



2015 Q1 REPORT

Management's Discussion & Analysis	1
Financial Statements	27



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS FIRST QUARTER ENDED MARCH 31, 2015

The following Management's Discussion and Analysis ("MD&A") of IAMGOLD Corporation ("IAMGOLD" or the "Company"), dated May 5, 2015, is intended to supplement and complement the unaudited condensed consolidated interim financial statements and notes ("consolidated interim financial statements") thereto as at and for the three months ended March 31, 2015. This MD&A should be read in conjunction with IAMGOLD's audited annual consolidated financial statements and related notes for December 31, 2014 and the related MD&A included in the 2014 annual report. All figures in this MD&A are in U.S. dollars, unless stated otherwise. Additional information on IAMGOLD can be found at www.sedar.com or www.sec.gov.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

All information included in this MD&A, including any information as to the Company's future financial or operating performance, and other statements that express management's expectations or estimates of future performance, other than statements of historical fact, constitute forward-looking information or forward-looking statements and are based on expectations, estimates and projections as of the date of this MD&A. For example, forward-looking statements contained in this MD&A are found under, but are not limited to being included under, the headings "First Quarter 2015 Summary", "Outlook" and "Quarterly Updates", and include, without limitation, statements with respect to: the Company's guidance for production, total cash costs, all-in sustaining costs, depreciation expense, effective tax rate, capital expenditures, operations outlook, development and expansion projects, exploration, the future price of gold, the estimation of mineral reserves and mineral resources, the realization of mineral reserve and mineral resource estimates, the timing and amount of estimated future production, costs of production, permitting timelines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Forward-looking statements are generally identifiable by, but are not limited to, the use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "plan", "suggest", "guidance", "outlook", "potential", "prospects", "seek", "targets", "strategy" or "project" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The Company cautions the reader that reliance on such forward-looking statements involve risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of IAMGOLD to be materially different from the Company's estimated future results, performance or achievements expressed or implied by those forward-looking statements, and the forward-looking statements are not guarantees of future performance. These risks, uncertainties and other factors include, but are not limited to, changes in the global prices for gold, copper, silver or certain other commodities (such as diesel and electricity); changes in U.S. dollar and other currency exchange rates, interest rates or gold lease rates; risks arising from holding derivative instruments; the level of liquidity and capital resources; access to capital markets, and financing; mining tax regimes; ability to successfully integrate acquired assets; legislative, political or economic developments in the jurisdictions in which the Company carries on business; operating or technical difficulties in connection with mining or development activities; laws and regulations governing the protection of the environment; employee relations; availability and increasing costs associated with mining inputs and labour; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of reserves; adverse changes in the Company's credit rating; contests over title to properties, particularly title to undeveloped properties; and the risks involved in the exploration, development and mining business. With respect to development projects, IAMGOLD's ability to sustain or increase its present levels of gold production is dependent in part on the success of its projects. Risks and unknowns inherent in all projects include the inaccuracy of estimated reserves and resources, metallurgical recoveries, capital and operating costs of such projects, and the future prices for the relevant minerals. Development projects have no operating history upon which to base estimates of future cash flows. The capital expenditures and time required to develop new mines or other projects are considerable, and changes in costs or construction schedules can affect project economics. Actual costs and economic returns may differ materially from IAMGOLD's estimates or IAMGOLD could fail to obtain the governmental approvals necessary for the operation of a project; in either case, the project may not proceed, either on its original timing or at all.

For a more comprehensive discussion of the risks faced by the Company, and which may cause the actual financial results, performance or achievements of IAMGOLD to be materially different from the Company's estimated future results, performance or achievements expressed or implied by forward-looking information or forward-looking statements, please refer to the Company's latest Annual Information Form ("AIF"), filed with the Canadian securities regulatory authorities at www.sedar.com, and filed under Form 40-F with the United States Securities Exchange Commission at www.sec.gov/edgar.shtml. The risks described in the AIF (filed and viewable on www.sedar.com and www.sec.gov/edgar.shtml, and is available upon request from the Company) are hereby incorporated by reference into this MD&A.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise except as required by applicable law.

INDEX

About IAMGOLD	2
First Quarter 2015 Highlights	2
First Quarter 2015 Summary	3
Outlook	5
Market Trends	6
Quarterly Updates	
Operations	8
Exploration	13
Quarterly Financial Review	16
Financial Condition	
Liquidity and Capital Resources	16
Market Risk	18
Shareholders' Equity	18
Cash Flow	19
Discontinued Operations	19
Disclosure Controls and Procedures and Internal Control over Financial Reporting	19
Critical Judgments, Estimates and Assumptions	20
Future Accounting Policies	20
Risks and Uncertainties	21
Non-GAAP Performance Measures	21

ABOUT IAMGOLD

IAMGOLD is a mid-tier mining company with four operating gold mines on three continents. A solid base of strategic assets in North and South America and West Africa is complemented by development and exploration projects, and continued assessment of accretive acquisition opportunities. IAMGOLD is in a strong financial position with extensive management and operational expertise. IAMGOLD (www.iamgold.com) is listed on the Toronto Stock Exchange (trading symbol "IMG") and the New York Stock Exchange (trading symbol "IAG").

IAMGOLD's commitment is to Zero Harm, in every aspect of its business. IAMGOLD is one of the companies on the JSI index¹.

FIRST QUARTER 2015 HIGHLIGHTS

- Attributable gold production, inclusive of joint venture operations, was 208,000 ounces, up 36,000 ounces compared to the first quarter 2014.
- Gold production at Essakane continues to benefit from the mill expansion, up 30% compared to the first quarter 2014.
- All-in sustaining costs² - gold mines⁴ for the first quarter 2015 were \$1,113 per ounce sold, down from \$1,198 per ounce sold in the first quarter 2014.
- Total cash costs^{2,3} - gold mines were \$846 per ounce produced as compared to \$886 per ounce produced in the first quarter 2014.
- On January 22, 2015, the Company completed the sale of Niobec for cash consideration of \$502.6 million, resulting in an after-tax gain of \$37.8 million.
- In February 2015, the Company issued flow-through shares for net proceeds of \$39.3 million.
- On March 23, 2015, the Company completed the sale of its Diavik royalty asset for total proceeds of \$56.8 million, resulting in an after-tax gain of \$43.5 million.
- In March 2015, the Company repurchased \$5.4 million (face value) of long-term debt.
- On April 23, 2015, the Company announced an updated resource estimate for the Falagountou deposit at Essakane. The indicated resource increased by 84% to 613,000 ounces and the average grade by 10% to 1.52 g/t Au, contributing to a 6% increase in Essakane's estimated indicated resource to 5.0 million ounces.

¹ Jantzi Social Index ("JSI"). The JSI is a socially screened market capitalization-weighted common stock index modeled on the S&P/TSX 60. It consists of companies that pass a set of broadly based environmental, social and governance rating criteria.

² This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

³ The total cash costs computation does not include Westwood pre-commercial production for the three months ended March 31, 2014 of 1,000 ounces.

⁴ Gold mines, as used with total cash costs and all-in sustaining costs, consist of Rosebel, Essakane, Westwood (commercial production), Mouska, Sadiola and Yatela on an attributable basis.

FIRST QUARTER 2015 SUMMARY

FINANCIAL

- Cash, cash equivalents and gold bullion (at market value) was \$889.1 million at March 31, 2015, up \$568.1 million from December 31, 2014. The increase was mainly due to gross proceeds from the disposal of Niobec (\$502.6 million), proceeds from the sale of the Diavik royalty asset (\$52.5 million), proceeds from the issuance of flow-through shares (\$39.3 million) and cash generated from operating activities (\$30.0 million), partially offset by spending on Property, plant and equipment (\$48.6 million) and a repurchase of long-term debt (\$4.5 million).
- Revenues from continuing operations for the first quarter 2015 were \$244.7 million, up \$27.4 million or 13% from the same prior year period. The increase was the result of higher gold sales from owner-operated mines of 33,000 ounces (\$41.3 million) and an increase in by-product credits (\$0.4 million), partially offset by lower average realized gold prices (\$12.0 million) and lower royalties following the sale of Diavik (\$2.3 million). The higher sales volume was mainly due to Westwood, which commenced commercial production in the third quarter 2014, and a 30% increase in production at Essakane, partially offset by lower production at Rosebel and the closure of Mouska.
- Cost of sales from continuing operations for the first quarter 2015 was \$231.7 million, up \$46.5 million or 25% from the same prior year period. The increase was the result of higher operating costs (\$22.9 million) and higher depreciation expense (\$24.4 million) partially offset by lower royalties due to lower realized gold prices (\$0.8 million). Higher operating costs resulted from the commencement of commercial production at Westwood in the third quarter 2014 (\$30.3 million) and higher operating costs for harder rock and lower capitalized stripping at Essakane (\$4.2 million), partially offset by lower mining and milling costs at Rosebel (\$7.6 million) and the closure of Mouska (\$4.0 million).
- Depreciation expense from continuing operations in the first quarter 2015 was \$62.3 million, up \$24.4 million or 64% from the same prior year period. This was primarily the result of the commencement of commercial production at Westwood in the third quarter 2014, higher production and lower reserves at Essakane and higher amortization of capitalized stripping at Rosebel.
- Income tax expense from continuing operations for the first quarter 2015 was \$21.8 million, up \$12.7 million from the same prior year period. The increase was mainly due to an increase in the non-cash deferred tax expense as a result of the strengthening of the U.S. dollar. This reduced the tax basis of mining assets in foreign jurisdictions, which lowered the future tax deductions available when translated into U.S. dollars.
- Net cash from operating activities including discontinued operations for the first quarter 2015 was \$30.0 million, up \$1.9 million or 7% from the same prior year period. The increase was mainly due to collecting cash on outstanding receivables (\$16.7 million), paying less income taxes (\$13.8 million) and managing vendor payment terms (\$9.4 million), partially offset by lower earnings from operations.
- Net cash from operating activities before changes in working capital¹ including discontinued operations for the first quarter 2015 was \$54.8 million (\$0.14 per share¹), down \$9.8 million (\$0.03 per share) or 15% from the same prior year period.
- Net loss from continuing operations attributable to equity holders for the first quarter 2015 was \$16.5 million or \$0.04 per share, up \$2.4 million from the same prior year period. The increase was mainly related to higher cost of sales (\$46.5 million) and income taxes (\$12.7 million) as noted above, higher non-hedge derivative losses (\$10.7 million) and higher finance costs (\$8.0 million), partially offset by the gain on the sale of the Diavik royalty asset (\$43.5 million) and higher revenues (\$27.4 million) as noted above.
- Net earnings for Niobec were presented separately as Net earnings from discontinued operations, net of income taxes in the Consolidated statements of earnings. Comparative periods have been adjusted accordingly. Net earnings from discontinued operations, for the period January 1, 2015 to January 22, 2015 when the sale was completed, were \$40.6 million, primarily due to the gain on sale of \$37.8 million.
- Adjusted net loss including discontinued operations attributable to equity holders¹ for the first quarter 2015 was \$26.7 million (\$0.07 per share¹), down \$38.7 million (\$0.10 per share) from the adjusted net earnings of \$12.0 million (\$0.03 per share¹) for the same prior year period.

OPERATIONS

- Regarding health and safety, the frequency of all types of serious injuries (measured as the DART rate²) for the first quarter 2015 was 0.70, in-line with the Company's target for 2015. Based on the exceptional performance of 0.66 in 2014, the Company has set an aggressive target of 0.69 for 2015.

GOLD

- Attributable gold production, inclusive of joint venture operations, for the first quarter 2015 was 208,000 ounces, up 36,000 ounces from the same prior year period. The increase was primarily due to the commencement of commercial production at Westwood in the third quarter 2014 (21,000 ounces) and milling higher proportions of hard rock containing higher grade ore at Essakane as a result of the expanded plant (21,000 ounces). This was partially offset by lower grades at Rosebel (4,000 ounces) and the winding down of operations at Yatela (2,000 ounces).
- Attributable gold sales, inclusive of joint venture operations, for the first quarter 2015 was 208,000 ounces, in-line with attributable gold production despite offsetting timing differences between production and sales at Westwood, Rosebel and Essakane.

¹ This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

² The DART rate refers to the number of days away, restricted duty or job transfer incidents that occur per 100 employees.

