive Vice President,
Corporate Affairs



Renaud Adams
Senior Vice President,
Operations, Americas



Brian Chandler
Senior Vice President,
African Operations



Michael Donnelly
Senior Vice President,
Exploration



Ross Gallinger
Senior Vice President,
Health, Safety &
Sustainability



John McCombe
Senior Vice President,
Operating Strategy



Denis Miville-Deschênes
Senior Vice President,
Project Development



Paul B. Olmsted
Senior Vice President,
Corporate Development



Jeffery A. Snow
Senior Vice President,
General Counsel &
Corporate Secretary



Lisa Zangari
Senior Vice President,
Human Resources