- Total cash costs^{1,3} - gold mines⁵ for the first quarter 2015 were \$846 per ounce produced, down 5% from the same prior year period. The decrease was mainly due to favorable grades at Essakane and lower mining costs at both Sadiola and Yatela. The decrease was partially offset by higher costs at Westwood resulting from rehabilitation activities in the area affected by the localized rock burst and lower grades at Rosebel. Included in total cash costs¹ in the first quarter 2015 were realized hedge and non-hedge derivative losses of \$60 per ounce produced, compared to \$nil per ounce produced in the same prior year period.
- All-in sustaining costs¹ - gold mines for the first quarter 2015 were \$1,113 per ounce sold, down 7% from the prior year. The decrease was mainly the result of higher sales volume and lower cash costs. Included in all-in sustaining costs¹ in the first quarter 2015 were realized hedge and non-hedge derivative losses of \$64 per ounce per ounce sold, compared to \$nil per ounce sold in the same prior year period.

SUMMARY OF FINANCIAL AND OPERATING RESULTS

Financial Results (\$ millions, except where noted)	Three months ended March 31,	
	2015	2014
Continuing Operations		
Revenues	\$ 244.7	\$ 217.3
Cost of sales	\$ 231.7	\$ 185.2
Earnings from continuing mining operations ¹	\$ 13.0	\$ 32.1
Net earnings including discontinued operations attributable to equity holders of IAMGOLD	\$ 24.1	\$ 3.7
Net earnings including discontinued operations attributable to equity holders of IAMGOLD per share (\$/share)	\$ 0.06	\$ 0.01
Adjusted net earnings (loss) including discontinued operations attributable to equity holders of IAMGOLD ¹	\$ (26.7)	\$ 12.0
Adjusted net earnings (loss) including discontinued operations per share (\$/share) ¹	\$ (0.07)	\$ 0.03
Net cash from operating activities including discontinued operations	\$ 30.0	\$ 28.1
Net cash from operating activities before changes in working capital including discontinued operations ¹	\$ 54.8	\$ 64.6
Net cash from operating activities before changes in working capital including discontinued operations (\$/share) ¹	\$ 0.14	\$ 0.17
Net earnings from discontinued operations attributable to equity holders of IAMGOLD	\$ 40.6	\$ 17.8
Net earnings from discontinued operations attributable to equity holders of IAMGOLD (\$/share)	\$ 0.10	\$ 0.05
Key Operating Statistics		
Gold sales – attributable (000s oz)	208	176
Gold commercial production – attributable (000s oz)	208	171
Gold production – attributable ² (000s oz)	208	172
Average realized gold price ¹ (\$/oz)	\$ 1,221	\$ 1,286
Total cash costs ^{1,3,4} - gold mines ⁵ (\$/oz)	\$ 846	\$ 886
Gold margin ¹ (\$/oz)	\$ 375	\$ 400
All-in sustaining costs ^{1,4} – gold mines (\$/oz)	\$ 1,113	\$ 1,198

Financial Position from continuing operations (\$ millions)	March 31, 2015	December 31, 2014
Cash, cash equivalents, and gold bullion		
at market value	\$ 889.1	\$ 321.0
at cost	\$ 826.1	\$ 255.4
Total assets	\$ 4,136.1	\$ 4,222.8
Long-term debt	\$ 636.7	\$ 641.7
Available credit facilities	\$ 500.0	\$ 500.0

¹ This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

² Attributable gold production includes Westwood pre-commercial production for the three months ended March 31, 2014 of 1,000 ounces.

³ The total cash costs computation does not include Westwood pre-commercial production for the three months ended March 31, 2014 of 1,000 ounces.

⁴ By-product credits are included in the calculation of this measure; refer to the non-GAAP performance measures section of the MD&A for the reconciliation to GAAP.

⁵ Gold mines, as used with total cash costs and all-in sustaining costs, consist of Rosebel, Essakane, Westwood (commercial production), Mouska, Sadiola and Yatela on an attributable basis.

OUTLOOK

IAMGOLD Full Year Guidance³	2015
Rosebel (000s oz)	290 - 300
Essakane (000s oz)	360 - 370
Westwood (000s oz)	110 - 130
Total owner-operated production (000s oz)	760 - 800
Joint ventures (000s oz)	60
Total attributable production (000s oz)	820 - 860
Total cash costs ¹ - owner-operator (\$/oz)	\$825 - \$865
Total cash costs - gold mines ² (\$/oz)	\$850 - \$900
All-in sustaining costs ¹ - owner-operator (\$/oz)	\$1,050 - \$1,150
All-in sustaining costs - gold mines (\$/oz)	\$1,075 - \$1,175

¹ This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

² Gold mines, as used with total cash costs and all-in sustaining costs, consist of Rosebel, Essakane, Westwood, Sadiola and Yatela on an attributable basis.

³ The outlook is based on 2015 full year assumptions with an average realized gold price of \$1,250 per ounce, Canadian \$/U.S.\$ exchange rate of 1.15, U.S.\$/€ exchange rate of 1.20 and average crude oil price of \$73 per barrel. This considers consensus forecasted price and the Company's hedging programs.

GOLD PRODUCTION AND CASH COSTS

The Company maintains its 2015 annual attributable gold production guidance of 820,000 to 860,000 ounces. This reflects the ramp-up of production at Westwood and higher grades from hard rock ore processed at the expanded plant at Essakane, lower production at Rosebel due to a higher proportion of hard rock, and lower production at the joint ventures. The Company maintains its 2015 total cash costs¹ - gold mines guidance of \$850 to \$900 per ounce and 2015 all-in sustaining costs¹ - gold mines guidance of \$1,075 and \$1,175 per ounce.

ROSEBEL

The Company is maintaining its 2015 attributable gold production guidance for Rosebel of 290,000 to 300,000 ounces. The Company expects approximately 70% of the mining activity in 2015 to be from the longer-haul southern pits. Rosebel will continue to benefit from the use of engineered stockpiles which have provided significant improvements to circuit stability and is resulting in reduced grinding media and reagent consumption, and stable power draw.

ESSAKANE

The Company is maintaining its 2015 attributable gold production guidance for Essakane of 360,000 and 370,000 ounces.

WESTWOOD

The Company is maintaining its 2015 gold production guidance for Westwood of 110,000 to 130,000 ounces. Production at Westwood will continue to ramp-up as the focus in 2015 continues to be on development activities and stope preparation. Although the mill is scheduled for continuous operation in 2015, production will be slightly lower in the fourth quarter compared to the second and third quarters due to mine development sequencing, which will offer flexibility to the mine over the ramp-up period.

The Company expects Westwood's all-in sustaining costs¹ for 2015 to be in the range of \$1,100 to \$1,175 per ounce.

DEPRECIATION EXPENSE

The Company is maintaining its 2015 depreciation guidance of \$285 to \$295 million, as a result of a full year of commercial production at Westwood, higher amortization of capitalized stripping costs at Rosebel, lower reserves at Essakane and Rosebel, and expected timing of capital additions.

INCOME TAXES

The Company expects to pay cash taxes in the range of \$17 million to \$22 million in 2015. In addition, adjustments to deferred tax assets and or liabilities may also be recorded during this period.

¹ This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

CAPITAL EXPENDITURES OUTLOOK¹

The Company maintains its capital expenditure guidance of \$230 million \pm 10% in 2015 as set out below.

(\$ millions)	Sustaining	Development/ Expansion (Non-sustaining)	Total
Owner-operator			
Rosebel	\$ 70	\$ 10	\$ 80
Essakane	55	5	60
Westwood	30	50	80
	155	65	220
Côte Gold	—	5	5
Total owner-operator	155	70	225
Joint venture - Sadiola	5	—	5
Total (\pm 10%)	\$ 160	\$ 70	\$ 230

¹ Capitalized borrowing costs are not included.

MARKET TRENDS

GLOBAL FINANCIAL MARKET CONDITIONS

Two fundamentally different approaches to monetary policy in the world economy are creating an interaction that is not promoting stable market conditions. The U.S. Federal Reserve is shrinking its balance sheet while the European Central Bank ("ECB") is embarking on a path of monetary expansion. This divergence in policy puts upward pressure on the U.S. dollar. The potential rise of interest rates in the United States coupled with the end of quantitative easing are contributing factors to the U.S. dollar's strength, compared to what it would otherwise be. Though most of the rally in the U.S. dollar occurred in the last quarter of 2014 and in early 2015, the trend looks set to continue given that central bankers such as the ECB are still in the early stages of their monetary easing program.

These evolving policy dynamics in the global financial market place will have an indirect impact on gold prices, interest rates and on exchange rates. Market events and conditions may have a positive or negative impact on the Company's revenues, operating costs, project development expenditures and project planning.

GOLD MARKET

In the current market environment, the price of gold is affected by several factors including the U.S. Federal Reserve policy intentions and the gold industry's cost to produce gold. Expectations of a rate increase by the U.S. Federal Reserve are dampening the prospects of improving gold prices. Continuing declines in the price of gold could make it uneconomical to mine gold relative to all-in sustaining costs.

In the first quarter 2015, gold traded between \$1,147 and \$1,295 per ounce. This range is consistent with the range experienced in 2014. The dominant themes that dictated the movement in the gold price in 2014 remain relevant in 2015, including interest rate expectations from the U.S. Federal Reserve. Continued U.S. economic improvement and the strength of the U.S. dollar this year have combined to reinforce expectations of a U.S. Federal Reserve rate increase expectations sooner rather than later. This expectation has driven the price of gold lower. Although other central banks are taking an opposite monetary path from the U.S. Federal Reserve, markets for now appear more under the influence of the U.S. Federal Reserve policy intentions.

The market price of gold is a significant driver of the Company's financial performance. In the first quarter 2015, the Company sold gold at an average price of \$1,221 per ounce, just above the average market price of \$1,218 per ounce.

	Three months ended March 31,	
	2015	2014
Average market gold price (\$/oz)	\$ 1,218	\$ 1,293
Average realized gold price ¹ (\$/oz)	\$ 1,221	\$ 1,286
Closing market gold price (\$/oz)	\$ 1,187	\$ 1,292

¹ This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

CURRENCY AND OIL PRICE

The U.S. dollar is the Company's functional currency. The Company's revenue is in U.S. dollars as gold is priced in U.S. dollars. The Company's main exposure is to movements in the Canadian dollar and Euro against the U.S. dollar, which have a direct impact on the Company's Canadian mining activities and international operations.

The U.S. dollar continued to rally in the first quarter 2015, adding to the already sharp appreciation seen during the last quarter of 2014. The U.S. dollar increased by more than 12% against the Euro and by more than 9% against the Canadian dollar. Most of the U.S. dollar appreciation was the result of diverging monetary policy. The Bank of Canada surprised markets by lowering its benchmark rate to 0.75% early in 2015 while the ECB started its quantitative easing program in March 2015. Greece's fragile relationship in the Euro zone has also contributed to the weakness of the Euro.

In the first quarter 2015, the average exchange rates for the Canadian dollar and the Euro were \$1.2401 and \$1.1267, respectively. The Company is forecasting exposures of approximately C\$200 million and €150 million for the remainder of 2015. These exposures relate to operational and capital expenditures in Canada and in West Africa. The Company's hedging strategy is designed to reduce the exchange rate volatility of these currencies. Refer to Financial condition - market risks section for more information.

In the first quarter 2015, the average price of West Texas Intermediate (WTI) crude oil was \$48 per barrel. The global supply surplus continued to keep the price of oil low. The United Nations Security Council and Iran are negotiating terms that could add further supply into the market if oil related sanctions against Iran are lifted.

The Company expects its fuel consumption for the remainder of 2015 to be the equivalent of approximately 1.05 million barrels of oil for its mining operations in West Africa and South America. The Company's hedging strategy is to mitigate the price volatility of oil. Refer to Financial condition - market risks section for more information.

	Three months ended March 31,	
	2015	2014
Average rates		
Canadian\$ / U.S.\$	1.2401	1.1026
U.S.\$ / €	1.1267	1.3703
Closing rates		
Canadian\$ / U.S.\$	1.2666	1.1055
U.S.\$ / €	1.0749	1.3777
Average market oil price (\$/barrel)	48	99
Closing market oil price (\$/barrel)	48	102

SENSITIVITY IMPACT

The following table provides estimated sensitivities around certain inputs, excluding the impact of the Company's hedging program that can affect the Company's operating results, assuming expected 2015 production levels:

	Change of	Annualized impact on Total Cash Costs ¹ - Gold Mines ³ by \$/oz	Annualized impact on All-in Sustaining Costs ¹ - Gold Mines ³ by \$/oz
Gold price ²	\$100/oz	\$4/oz	\$4/oz
Oil price	\$10/barrel	\$13/oz	\$14/oz
Canadian\$ / U.S.\$	\$0.10	\$12/oz	\$19/oz
U.S.\$ / €	\$0.10	\$12/oz	\$16/oz

¹ This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

² Gold price sensitivities relate to royalty cost arrangements, which are included in total cash costs and all-in sustaining costs.

³ Gold mines, as used with total cash costs and all-in sustaining costs, consist of Rosebel, Essakane, Westwood (commercial production), Mouska, Sadiola and Yatela on an attributable basis.

QUARTERLY UPDATES

OPERATIONS

	Attributable Gold Sales ¹ (000s oz)		Average Realized Gold Price ² (\$/oz)	
	Three months ended March 31,		Three months ended March 31,	
	2015	2014	2015	2014
Owner-operator	187	155	\$ 1,220	\$ 1,287
Joint ventures	21	21	\$ 1,224	\$ 1,282
	208	176	\$ 1,221	\$ 1,286

¹ Includes Rosebel and Essakane at 95% and 90%, respectively.

² This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

The table below presents the gold production attributable to the Company along with the total cash costs per ounce produced and all-in sustaining costs per ounce sold.

Three months ended March 31,	Gold Production (000s oz)		Total Cash Costs ^{1,2} (\$ per ounce produced)		All-in Sustaining Costs ¹ (\$ per ounce sold)	
	2015	2014	2015	2014	2015	2014
Continuing operations						
Owner-operator						
Rosebel (95%)	76	80	\$ 850	\$ 813	\$ 1,037	\$ 1,031
Essakane (90%)	89	68	761	875	988	1,233
Westwood (100%)	22	—	1,130	—	1,507	969
	187	148	841	842	1,135	1,185
Joint ventures						
Sadiola (41%)	19	19	887	1,106	914	1,170
Yatela (40%)	2	4	913	1,551	992	1,885
	21	23	889	1,175	921	1,291
Total commercial operations	208	171	846	886	1,113	1,198
Westwood (100%)	—	1	—	—	—	—
	208	172	846	886	1,113	1,198
Cash costs, excluding royalties			796	820		
Royalties			50	66		
Total cash costs ³			\$ 846	\$ 886		
All-in sustaining costs ³ - gold mines ⁴					\$ 1,113	\$ 1,198

¹ This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

² The total cash costs computation does not include Westwood pre-commercial production for the three months ended March 31, 2014 of 1,000 ounces.

³ By-product credits are included in the calculation of this measure; refer to the non-GAAP performance measures section of the MD&A for the reconciliation to GAAP.

⁴ Gold mines, as used with total cash costs and all-in sustaining costs, consist of Rosebel, Essakane, Westwood (commercial production), Mouska, Sadiola and Yatela on an attributable basis.

CAPITAL EXPENDITURES¹

Continuing operations (\$ millions)	Three months ended March 31,	
	2015	2014
Sustaining		
Rosebel ^{2,3,7}	\$ 13.6	\$ 16.6
Essakane ^{2,4}	13.2	20.9
Westwood	10.2	—
Total gold segments	37.0	37.5
Corporate and other	0.1	—
Total capital expenditures	37.1	37.5
Joint ventures ⁶	0.4	0.3
	\$ 37.5	\$ 37.8
Development/Expansion (Non-sustaining)		
Rosebel	\$ 1.5	\$ 2.0
Essakane	2.1	14.4
Westwood ⁵	9.3	35.5
Total gold segments	12.9	51.9
Côté Gold	1.9	1.2
Total capital expenditures	14.8	53.1
Joint ventures	1.3	3.5
	\$ 16.1	\$ 56.6
Total		
Rosebel	\$ 15.1	\$ 18.6
Essakane	15.3	35.3
Westwood	19.5	35.5
Total gold segments	49.9	89.4
Corporate and other	0.1	—
Côté Gold	1.9	1.2
Total capital expenditures	51.9	90.6
Joint ventures	1.7	3.8
	\$ 53.6	\$ 94.4

¹ Capital expenditures are on a cash basis and capitalized borrowing costs are not included.

² On an attributable basis, Rosebel (95%) and Essakane (90%) sustaining capital expenditures for the three months ended March 31, 2015 were \$12.9 million and \$11.9 million, respectively, and for the three months ended March 31, 2014 were \$15.8 million and \$18.8 million, respectively.

³ Includes capitalized stripping at Rosebel for the three months ended March 31, 2015 of \$4.2 million, and for the three months ended March 31, 2014 of \$4.3 million.

⁴ Includes capitalized stripping at Essakane for the three months ended March 31, 2015 of \$6.4 million, and for the three months ended March 31, 2014 of \$13.4 million.

⁵ Excludes inventory and stockpile capitalized costs prior to commercial production.

⁶ Attributable capital expenditures of Sadiola (41%) and Yatela (40%).

⁷ Includes the impact of finance lease principal payments for the three months ended March 31, 2015.

CONTINUING OPERATIONS

Suriname – Rosebel Mine (IAMGOLD interest – 95%)

Summarized Results 100% Basis, unless otherwise stated

	Three months ended March 31,	
	2015	2014
Mine operating statistics		
Ore mined (000s t)	3,541	3,081
Waste mined (000s t)	12,517	13,556
Total material mined (000s t)	16,058	16,637
Strip ratio ¹	3.5	4.4
Ore milled (000s t)	3,196	3,146
Head grade (g/t)	0.81	0.89
Recovery (%)	96	94
Gold production - (000s oz)	80	84
Attributable gold production - 95% (000s oz)	76	80
Gold sales - (000s oz)	82	91
Performance measures		
Average realized gold price ² (\$/oz)	\$ 1,224	\$ 1,286
All-in sustaining costs ² (\$/oz)	\$ 1,037	\$ 1,031
Cash costs ² excluding royalties (\$/oz)	\$ 784	\$ 740
Royalties (\$/oz)	\$ 66	\$ 73
Total cash costs ² (\$/oz)	\$ 850	\$ 813

¹ Strip ratio is calculated as waste mined divided by ore mined.

² This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

Gold production for the first quarter 2015 was 5% lower than the same prior year period due to the impact of lower grades, partially offset by higher recovery and throughput. Gold grades were 9% lower than the same prior year period as a result of pit sequencing. Mill recovery improved by 2% compared to the same prior year period due to optimization of carbon handling and the elution circuit.

Despite the proportion of soft rock decreasing to 16% in the first quarter 2015 from 50% in the same prior year period, throughput was 2% higher. The throughput improvement is due to measures taken in the second half of 2014 to stabilize the mill feed blend prior to reaching the primary crusher, thereby reducing the variation in the rock hardness, and improving mill availability.

Total cash costs per ounce produced were \$850 in the first quarter 2015. The increase of 5% compared to the same prior year period was mainly due to lower grades. All-in sustaining costs per ounce sold were \$1,037 in the first quarter 2015. The increase of 1% compared to the same prior year period was mainly due to higher cash costs and lower sales volume, partially offset by lower capital expenditures. Sustaining capital expenditures in the first quarter 2015 were \$13.6 million, a decrease of \$3.0 million from the same prior year period.

In the first quarter 2015, sustaining capital expenditures of \$13.6 million included capitalized stripping costs (\$4.2 million), capital spares (\$3.3 million), finance lease payments (\$1.4 million), mine equipment (\$1.1 million) and various other sustaining capital expenditures (\$3.6 million). Non-sustaining capital expenditures of \$1.5 million included \$1.1 million for the construction of the tailings dam and \$0.4 million for the tailings pump upgrade.

Outlook

The Company maintains the Rosebel guidance. Rosebel's attributable production in 2015 is expected to be between 290,000 and 300,000. The Company maintains the Rosebel capital expenditure guidance for 2015 of approximately \$80.0 million, which includes sustaining capital of \$70.0 million and non-sustaining capital of \$10.0 million.

Burkina Faso – Essakane Mine (IAMGOLD interest – 90%)
Summarized Results 100% Basis, unless otherwise stated

	Three months ended March 31,	
	2015	2014
Mine operating statistics		
Ore mined (000s t)	2,667	2,776
Waste mined (000s t)	9,408	9,550
Total material mined (000s t)	12,075	12,326
Strip ratio ¹	3.5	3.4
Ore milled (000s t)	2,526	2,884
Head grade (g/t)	1.33	0.89
Recovery (%)	91	90
Gold production - (000s oz)	99	76
Attributable gold production - 90% (000s oz)	89	68
Gold sales - (000s oz)	91	72
Performance measures		
Average realized gold price ² (\$/oz)	\$ 1,213	\$ 1,289
All-in sustaining costs ² (\$/oz)	\$ 988	\$ 1,233
Cash costs ² excluding royalties (\$/oz)	\$ 717	\$ 819
Royalties (\$/oz)	\$ 44	\$ 56
Total cash costs ² (\$/oz)	\$ 761	\$ 875

¹ Strip ratio is calculated as waste mined divided by ore mined.

² This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

Gold production for the first quarter 2015 was 30% higher than the same prior year period primarily due to a 49% increase in grades attributable to processing a greater proportion of hard rock containing higher grades. The positive impact of the higher grades was partially offset by a 12% decrease in mill throughput as the proportion of soft rock in the mill feed fell from 45% in the same prior year period to 13% in the current period. Recovery in the current quarter increased 1% compared to the same prior year period due to benefits realized from initiatives undertaken to further optimize the carbon-in-leach process.

Total cash costs per ounce produced in the first quarter 2015 were 13% lower compared to the same prior year period due to higher grades, lower mill consumables, benefits realized from the lower price of diesel and lower royalties driven by lower gold prices.

All-in sustaining costs per ounce sold during the first quarter 2015 were 20% lower compared to the same prior year period mainly due to lower cash costs and lower sustaining capital spending. Sustaining capital expenditures in the first quarter 2015 were \$13.2 million, a decrease of \$7.7 million from the same prior year period.

During the first quarter 2015, sustaining capital expenditures of \$13.2 million included capitalized stripping costs (\$6.4 million), mine equipment (\$1.6 million) and various other sustaining capital expenditures (\$5.2 million). Non-sustaining capital expenditures of \$2.1 million were primarily related to the river diversion and village relocation project.

Outlook

The Company maintains the Essakane guidance. Essakane's attributable production in 2015 is expected to be between 360,000 and 370,000 ounces. The Company maintains the Essakane capital expenditure guidance for the full year 2015 of approximately \$60.0 million, which includes sustaining capital of \$55.0 million and non-sustaining capital of \$5.0 million.

Canada – Westwood (IAMGOLD interest – 100%)

Summarized Results

	Three months ended March 31,	
	2015	2014
Westwood operating statistics		
Ore mined (000s t)	118	39
Ore milled (000s t)	115	2
Head grade (g/t)	6.29	10.85
Recovery (%)	96	96
Pre-commercial gold production - (000s oz)	—	1
Pre-commercial gold sales - (000s oz)	—	5
Commercial gold production - (000s oz)	22	—
Commercial gold sales - (000s oz)	27	—
Westwood performance measures		
Average realized gold price ¹ (\$/oz)	\$ 1,234	\$ —
All-in sustaining costs ¹ (\$/oz)	\$ 1,507	\$ —
Cash costs ¹ excluding royalties (\$/oz)	\$ 1,130	\$ —
Royalties (\$/oz)	\$ —	\$ —
Total cash costs ¹ (\$/oz)	\$ 1,130	\$ —

¹ This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

In the first quarter 2015, Westwood produced 22,000 ounces of gold, in line with expectations. Total cash costs per ounce produced and all-in sustaining costs per ounce sold were \$1,130 and \$1,507, respectively. Cash costs increased 34% compared to the fourth quarter 2014 due to the high level of stope preparation necessary to bring multiple mining sectors into production and the costs associated with rehabilitation activities in the area affected by the rock burst on January 22, 2015.

During the first quarter 2015, capital expenditures of \$19.5 million included underground development (\$15.6 million), fixed equipment (\$1.4 million), underground construction (\$1.7 million) and development drilling (\$0.8 million). A total of \$9.3 million was classified as non-sustaining capital related to development of blocks 3, 4 and 5.

Outlook

Consistent with guidance, Westwood is expected to have variability in its quarterly production as the operation ramps up to full capacity over the next four years. Gold production is expected to range between 110,000 to 130,000 ounces in 2015, with the first and fourth quarters accounting for approximately 40% and the second and third quarters approximately 60%. The variability is the result of mine sequencing within a single sector, as mining focuses on the lower grade lenses in the first and last quarters and the higher grade zones in the second and third quarters. There are five mining sectors in total and once the operation is mining more than two sectors the ability to blend ore will result in less grade variability. Although unit costs were driven higher by the rock burst in the first quarter, the Company expects Westwood's all-in sustaining costs for 2015 to be in the range of \$1,100 to \$1,175 per ounce. The Company continues to be confident in the long-term economics of the life-of-mine plan and expects that as the operation ramps up to design capacity a corresponding decline in all-in sustaining costs per ounce will be realized.

Canada - Mouska (IAMGOLD interest - 100%)

There was no production from Mouska in the first quarter 2015 as mining and milling operations ceased in 2014 when the mine reached end of life. There was no production in the same prior year period due to the stockpiling of ore for batch processing in future quarters of 2014.

Mali – Sadiola Mine (IAMGOLD interest – 41%)

Summarized Results 41% Basis

	Three months ended March 31,	
	2015	2014
Mine operating statistics		
Total material mined (000s t)	1,493	2,015
Ore milled (000s t)	471	436
Head grade (g/t)	1.23	1.39
Recovery (%)	94	93
Attributable gold production - (000s oz)	19	19
Attributable gold sales - (000s oz)	19	17
Performance measures		
Average realized gold price ¹ (\$/oz)	\$ 1,224	\$ 1,281
All-in sustaining costs ¹ (\$/oz)	\$ 914	\$ 1,170
Total cash costs ¹ (\$/oz)	\$ 887	\$ 1,106

¹ This is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A.

Attributable gold production for the first quarter 2015 of 19,000 ounces was consistent with the same prior year period due to improvements in throughput and recovery offset by a reduction in grades.

Total cash costs per ounce produced were 20% lower compared to the same prior year period, primarily as a result of a reduction in total tonnage mined driven by the conclusion of mining at the Timbali pit. All-in sustaining costs per ounce sold in the first quarter 2015 were 22% lower compared to the same prior year period due to lower cash costs and higher gold sales.

Discussions with AngloGold Ashanti to facilitate the disposition of their interest in Sadiola continued in the first quarter 2015. Acquiring AngloGold Ashanti's interest in Sadiola under the right terms has always been an option as it would enable the Company to move forward with a full mill expansion to mine the sulphides or a modified expansion at a lower capital cost. The Company's preference is to have a partner for a full-scale expansion. The projected economic returns will drive the Company's decision.

Mali – Yatela Mine (IAMGOLD interest – 40%)

The Yatela mine produced and sold 2,000 ounces in the first quarter 2015, compared to 4,000 ounces in the same prior year period as operations continue to wind down. Minimal stacking activity took place in the first quarter 2015.

EXPLORATION

The Company was active at brownfield and greenfield exploration projects in eight countries located in West Africa and the Americas.

In the first quarter 2015, expenditures for exploration and project studies totaled \$14.4 million, of which \$9.6 million was expensed and \$4.8 million was capitalized. The small increase of \$0.4 million in total exploration expenditures compared to the same prior year period reflects the implementation of similar planned exploration activities. Drilling activities on active projects and mine sites totaled approximately 83,100 metres for the first quarter 2015.

(\$ millions)	Three months ended March 31,	
	2015	2014
Exploration projects - greenfield	\$ 7.4	\$ 5.9
Exploration projects - brownfield ¹	4.9	6.5
	12.3	12.4
Côte Gold studies, including feasibility	2.0	1.6
Other studies	0.1	-
	\$ 14.4	\$ 14.0

¹ Exploration projects - brownfield for the first quarter 2015 and 2014 exclude expenditures related to joint ventures of \$nil million and \$0.1 million, respectively, and includes near-mine exploration and resource development of \$2.7 million and \$3.6 million, respectively.

OUTLOOK - 2015

The Company is maintaining its 2015 exploration guidance of \$56 million.

The 2015 resource development and exploration program includes approximately 220,000 to 240,000 metres of reverse circulation and diamond drilling.

(\$ millions)	Capitalized	Expensed	Total
Exploration projects - greenfield	\$ —	\$ 26	\$ 26
Exploration projects - brownfield ¹	11	9	20
	11	35	46
Côte Gold studies, including feasibility	5	—	5
Other studies	—	5	5
	5	5	10
	\$ 16	\$ 40	\$ 56

¹ Exploration projects - brownfield exclude planned expenditures related to Sadiola of \$1 million and include planned near-mine exploration and resource development of \$11 million.

CÔTÉ GOLD PROJECT, CANADA

Nearly 5,200 metres of delineation diamond drilling utilizing improved winter access to complete the infill program has been completed on the Côte Gold deposit in the first quarter 2015. The objective of the program, which was initiated in 2014, is to provide detailed information on continuity and controls on mineralization in order to improve the resource model. The program is now complete and results will be incorporated into a final revised mineral resource estimate to support ongoing evaluation studies.

Regional exploration activities continue to develop and assess exploration targets within the 516 square kilometre property surrounding the Côte Gold deposit. Field programs to validate and prioritize identified targets for future drilling programs are expected to commence in the second quarter.

The Company continues to advance a \$25.1 million feasibility study on the Côte Gold deposit, which is anticipated to be completed in 2017. In 2015, planned expenditures totaling \$5.0 million will be directed at advancing technical studies and permitting. Côte Gold is an attractive long-term asset that is expected to strengthen the Company's production pipeline.

BROWNFIELD EXPLORATION PROJECTS

The Company's mine and regional exploration teams continued to conduct systematic brownfield exploration and resource development work during 2015 at the Rosebel, Essakane and Westwood operations.

Rosebel, Suriname

Just over 3,300 metres of reverse circulation drilling and diamond drilling were completed on the Rosebel mine lease and surrounding mineral concessions during the first quarter 2015. The program continued to focus on evaluating exploration targets in the vicinity of operations and on the Sarafina Option property to support the ongoing strategic objective to discover and outline additional soft and transition mineral resources. Results are assessed on an ongoing basis to help guide further drilling programs.

The Company continues to identify and evaluate possible transactions for other prospective properties with discovery potential for higher grade, softer rock mineral resources in the area of the Rosebel operations.

Essakane, Burkina Faso

Just over 17,300 metres of reverse circulation drilling and diamond drilling were completed on the mine lease and surrounding exploration concessions during the first quarter 2015. This included nearly 11,450 metres of resource delineation and development drilling to advance an infill drilling program on the Falagountou satellite deposit initiated in 2014. The results of the drilling program were incorporated into an updated resource estimate for the Essakane operation as described below.

On April 23, 2015, the Company announced an updated NI 43-101 compliant resource estimate for the Falagountou deposit located about 8 kilometres south east of the Essakane main pit. The updated resource estimate incorporates assay results from an additional 165 reverse circulation and diamond infill drill holes totaling 15,065 metres, which were completed since the reported December 31, 2014 resource and reserve estimate. The indicated resource increased by 84% from 333,000 contained ounces to 613,000 contained ounces and the average grade increased by 10% from 1.38 to 1.52 grams of gold per tonne ("g/t Au"). The estimated indicated resource for Essakane, which includes the Falagountou deposit, increased by 6% from 4.7 million contained ounces to 5.0 million contained ounces at a grade of 1.2 g/t Au. Further drilling is planned at the Falagountou deposit to test potential extensions to mineralization identified from the infill drilling program. In preparation for the commencement of mining at Falagountou in the second half of 2015, construction of a haulage road is currently in progress.

On the surrounding exploration concessions, ongoing drilling campaigns totaling nearly 5,900 metres of reverse circulation drilling and diamond drilling have been completed on priority targets and mineral prospects. The results are being assessed as they are

received and will be used to guide future exploration as merited. Regional aircore drill sampling continues on selected areas with the objective to identify additional target areas for further exploration.

Westwood, Canada

In the first quarter 2015, underground excavation totaled just over 5,500 metres of lateral and vertical development, and some 21,200 metres of underground resource development diamond drilling were completed. The diamond drill program continues to focus on infill drilling to upgrade the existing inferred mineral resources to the indicated mineral category, as well as continuing definition work on ore zones that are scheduled to be mined.

GREENFIELD EXPLORATION PROJECTS

In addition to the mine site and brownfield exploration programs described above, the Company conducted active drilling programs on a number of early to advanced stage greenfield exploration projects during the quarter. Highlights include:

Boto, Senegal

The Boto Gold project hosts an indicated resource of 22.8 million tonnes averaging 1.68 g/t Au for 1.23 million ounces and an inferred resource of 11.0 million tonnes averaging 1.80 g/t Au for 635,000 ounces effective December 31, 2014 (refer to news release dated February 18, 2015).

In the first quarter 2015, approximately 13,300 metres of infill diamond drilling (including more than 800 metres of metallurgical drilling) was completed on the Malikoundi deposit. The Company also reported further assay results from the ongoing drilling program. Highlights included intersections of 9 metres grading 10.5g/t Au, 44 metres grading 4.46 g/t Au and 30 metres grading 3.82 g/t Au from drill hole DBDD-2218 and 40 metres grading 3.24 g/t Au, including 11 metres grading 8.15 g/t Au from drill hole DBDD-2226 (see news release dated February 3, 2015). The results continue to confirm continuity of mineralization within the current Malikoundi resource area, including significant intersections from the projected depth extension. The infill program is now complete and the results will be used to update a final resource model for use in ongoing evaluation studies.

Drilling continues with the objective to extract selected core samples for planned metallurgical test work in the second quarter 2015.

Siribaya Joint Venture, Mali

The Siribaya exploration project in Mali is operated by IAMGOLD under a 50:50 joint venture with Merrex Gold Inc. ("Merrex"). In the first quarter 2015, approximately 9,700 metres of diamond and reverse circulation drilling was completed, as part of an infill drilling program on the newly discovered Diakha prospect. Final assay results from the remaining six diamond drill holes of the 2014 drilling program were reported by Merrex on February 27, 2015. Reported highlights include: 3 metres grading 15.01 g/t Au and 6 metres grading 10.53 g/t Au from diamond drill hole 154.

In 2015, approximately 15,000 to 20,000 metres of reverse circulation and diamond drilling are planned to delineate the Diakha discovery and advance towards the completion of a maiden resource estimate as warranted.

Pitangui, Brazil

The resource delineation drilling program initiated in 2014 continued through the first quarter 2015 on the newly discovered São Sebastião deposit on the Company's wholly-owned Pitangui project in Minas Gerais state, Brazil. Reported mineral resources comprise an inferred resource of 4.07 million tonnes grading 4.88 g/t Au for 0.64 million contained ounces (effective January 9, 2014).

Just over 5,400 metres of diamond drilling was completed in the first quarter 2015. The program continued to focus on upgrading resources within the core area of the São Sebastião resource on 50 metre x 50 metre drill hole spacing. The infill drilling program is expected to be completed in the second quarter and resultant assay results will be incorporated in an updated resource model once received and validated.

Monster Lake Joint Venture, Canada

The Monster Lake project, located 50 kilometres southwest of Chibougamau, is held under an earn-in option to joint venture agreement with TomaGold Corporation ("TomaGold"), whereby the Company may earn a 50% interest in the Monster Lake, Winchester and Lac à l'eau Jaune properties by completing scheduled cash payments and exploration expenditures totaling \$17.6 million over five and a half years.

On February 5, 2015, the Company reported the assay results from the final 17 holes of the 26 drill hole program completed in 2014. Highlights include 9.18 metres, grading 46.33 g/t Au (including 2.2 metres grading 182.8 g/t Au), 3.42 metres grading 18.68 g/t Au and 7.1 metres grading 6.74 g/t Au.

Diamond drilling activities resumed with approximately 5,000 metres completed in the first quarter 2015. The program, which took advantage of favourable winter access, continued to target extensions to the high grade 325-Megane zone, as well as test prioritized areas along the projected main shear zone hosting the 325 zone. Assay results are pending.

Eastern Borosi Joint Venture, Nicaragua

The 176 square kilometre Eastern Borosi project is located in the Golden Triangle of Northeast Nicaragua and is held under an earn-in option to joint venture agreement with Calibre Mining Corporation ("Calibre"). Signed on May 26, 2014, the Company may earn up to a 70% interest in the project by completing scheduled cash payments and exploration work expenditures totaling \$10.9 million over six years.

Final assay results from the 2014 diamond drilling program targeting various epithermal gold-silver vein systems were reported by Calibre on January 21, 2015. Reported highlights include: 1.90 metres grading 14.49 g/t Au and 8.88 g/t Ag from diamond drill hole GP14-027; 5.07 metres grading 13.44 g/t Au and 14.49 g/t Ag from diamond drill hole GP14-028; and 2.8 metres grading 26.48 g/t Au and 24.19 g/t Ag from diamond drill hole GP14-030.

Drilling activities resumed with initially targeting additional veins systems. Approximately 2,600 metres of diamond drilling was completed in the first quarter 2015. Assay results reported to date include: 4.10 metres grading 8.93 g/t Au and 57.4 g/t Au from drill hole LS15-008 testing the Cadillac vein (see Caliber news release dated April 1, 2015). The 2015 exploration program is anticipated to involve the completion of approximately 5,500 metres of diamond drilling designed to continue to test selected vein systems at shallow depths, as well as target the depth extent of higher grade intervals identified from the 2014 program.

Caramanta Joint Venture, Colombia

During the first quarter 2015, efforts continued towards obtaining permitting approval to allow drilling on the El Reten and Ajiaco Sur discoveries which are located in an integrated land management district ("the DMI") and are subject to a longer permitting process. Although the application has been filed, it is uncertain when drill permits will be granted. Should the permitting process not progress satisfactorily, the Company will need to assess its continued participation in the project.

QUARTERLY FINANCIAL REVIEW

(\$ millions, except where noted)	2015	2014				2013		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenues from continuing operations	\$ 244.7	\$ 272.5	\$ 286.7	\$ 231.5	\$ 217.3	\$ 195.1	\$ 245.5	\$ 251.3
Net earnings (loss) from continuing operations	(12.6)	(147.8)	(79.3)	(21.4)	(13.1)	(883.6)	17.4	(33.7)
Net earnings from discontinued operations	\$ 40.6	\$ 26.7	\$ 12.0	\$ 6.2	\$ 17.8	\$ 3.5	\$ 10.1	\$ 8.4
Net earnings (loss)	\$ 28.0	\$ (121.1)	\$ (67.3)	\$ (15.2)	\$ 4.7	\$ (880.1)	\$ 27.5	\$ (25.3)
Net earnings (loss) including discontinued operations attributable to equity holders of IAMGOLD	\$ 24.1	\$ (122.0)	\$ (72.5)	\$ (16.0)	\$ 3.7	\$ (840.3)	\$ 25.3	\$ (28.4)
Basic earnings (loss) including discontinued operations attributable to equity holders of IAMGOLD per share (\$/share)	\$ 0.06	\$ (0.32)	\$ (0.19)	\$ (0.04)	\$ 0.01	\$ (2.23)	\$ 0.07	\$ (0.08)
Diluted earnings (loss) including discontinued operations attributable to equity holders of IAMGOLD per share (\$/share)	\$ 0.06	\$ (0.32)	\$ (0.19)	\$ (0.04)	\$ 0.01	\$ (2.23)	\$ 0.07	\$ (0.08)

FINANCIAL CONDITION

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2015, the Company had \$889.1 million in cash, cash equivalents and gold bullion at market value.

Gold Bullion		March 31, 2015	December 31, 2014
Ounces held	(oz)	134,737	134,737
Weighted average acquisition cost	(\$/oz) \$	720	\$ 720
Acquisition cost	(\$ millions) \$	96.9	\$ 96.9
Spot price for gold, end of the period	(\$/oz) \$	1,187	\$ 1,206
Market value, end of the period	(\$ millions) \$	159.9	\$ 162.5

In the first quarter 2015, the Company completed the sale of Niobec for gross proceeds of \$502.6 million and issued 13.8 million flow-through common shares at a price range of C\$3.51 to C\$4.14 per share for net proceeds of \$39.3 million. In March 2015, the Company sold its Diavik royalty interest over claims in the Lac de Gras region of the Northwest Territories for total proceeds of \$56.8 million, including cash of \$52.5 million.

In the first quarter 2015, the Company repurchased senior unsecured notes with a face value of \$5.4 million for cash consideration of \$4.5 million.

Working capital¹ as of March 31, 2015 was \$868.1 million, up \$78.5 million compared to December 31, 2014 due to lower current liabilities (\$152.5 million), partially offset by lower current assets (\$74.0 million). This is primarily due to the classification of Niobec's assets and liabilities as held for sale at December 31, 2014.

Current assets as of March 31, 2015 were \$1,110.7 million, down \$74.0 million compared to December 31, 2014 mainly due to the inclusion of assets held for sale in current assets at December 31, 2014 (\$628.5 million), which were sold in the first quarter 2015, and a decrease in inventories (\$11.9 million), substantially offset by an increase in cash and cash equivalents (\$570.7 million).

In 2014, the Company's initiative to convert a portion of its non-cash working capital to cash produced positive results. In 2015, the Company continues to manage the turnover of supplies inventories, the timely collection of receivables and vendor payment terms. The Company continues to assess the appropriate account balances to ensure that it is effectively managing liquidity, while maintaining an appropriate level of risk to its operations.

Working Capital		March 31, 2015	December 31, 2014
Working capital ¹	(\$ millions)	\$ 868.1	\$ 789.6
Current working capital ratio ²		4.6	3.0

¹ Working capital is defined as current assets less current liabilities.

² Current working capital ratio is defined as current assets divided by current liabilities.

As of March 31, 2015, no funds were drawn against the Company's \$500.0 million unsecured revolving credit facility. At March 31, 2015, the Company had committed \$56.3 million of its \$75.0 million letters of credit facility for the guarantee of certain asset retirement obligations.

On January 15, 2014, the Company filed a renewal of its existing short form base shelf prospectus qualifying the distribution of securities up to \$1.0 billion. This renewal has a life of 25 months and may be utilized to fund ongoing operations and/or capital requirements, reduce the level of indebtedness outstanding from time to time, fund capital programs, potential future acquisitions and for general corporate purposes. The renewal is subject to compliance with the covenants of the unsecured revolving credit facility. The issuance of securities in the public markets or to private investors for liquidity enhancement on acceptable terms could be affected by many factors, including but not limited to general market conditions and the prevailing gold price.

The indenture governing the Company's \$644.6 million senior unsecured debt contains a restriction on the use of proceeds from the sale of Niobec. This restriction requires the Company to invest the net proceeds back into the business within 365 days, with the option to extend another 180 days in certain cases. Investments include acquisitions and capital expenditures.

CONTRACTUAL OBLIGATIONS

Contractual obligations as of March 31, 2015 were \$1,034.4 million and included contractual cash flows on senior unsecured notes, finance leases and capital expenditure and purchase obligations. These obligations will be met through available cash resources and net cash from operating activities.

The Company holds hedge and non-hedge derivative contracts that are included in the summary of outstanding derivative contracts in the Market Risk section.

MARKETABLE SECURITIES

Investments in marketable securities are recorded at fair value. The Company adopted IFRS 9 - Financial Instruments, as amended November 2013 ("IFRS 9 (2013)") in the second quarter 2014 and all previously recognized impairments were reclassified to Other comprehensive income ("OCI") as an adjustment to opening components of equity as at January 1, 2014. Refer to note 2(e) in the Company's consolidated interim financial statements.

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Associates (Galane Gold Ltd. and INV Metals Inc.) and joint ventures (Sadiola and Yatela) are included in the Consolidated balance sheets as Investments in associates and joint ventures. The Company's share of earnings (loss) from associates and joint ventures is included in the Consolidated statements of earnings as Share of net earnings (losses) from investments in associates and joint ventures, net of income taxes.

In the first quarter 2015, the Company reviewed its investments in associates for objective evidence of impairment and determined that no impairments existed. The Company has no ability to control these investments, therefore, the Company is not permitted to utilize an alternate valuation method. For investments in joint ventures, if the Company is made aware of significant events or

transactions that were not reflected in the Company's share of net earnings (losses) from its joint ventures, adjustments will be made to the consolidated interim financial statements.

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. For hedging activities, it is the risk that the fair value of a derivative might be adversely affected by a change in underlying commodity prices or currency exchange rates and that this in turn affects the Company's financial condition. The Company mitigates market risk by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken, and establishing trading agreements with counterparties under which there is no requirement to post any collateral or make any margin calls on derivatives. Counterparties cannot require settlement solely because of an adverse change in the fair value of a derivative.

CURRENCY EXCHANGE RATE RISK

The Company's objective is to hedge a portion of its exposure to Canadian dollars and Euros resulting from operating and capital expenditure requirements at Rosebel, Essakane and Westwood and the Corporate offices.

OIL OPTION CONTRACTS AND FUEL MARKET PRICE RISK

Diesel is a key input to extract tonnage and, in some cases, to wholly or partially power operations. Since diesel is produced by the refinement of crude oil, changes in the price of oil directly impact diesel costs. The Company believes there is a strong relationship between prices for crude oil and diesel.

The Company's 2015 outlook for the average crude oil price is \$73 per barrel. This considers the hedged price of derivative contracts associated with the Company's estimated hedge ratio of 78% of oil consumption, along with the remaining consumption at forecasted prices. Depending upon the terms of contractual supply agreements for oil with select host countries, the Company may experience a lag in recognizing the effect of a change in oil prices as compared to spot oil prices. This is due to the timing of pricing reviews over which the Company has no control.

SUMMARY OF OUTSTANDING HEDGE AND NON-HEDGE DERIVATIVE CONTRACTS

The Company has entered into derivative contracts to limit the impact of fluctuations as a result of significant volatility in global markets by hedging a portion of its expected consumption of Canadian dollars and oil equivalents.

At March 31, 2015, the Company's outstanding hedge and non-hedge derivative contracts from continuing operations were as follows:

Contracts	2015	2016	2017
Foreign Currency			
Canadian dollar contracts (millions of C\$)	95.0	60.0	
Contract rate range (C\$/£)	1.10 - 1.17	1.12 - 1.18	
Hedge ratio ¹	47%	20%	
Euro contracts (millions of €)	87.0		
Contract rate range (\$/€)	1.21 - 1.29		
Hedge ratio ¹	55%		
Commodities			
Crude oil contracts (thousands of barrels)	825	1,101	786
Contract price range (\$/barrel of crude oil)	75 - 95	68 - 95	71 - 95
Hedge ratio ¹	78%	74%	51%

¹ Hedge ratio is calculated by dividing the amount (in foreign currency or commodity units) of outstanding derivative contracts by total foreign exchange and commodity exposures.

SHAREHOLDERS' EQUITY

Number issued and outstanding (millions)	March 31, 2015	May 4, 2015
Shares	391.3	391.3
Share options	5.5	5.5

CASH FLOW

(\$ millions)	Three months ended March 31,	
	2015	2014
Net cash from (used in) per consolidated interim financial statements:		
Operating activities	\$ 30.0	\$ 28.1
Investing activities	503.6	(104.3)
Financing activities	31.9	(1.7)
Effects of exchange rate fluctuation on cash and cash equivalents	(6.8)	(4.5)
Increase (decrease) in cash and cash equivalents	558.7	(82.4)
Cash and cash equivalents, beginning of the period	158.5	222.3
Cash and cash equivalents held for sale, beginning of the period	12.0	—
Cash and cash equivalents, end of the period	\$ 729.2	\$ 139.9

OPERATING ACTIVITIES

Net cash from operating activities for the first quarter 2015 was \$30.0 million, up \$1.9 million or 7% from the same prior year period. The increase was mainly due to collecting outstanding receivable (\$16.7 million), paying less income taxes (\$13.8 million) and managing vendor payment terms (\$9.4 million), partially offset by lower earnings from operations.

INVESTING ACTIVITIES

Net cash from investing activities for the first quarter 2015 was \$503.6 million, up \$607.9 million from the same prior year period. The increase was mainly due to the net proceeds received from the disposal of discontinued operations (\$489.7 million), proceeds received from the sale of the royalty asset (\$52.5 million), lower spend on property, plant and equipment (\$50.4 million), and proceeds received from the sale of investments (\$14.1 million).

FINANCING ACTIVITIES

Net cash from financing activities for the first quarter 2015 was higher than the same prior year period by \$33.6 million mainly due to proceeds from the issuance of flow-through shares (\$39.3 million), partially offset by a repurchase of long-term debt (\$4.5 million).

DISCONTINUED OPERATIONS

On January 22, 2015, the Company completed the sale of Niobec. On closing, the Company received \$502.6 million in cash. The sale of Niobec included an adjacent rare earth element deposit.

Net earnings of Niobec up until the date of disposal were disclosed as Net earnings from discontinued operations net of income taxes in the Consolidated statements of earnings as at March 31, 2015. Net earnings from discontinued operations included an after-tax gain on disposal of \$37.8 million based on the carrying amount of Niobec, which included the recognition of a \$16.0 million deferred tax asset related to the rare earth elements deposit upon its transfer to Niobec prior to the closing of the transaction.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

DISCLOSURE CONTROLS AND PROCEDURES

The Company's disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is communicated to senior management to allow timely decisions regarding required disclosure. An evaluation of the effectiveness of the Company's disclosure controls and procedures, as defined under the rules of the Canadian Securities Administration, was conducted as at December 31, 2014 under the supervision of the Company's Disclosure Committee and with the participation of management. Based on the results of that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of December 31, 2014 in providing reasonable assurance that the information required to be disclosed in the Company's annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported in accordance with securities legislation.

Since the December 31, 2014 evaluation, there have been no material changes to the Company's disclosure controls and procedures and their design remains effective.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of financial statements in compliance with IFRS. The Company's internal control over financial reporting includes policies and procedures that:

- pertain to the maintenance of records that accurately and fairly reflect the transactions of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS;
- ensure the Company's receipts and expenditures are made only in accordance with authorization of management and the Company's directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized transactions that could have a material effect on the consolidated interim financial statements.

An evaluation of the effectiveness of the Company's internal control over financial reporting was conducted as at December 31, 2014 by the Company's management, including the Chief Executive Officer and Chief Financial Officer. Based on this evaluation, management has concluded that the Company's internal control over financial reporting and that the internal controls were effective as at December 31, 2014.

There have been no material changes in the Company's internal control over financial reporting or in other factors that could affect internal controls during the first quarter 2015 and their design remains effective.

LIMITATIONS OF CONTROLS AND PROCEDURES

The Company's management, including the Chief Executive Officer and Chief Financial Officer believe that any disclosure controls and procedures and internal controls over financial reporting, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

CRITICAL JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The Company's management makes judgments in its process of applying the Company's accounting policies in the preparation of its consolidated interim financial statements. In addition, the preparation of financial data requires that the Company's management make assumptions and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The critical judgments, estimates and assumptions applied in the preparation of the Company's consolidated interim financial statements are reflected in note 3(t) of the Company's audited annual consolidated financial statements for the year ended December 31, 2014.

Qualified Person and Technical information

The technical and scientific information disclosed in this document was prepared under the supervision of and verified and reviewed by Craig MacDougall, P.Geo., Senior Vice President, Exploration, IAMGOLD. Mr. MacDougall is a Qualified Person as defined by National Instrument 43-101.

Data verification involves data input and review by senior project geologists at site, scheduled weekly and monthly reporting to senior exploration management and the completion of project site visits by senior exploration management to review the status of ongoing project activities and data underlying reported results. All drilling results reported for exploration projects or supporting resource and reserve estimates discussed in this MD&A have been prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects. The sampling and assay data from drilling is monitored through the implementation of a quality assurance - quality control (QA-QC) program designed to follow industry best practice. Drill core (HQ and NQ size) samples are selected by the local geologists and sawn in half with a diamond saw at the project site. Half of the core is typically retained at the site for reference purposes. Generally, sample intervals are 1 to 1.5 meter in length and RC holes are sampled at 1 meter intervals at the drill rig. Samples are prepared and analyzed at site for the Company's producing mines and at accredited regional laboratories for the Company's exploration projects, using analysis techniques such as standard fire assay with a 50 gram charge; fire assay with gravimetric finish, or LeachWELL rapid cyanide leach with fire assay with a 50 gram charge.

FUTURE ACCOUNTING POLICIES

For a discussion of future accounting policies that may impact the Company, refer to note 3 of the Company's consolidated interim financial statements.

RISKS AND UNCERTAINTIES

The Company is subject to various business, financial and operational risks that could materially adversely affect the Company's future business, operations and financial condition and could cause such future business, operations and financial condition to differ materially from the forward-looking statements and information contained in this MD&A and as described in the Cautionary Statement on Forward-Looking Information found in this document.

IAMGOLD's vision challenges it to generate superior value for its stakeholders through accountable mining. The Company's business activities expose it to significant risks due to the nature of mining, exploration and development activities. The ability to manage these risks is a key component of the Company's business strategy and is supported by a risk management culture and an effective enterprise risk management ("ERM") approach.

These practices ensure management is forward looking in its assessment of risk. Identification of key risks occurs in the course of business activities, pursuing approved strategies and as part of the execution of risk oversight responsibilities at the Management and Board of Directors' level.

The Company's view of risks is not static. An important component of its ERM approach is to ensure that key risks that are evolving or emerging are appropriately identified, managed, and incorporated into existing ERM assessment, measurement, monitoring and reporting processes.

For a more comprehensive discussion of the risks faced by the Company, refer to the Company's latest AIF, filed with the Canadian securities regulatory authorities at www.sedar.com, and filed under Form 40-F with the United States Securities Exchange Commission at www.sec.gov/edgar.shtml. The AIF, which in addition to being filed and viewable on www.sedar.com and www.sec.gov/edgar.shtml, is available upon request from the Company, and is incorporated by reference into this MD&A.

NON-GAAP¹ PERFORMANCE MEASURES

The Company uses certain non-GAAP financial performance measures in its MD&A, which are described in the following section.

EARNINGS FROM CONTINUING MINING OPERATIONS

This measure is intended to enable management to better understand the earnings generated by operating mine sites before adjustments for corporate costs and non-operating charges and income. The measure is the difference between IFRS reported revenues and cost of sales, which includes revenues from all gold and royalties, direct costs, and production related allocated costs and depreciation.

(\$ millions)	Three months ended March 31,	
	2015	2014
Continuing operations		
Revenues	\$ 244.7	\$ 217.3
Cost of sales	231.7	185.2
Earnings from continuing mining operations	\$ 13.0	\$ 32.1

GOLD MARGIN

The Company's MD&A refers to gold margin per ounce, a non-GAAP performance measure, in order to provide investors with information about the measure used by management to monitor the performance of its gold assets. The information allows management to assess how well the gold mines are performing relative to the plan and to prior periods, as well as assess the overall effectiveness and efficiency of gold operations.

In periods of volatile gold prices, profitability changes with altering cut-off gold grades. Such a decision to alter the cut-off gold grade will typically result in a change to total cash costs per ounce, but it is equally important to recognize that gold margins also change at a similar rate. While mining lower-grade ore results in less gold being processed in any given period, over the long-run it allows the Company to optimize the production of profitable gold, thereby maximizing the Company's total financial returns over the life of the mine. IAMGOLD's exploitation strategy, including managing cut-off grades, mine sequencing, and stockpiling practices, is designed to maximize the total value of the asset going forward. At the same time, the site operating teams seek to achieve the best performance in terms of cost per tonne mined, cost per tonne processed and overheads.

The gold margin per ounce does not have any standardized meaning prescribed by IFRS, is unlikely to be comparable to similar measures presented by other issuers, and should not be considered in isolation or a substitute for measures of performance prepared in accordance with IFRS.

¹ GAAP – Generally accepted accounting principles.

(\$/oz of gold)	Three months ended March 31,	
	2015	2014
Average realized gold price ¹	\$ 1,221	\$ 1,286
Total cash costs - gold mines ^{2,3}	846	886
Gold margin	\$ 375	\$ 400

¹ Refer to section below.

² Refer to page 24 for calculation.

³ Gold mines, as used with total cash costs and all-in sustaining costs, consist of Rosebel, Essakane, Westwood (commercial production), Mouska, Sadiola and Yatela on an attributable basis.

AVERAGE REALIZED GOLD PRICE PER OUNCE SOLD

This measure is intended to enable management to understand the average realized price of gold sold to third parties in each reporting period after removing the impact of non-gold revenues and by-product credits.

The average realized gold price per ounce sold does not have any standardized meaning prescribed by IFRS, is unlikely to be comparable to similar measures presented by other issuers, and should not be considered in isolation or a substitute for measures of performance prepared in accordance with IFRS.

The following table provides a reconciliation of average realized gold price per ounce sold to revenues as per the consolidated interim financial statements.

(\$ millions, except where noted)	Three months ended March 31,	
	2015	2014
Continuing operations		
Revenues	\$ 244.7	\$ 217.3
Royalty revenues	(0.1)	(2.4)
By-product credits	(0.7)	(0.2)
Gold revenue - owner-operator	\$ 243.9	\$ 214.7
Gold sales - owner-operator (000s oz)	200	167
Average realized gold price per ounce ¹ - owner-operator (\$/oz)	\$ 1,220	\$ 1,287
Gold revenue - joint venture mines	\$ 25.4	\$ 26.7
Gold sales - joint venture mines (000s oz)	21	21
Average realized gold price per ounce ¹ - joint venture mines (\$/oz)	\$ 1,224	\$ 1,282
Average realized gold price per ounce ¹ - gold mines ² (\$/oz)	\$ 1,221	\$ 1,286

¹ Average realized price per ounce sold may not calculate based on amounts presented in this table due to rounding.

² Gold mines, as used with average realized gold price per ounce sold, consist of Rosebel, Essakane, Westwood (commercial production), Mouska, Sadiola and Yatela on an attributable basis.

ADJUSTED NET EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS

Adjusted net earnings attributable to equity holders of IAMGOLD and adjusted net earnings attributable to equity holders of IAMGOLD per share are non-GAAP performance measures. Management believes that these measures better reflect the Company's performance for the current period and are better indications of its expected performance in future periods. Adjusted net earnings attributable to equity holders of IAMGOLD and adjusted net earnings attributable to equity holders of IAMGOLD per share are intended to provide additional information, but are unlikely to be comparable to similar measures presented by other issuers. These measures do not have any standardized meaning prescribed by IFRS and should not be considered in isolation or a substitute for measures of performance prepared in accordance with IFRS. Adjusted net earnings attributable to equity holders of IAMGOLD represents net earnings attributable to equity holders excluding certain impacts, net of taxes, such as write-down of assets, gains or losses on sales of assets, unrealized non-hedge derivative gains or losses, interest expense that is unrelated to financing working capital, foreign exchange gains or losses, restructuring charges, and changes in estimates of asset retirement obligations at closed sites. These measures are not necessarily indicative of net earnings or cash flows as determined under IFRS.

The following table provides a reconciliation of earnings (loss) from continuing operations before income taxes and non-controlling interests as per the Consolidated statements of earnings, to adjusted net earnings (loss) attributable to equity holders of IAMGOLD.

(\$ millions, except where noted)	Three months ended March 31,	
	2015	2014
Earnings (loss) from continuing operations before income taxes and non-controlling interests	\$ 9.2	\$ (4.0)
Adjusted items:		
Changes in estimates of asset retirement obligations at closed sites	6.8	4.2
Unrealized derivative losses	6.9	1.9
Write-down of assets	1.0	1.9
Restructuring and other charges	0.6	2.2
Interest expense on senior unsecured note	—	0.3
Foreign exchange (gain) loss	(1.6)	1.6
Gain on sale of assets	(43.0)	(0.3)
Gain on repurchase of senior unsecured notes	(0.9)	—
Reversal of impairment of investments	—	(3.4)
	(30.2)	8.4
Adjusted earnings (loss) from continuing operations before income taxes and non-controlling interests	(21.0)	4.4
Income taxes	(21.8)	(9.1)
Tax adjustments	17.2	6.9
Non-controlling interest	(3.9)	(1.0)
Adjusted net earnings (loss) from continuing operations attributable to equity holders of IAMGOLD	\$ (29.5)	\$ 1.2
Basic weighted average number of common shares outstanding (millions)	385.1	376.7
Adjusted net earnings (loss) from continuing operations attributable to equity holders of IAMGOLD per share (\$/share)	\$ (0.08)	\$ —
Including discontinued operations		
Adjusted net earnings (loss) from continuing operations	(29.5)	1.2
Net earnings from discontinued operations attributable to equity holders of IAMGOLD	40.6	17.8
Adjusting items:		
Gain on sale of discontinued operations	(37.8)	—
Other	—	(1.2)
Tax adjustments on discontinued operations	—	(5.8)
Adjusted net earnings (loss) including discontinued operations	\$ (26.7)	\$ 12.0
Adjusted net earnings (loss) including discontinued operations per share	\$ (0.07)	\$ 0.03
Effective adjusted tax rate (%)	(22)%	50%

After adjusting reported income from continuing operations for those items that are not considered to be representative of the Company's core business or indicative of future continuing operations, the Company has an adjusted loss from continuing operations of \$29.5 million. Although it may be reasonable to expect a tax benefit on the adjusted loss from continuing operations, a tax expense results because the recent history of losses does not satisfy the criteria for the recognition of certain tax benefits and related deferred tax assets. As a result, the adjusted effective tax rate for the three months ended March 31, 2015 was negative 22%.

TOTAL CASH COSTS PER OUNCE PRODUCED

The Company's MD&A refers to total cash costs per ounce produced, a non-GAAP performance measure, in order to provide investors with information about a key measure used by management to monitor performance. This information is used to assess how well the producing gold mines are performing compared to plan and prior periods, and also to assess their overall effectiveness and efficiency.

Total cash costs are calculated in accordance with a standard developed by the Gold Institute, which was a worldwide association of gold and gold product suppliers, including leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard is still an accepted measure of reporting cash costs of gold production in North America. Adoption of the standard is voluntary, and the cost measures presented herein may not be comparable to other similarly titled measures of other companies. Costs include mine site operating costs such as mining, processing, administration, royalties, production taxes, and realized hedge and non-hedge derivative gains or losses, but are exclusive of depreciation, reclamation, capital expenditures and exploration and evaluation costs. These costs are then divided by the Company's attributable ounces of gold produced by mine sites in commercial production to arrive at the total cash costs per ounce produced.

The measure, along with revenues, is considered to be one of the key indicators of a Company's ability to generate operating earnings and cash flow from its mining operations. These total cash costs do not have any standardized meaning prescribed by IFRS and differ from measures determined in accordance with IFRS. They are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These measures are not necessarily indicative of net earnings or cash flow from operating activities as determined under IFRS.

The following table provides a reconciliation of total cash costs per ounce produced for gold mines to cost of sales, excluding depreciation expense as per the consolidated interim financial statements.

(\$ millions, except where noted)	Three months ended March 31,	
	2015	2014
Continuing operations		
Cost of sales ¹ , excluding depreciation expense	\$ 169.4	\$ 147.3
Less: cost of sales for non-gold segments ² , excluding depreciation expense	0.5	0.6
Cost of sales for gold segments, excluding depreciation expense	168.9	146.7
Adjust for:		
By-product credit (excluded from cost of sales)	(0.7)	(0.2)
Stock movement	(0.2)	(7.6)
Other mining costs	(0.1)	(4.1)
Cost attributed to non-controlling interests ³	(10.9)	(10.0)
	(11.9)	(21.9)
Total cash costs - owner-operator mines	\$ 157.0	\$ 124.8
Attributable commercial gold production ⁴ - owner-operator (000s oz)	187	148
Total cash costs ⁵ - owner-operator mines (\$/oz)	\$ 841	\$ 842
Total cash costs - joint venture mines	\$ 18.6	\$ 26.7
Attributable gold production - joint venture mines (000s oz)	21	23
Total cash costs ⁵ - joint venture mines (\$/oz)	\$ 889	\$ 1,175
Total cash costs - gold mines ⁶	\$ 175.6	\$ 151.5
Total attributable gold commercial production ⁴ (000s oz)	208	171
Total cash costs ^{5,7} - gold mines ⁶ (\$/oz)	\$ 846	\$ 886

¹ As per note 26 of the Company's consolidated interim financial statements.

² Non-gold segments consist of Exploration and evaluation and Corporate.

³ Adjustments for the consolidation of Rosebel (95%) and Essakane (90%) to their attributable portion of cost of sales.

⁴ Gold commercial production does not include Westwood pre-commercial production for the three months ended March 31, 2014 of 1,000 ounces.

⁵ Total cash costs per ounce produced may not calculate based on amounts presented in this table due to rounding.

⁶ Gold mines, as used with total cash costs, consist of Rosebel, Essakane, Westwood (commercial production), Mouska, Sadiola and Yatela, on an attributable basis.

⁷ Includes realized hedge and non-hedge derivative losses of \$60 per ounce produced (March 31, 2014 - \$nil per ounce produced).

NET CASH FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL

The Company makes reference to a non-GAAP performance measure for net cash from operating activities before changes in working capital and net cash from operating activities before changes in working capital per share. Working capital can be volatile due to numerous factors including a build-up or reduction of inventories. Management believes that, by excluding these items, this non-GAAP measure provides investors with the ability to better evaluate the cash flow performance of the Company.

The following table provides a reconciliation of net cash from operating activities before changes in working capital.

(\$ millions, except where noted)	Three months ended March 31,	
	2015	2014
Net cash from operating activities per consolidated interim financial statements	\$ 30.0	\$ 28.1
Adjusting items from non-cash working capital items and non-current ore stockpiles		
Receivables and other current assets	(3.0)	13.7
Inventories and non-current ore stockpiles	7.1	(7.3)
Accounts payable and accrued liabilities	20.7	30.1
Net cash from operating activities before changes in working capital including discontinued operations	\$ 54.8	\$ 64.6
Basic weighted average number of common shares outstanding (millions)	385.1	376.7
Net cash from operating activities before changes in working capital including discontinued operations (\$/share)	\$ 0.14	\$ 0.17

ALL-IN SUSTAINING COSTS PER OUNCE SOLD

The Company believes that, although relevant, the current total cash costs measure commonly used in the gold industry does not capture the sustaining expenditures incurred in producing gold, and therefore, may not present a complete picture of a Company's operating performance or its ability to generate free cash flow from its current operations. For these reasons, members of the World Gold Council ("WGC") defined an all-in sustaining costs measure that better represents the costs associated with producing gold. The WGC is a non-profit association of the world's leading gold mining companies, established in 1987 to promote the use of gold.

The all-in sustaining costs ("AISC") per ounce sold measure better meets the needs of analysts, investors and other stakeholders of the Company in assessing its operating performance and its ability to generate free cash flow. The definition of AISC, on an attributable basis, commences with cost of sales, excluding depreciation expense, and includes sustaining capital expenditures, sustaining exploration and evaluation expenses, environmental rehabilitation accretion and depreciation, by-product credits, corporate general and administrative costs.

This measure seeks to represent the cost of selling gold from current operations, and therefore does not include capital expenditures attributable to development projects or mine expansions, greenfield exploration expenses, income tax payments, working capital defined as current assets less current liabilities (except for inventory adjustments), items needed to normalize earnings, interest costs or dividend payments.

Consequently, this measure is not representative of all of the Company's cash expenditures and is not indicative of the Company's overall profitability. The calculation of AISC per ounce sold is based on the Company's attributable interest in sales from its gold mines. The usage of an attributable interest presentation is a fairer and more accurate way to measure economic performance than using a consolidated basis. The Company reports the AISC per ounce sold measure on an attributable sales basis, compared with the Company's current total cash costs presentation, which is on an attributable production basis.

The Company reports the measure with and without a deduction for by-product credits and reports the measure for its owner-operator mines (includes Rosebel, Essakane, Mouska and Westwood-commercial production), and gold mines (includes owner-operator mines, Sadiola and Yatela).

AISC measures do not have any standardized meaning prescribed by IFRS and differs from measures determined in accordance with IFRS. It is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. This measure is not necessarily indicative of net earnings or cash flow from operating activities as determined under IFRS.

(\$ millions, attributable, except where noted)	Three months ended March 31,	
	2015	2014
Continuing operations		
AISC - owner-operator mines		
Cost of sales ¹ , excluding depreciation expense	\$ 158.4	\$ 136.2
Sustaining capital expenditures ¹	35.0	34.6
By-product credit, excluded from cost of sales	(0.7)	(0.2)
Corporate general and administrative costs ²	9.7	11.1
Realized (gains) losses on derivatives	6.7	0.1
Environmental rehabilitation accretion and depreciation	2.6	2.0
	\$ 211.7	\$ 183.8
AISC - joint venture mines		
Cost of sales for joint ventures, excluding depreciation expense	\$ 18.6	\$ 26.4
Adjustments to cost of sales ³ - joint venture mines	0.5	0.4
	19.1	26.8
AISC - gold mines⁴	\$ 230.8	\$ 210.6
Attributable gold sales - owner-operator (000s oz)	187	155
AISC - owner-operator ⁵ (\$/oz)	\$ 1,135	\$ 1,185
AISC - owner-operator, excluding by-product credit ⁶ (\$/oz)	\$ 1,138	\$ 1,187
Attributable gold sales - gold mines (000s oz)	208	176
AISC - gold mines ^{5,6} (\$/oz)	\$ 1,113	\$ 1,198
AISC - gold mines, excluding by-product credit ^{5,6} (\$/oz)	\$ 1,117	\$ 1,199

¹ Includes Rosebel and Essakane at their attributable amounts of 95% and 90% respectively. Refer to note 26 of the consolidated interim financial statements for cost of sales at 100% basis and refer to the capital expenditures table of the MD&A on page 9 for 2015 sustaining capital expenditures at 100% basis.

² Corporate general and administrative costs exclude depreciation expense.

³ Adjustments to cost of sales consist of sustaining capital expenditures, by-product credit and environmental rehabilitation and depreciation.

⁴ Gold mines consist of Rosebel, Essakane, Westwood (commercial production), Mouska, Sadiola and Yatela on an attributable basis.

⁵ AISC per ounce sold may not calculate based on amounts presented in this table due to rounding.

⁶ Includes realized hedge and non-hedge derivative losses of \$64 per ounce sold (March 31, 2014 - \$nil per ounce sold).



UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

AS AT MARCH 31, 2015

Consolidated balance sheets	28
Consolidated statements of earnings	29
Consolidated statements of comprehensive income	30
Consolidated statements of changes in equity	31
Consolidated statements of cash flows	32
Notes to condensed consolidated interim financial statements	33 to 50

CONSOLIDATED BALANCE SHEETS

(Unaudited) (In millions of U.S. dollars)	Notes	March 31, 2015	December 31, 2014
Assets			
Current assets			
Cash and cash equivalents		\$ 729.2	\$ 158.5
Gold bullion (market value - \$159.9; December 31, 2014 - \$162.5)	5	96.9	96.9
Income taxes receivable		5.9	0.2
Receivables and other current assets	6	45.5	55.5
Inventories	7	233.2	245.1
Assets held for sale	4	—	628.5
		1,110.7	1,184.7
Non-current assets			
Investments in associates and joint ventures	8	58.2	56.4
Property, plant and equipment	9	2,142.8	2,152.9
Exploration and evaluation assets		546.8	544.8
Income taxes receivable		47.2	67.4
Other assets	10	230.4	216.6
		3,025.4	3,038.1
		\$ 4,136.1	\$ 4,222.8
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities		\$ 161.0	\$ 169.5
Income taxes payable		9.2	8.7
Current portion of provisions	11	16.8	13.7
Other liabilities	12	55.6	36.2
Liabilities held for sale	4	—	167.0
		242.6	395.1
Non-current liabilities			
Deferred income tax liabilities		177.2	165.5
Provisions	11	301.7	297.7
Long-term debt	14(a)	636.7	641.7
Other liabilities	12	60.8	59.2
		1,176.4	1,164.1
		1,419.0	1,559.2
Equity			
Equity attributable to IAMGOLD Corporation shareholders			
Common shares	17	2,363.0	2,322.7
Contributed surplus		34.7	38.2
Retained earnings		325.3	301.2
Accumulated other comprehensive loss		(54.9)	(43.6)
		2,668.1	2,618.5
Non-controlling interests		49.0	45.1
		2,717.1	2,663.6
Contingencies and commitments	11(b), 24		
		\$ 4,136.1	\$ 4,222.8

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

CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited)		Three months ended March 31,	
(In millions of U.S. dollars, except per share amounts)	Notes	2015	2014
Continuing Operations			
Revenues		\$ 244.7	\$ 217.3
Cost of sales	20	231.7	185.2
General and administrative expenses		10.5	10.5
Exploration expenses		9.6	9.1
Other expenses		9.8	6.9
Operating costs		261.6	211.7
Earnings (loss) from operations		(16.9)	5.6
Share of net earnings (losses) from investments in associates and joint ventures, net of income taxes	8	3.0	(7.1)
Finance costs	21	(10.1)	(2.1)
Foreign exchange gains (losses)		1.6	(1.6)
Interest income and derivatives and other investment gains	22	31.6	1.2
Earnings (loss) before income taxes		9.2	(4.0)
Income taxes	13	(21.8)	(9.1)
Net loss from continuing operations		(12.6)	(13.1)
Net earnings from discontinued operations, net of income taxes	4(a)	40.6	17.8
Net earnings		\$ 28.0	\$ 4.7
Net earnings (loss) from continuing operations attributable to			
Equity holders of IAMGOLD Corporation		\$ (16.5)	\$ (14.1)
Non-controlling interests		3.9	1.0
Net loss from continuing operations		\$ (12.6)	\$ (13.1)
Net earnings attributable to			
Equity holders of IAMGOLD Corporation		\$ 24.1	\$ 3.7
Non-controlling interests		3.9	1.0
Net earnings		\$ 28.0	\$ 4.7
Attributable to equity holders of IAMGOLD Corporation			
Weighted average number of common shares outstanding (in millions)	18		
Basic and diluted		385.1	376.7
Basic and diluted loss per share from continuing operations (\$ per share)		\$ (0.04)	\$ (0.04)
Basic and diluted earnings per share from discontinued operations (\$ per share)		\$ 0.10	\$ 0.05
Basic and diluted earnings per share including discontinued operations (\$ per share)		\$ 0.06	\$ 0.01

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)		Three months ended March 31,	
(In millions of U.S. dollars)	Notes	2015	2014
Net earnings		\$ 28.0	\$ 4.7
Other comprehensive income (loss), net of income taxes			
Items that will not be reclassified to profit or loss			
Movement in marketable securities fair value reserve			
Net unrealized change in fair value of marketable securities		(3.6)	9.8
Net realized change in fair value of marketable securities	15(a)	5.3	0.3
Tax impact		—	(2.0)
		1.7	8.1
Items that may be reclassified to profit or loss			
Movement in cash flow hedge fair value reserve from continuing operations			
Effective portion of changes in fair value of cash flow hedges	15(b)	(27.5)	—
Time value of options and forward contracts excluded from hedge relationship	15(b)	5.4	—
Net change in fair value of cash flow hedge reclassified	15(b)	8.1	—
Time value of options and forward contracts reclassified	15(b)	(0.4)	—
Tax impact		1.0	—
Movement in cash flow hedge fair value reserve from discontinued operations, net of income taxes		1.6	—
		(11.8)	—
Currency translation adjustment		(1.2)	(0.2)
Total other comprehensive income (loss)		(11.3)	7.9
Comprehensive income		\$ 16.7	\$ 12.6
Comprehensive income attributable to			
Equity holders of IAMGOLD Corporation		\$ 12.8	\$ 11.6
Non-controlling interests		3.9	1.0
		\$ 16.7	\$ 12.6
Total comprehensive income (loss) attributable to equity holders arises from:			
Comprehensive (loss) from continuing operations		\$ (25.5)	\$ (5.2)
Comprehensive income from discontinued operations		42.2	17.8
Comprehensive income		\$ 16.7	\$ 12.6

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Unaudited) (In millions of U.S. dollars)	Notes	Three months ended March 31,	
		2015	2014
Common shares			
Balance, beginning of the period		\$ 2,322.7	\$ 2,317.6
Issuance of shares for share-based compensation		5.0	1.4
Issuance of flow-through shares	17(a)	35.3	—
Balance, end of the period		2,363.0	2,319.0
Contributed surplus			
Balance, beginning of the period		38.2	35.2
Issuance of shares for share-based compensation		(5.1)	(1.4)
Share-based compensation	23(a)	1.6	1.3
Balance, end of the period		34.7	35.1
Retained earnings			
Balance, beginning of the period		301.2	465.1
IFRS 9 transition adjustment, net of income taxes		—	41.1
Adjusted balance, beginning of the period		301.2	506.2
Net earnings attributable to equity holders of IAMGOLD Corporation		24.1	3.7
Balance, end of the period		325.3	509.9
Accumulated other comprehensive income (loss)			
Marketable securities fair value reserve			
Balance, beginning of the period		(31.9)	13.6
IFRS 9 transition adjustment, net of income taxes		—	(41.1)
Adjusted balance, beginning of the period		(31.9)	(27.5)
Net change in fair value of marketable securities, net of income taxes		1.7	8.1
Balance, end of the period		(30.2)	(19.4)
Cash flow hedge fair value reserve			
Balance, beginning of the period		(8.7)	—
Net change in fair value of cash flow hedges, net of income taxes		(11.8)	—
Balance, end of the period		(20.5)	—
Currency translation adjustment			
Balance, beginning of the period		(3.0)	(0.3)
Change for the period		(1.2)	(0.2)
Balance, end of the period		(4.2)	(0.5)
Total accumulated other comprehensive income (loss)		(54.9)	(19.9)
Equity attributable to IAMGOLD Corporation shareholders		2,668.1	2,844.1
Non-controlling interests			
Balance, beginning of the period		45.1	41.3
Net earnings attributable to non-controlling interests		3.9	1.0
Balance, end of the period		49.0	42.3
		\$ 2,717.1	\$ 2,886.4

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited) (In millions of U.S. dollars)	Notes	Three months ended March 31,	
		2015	2014
Operating activities			
Net earnings		\$ 28.0	\$ 4.7
Adjustments for:			
Finance costs		10.7	2.5
Depreciation expense		63.2	46.4
Changes in estimates of asset retirement obligations at closed sites		6.8	4.2
Income taxes		21.8	14.1
Reversals of impairment charges of investments in associates		—	(3.4)
Share of net (earnings) losses from investments in associates and joint ventures, net of income taxes	8	(3.0)	7.1
Gain on repurchase of long-term debt	22	(0.9)	—
Gain on sale of royalty asset	22	(43.5)	—
Effects of exchange rate fluctuation on cash and cash equivalents		6.8	4.5
Other non-cash items	23(a)	(12.7)	4.6
Adjustments for cash items	23(b)	(19.7)	(3.6)
Movements in non-cash working capital items and non-current ore stockpiles	23(c)	(24.8)	(36.5)
Cash from operating activities, before income taxes paid		32.7	44.6
Income taxes paid		(2.7)	(16.5)
Net cash from operating activities		30.0	28.1
Investing activities			
Property, plant and equipment			
Capital expenditures		(48.6)	(99.0)
Proceeds from disposals		0.4	0.2
Net proceeds from disposal of discontinued operations	4	489.7	—
Proceeds from sale of royalty asset	10	52.5	—
Advances to related parties	25	(1.6)	(3.6)
Repayment from related parties	25	—	0.1
Capital expenditures for Exploration and evaluation assets		(1.9)	(1.2)
Other investing activities	23(d)	13.1	(0.8)
Net cash from (used in) investing activities		503.6	(104.3)
Financing activities			
Interest paid		(0.6)	(1.5)
Repurchase of long-term debt	14(a)	(4.5)	—
Proceeds from issuance of flow-through shares	17(a)	39.3	—
Other		(2.3)	(0.2)
Net cash from (used in) financing activities		31.9	(1.7)
Effects of exchange rate fluctuation on cash and cash equivalents		(6.8)	(4.5)
Increase (decrease) in cash and cash equivalents		558.7	(82.4)
Cash and cash equivalents, beginning of the period		158.5	222.3
Cash and cash equivalents held for sale, beginning of period		12.0	—
Cash and cash equivalents, end of the period		\$ 729.2	\$ 139.9

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

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2015 AND 2014

(Amounts in notes and in tables are in millions of U.S. dollars, except where otherwise indicated) (Unaudited)

1. CORPORATE INFORMATION

IAMGOLD Corporation (“IAMGOLD” or “the Company”) is a corporation governed by the *Canada Business Corporations Act* and domiciled in Canada whose shares are publicly traded. The address of the Company’s registered office is 401 Bay Street, Suite 3200, Toronto, Ontario, Canada, M5H 2Y4.

The principal activities of the Company are the exploration, development and operation of gold mining properties.

2. BASIS OF PREPARATION

(a) Statement of compliance

The unaudited condensed consolidated interim financial statements (“consolidated interim financial statements”) of IAMGOLD and all of its subsidiaries, joint ventures and associates have been prepared in accordance with IAS 34, Interim Financial Reporting, and do not include all of the information required for annual consolidated financial statements. Accordingly, certain information and disclosures normally included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) have been omitted or condensed.

The consolidated interim financial statements should be read in conjunction with IAMGOLD’s audited annual consolidated financial statements and related notes as at and for the year ended December 31, 2014.

The consolidated interim financial statements of IAMGOLD were authorized for issue in accordance with a resolution of the Board of Directors on May 5, 2015.

(b) Basis of measurement

The consolidated interim financial statements have been prepared on a historical cost basis, except for items measured at fair value as discussed in note 16.

(c) Basis of consolidation

Subsidiaries and investments in associates and joint ventures related to significant properties of the Company are accounted for as outlined below.

Name	Property – Location	March 31, 2015	December 31, 2014	Type of Arrangement	Accounting Method
Rosebel Gold Mines N.V.	Rosebel mine (Suriname)	95%	95%	Subsidiary	Consolidation
Essakane S.A.	Essakane mine (Burkina Faso)	90%	90%	Subsidiary	Consolidation
Doyon division including the Westwood mine ¹	Doyon division (Canada)	100%	100%	Division	Consolidation
Trelawney Mining and Exploration Inc. ²	Côté Gold project (Canada)	100%	100%	Subsidiary	Consolidation
Société d’Exploitation des Mines d’Or de Sadiola S.A.	Sadiola mine (Mali)	41%	41%	Joint venture	Equity accounting
Société d’Exploitation des Mines d’Or de Yatela S.A.	Yatela mine (Mali)	40%	40%	Joint venture	Equity accounting
Galane Gold Ltd. ³	Mupane mine (Botswana)	41%	42%	Associate	Equity accounting
INV Metals Inc. ³	Loma Larga project (Ecuador)	47%	47%	Associate	Equity accounting

¹ Division of IAMGOLD Corporation.

² Trelawney Mining and Exploration Inc. owns a 92.5% interest in the Côté Gold project.

³ Galane Gold Ltd and INV Metals Inc. are publicly traded companies incorporated in Canada.

(d) Significant accounting judgments, estimates and assumptions

The preparation of consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated interim financial statements and reported amounts of revenues and expenses during the three month period ended March 31, 2015. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

(e) Significant accounting policies

These consolidated interim financial statements, including comparatives, have been prepared following the same accounting policies and methods of computation as the audited annual consolidated financial statements for the year ended December 31, 2014.

As disclosed in the Company's audited annual consolidated financial statements for the year ended December 31, 2014, the Company adopted IFRS 9, Financial Instruments, as amended November 2013 ("IFRS 9 (2013)") with a date of initial application of April 1, 2014. The adoption of IFRS 9 (2013) required an amount of \$0.3 million to be reclassified from interest income and derivatives and other investment gains to other comprehensive income for the three months ended March 31, 2014. There was no change to total net cash from operating activities as a result of this adjustment for the three months ended March 31, 2014. The Company has reflected the retrospective impact of the adoption as an adjustment to opening components of equity as at January 1, 2014.

3. FUTURE ACCOUNTING POLICIES

The following new standards were not yet effective for the three months ended March 31, 2015, and have not been applied in preparing these consolidated interim financial statements.

IFRS 15 - Revenue from Contracts with Customers

The IASB has issued IFRS 15, Revenue from Contracts with Customers, which will replace IAS 11, Construction Contracts and IAS 18, Revenue. The mandatory effective date of IFRS 15 is January 1, 2017. The objective of IFRS 15 is to establish a single, principles based model to be applied to all contracts with customers in determining how and when revenue is recognized. IFRS 15 also requires entities to provide users of financial statements with more informative and relevant disclosures. The Company will evaluate the impact of adopting IFRS 15 in its consolidated financial statements in future periods.

IFRS 9 - Financial Instruments

On July 24, 2014 the IASB issued the complete IFRS 9 ("IFRS 9 (2014)"). IFRS 9 (2014) differs in some regards from IFRS 9 (2013) which the Company early adopted effective April 1, 2014. IFRS 9 (2014) includes updated guidance on the classification and measurement of financial assets. The final standard also amends the impairment model by introducing a new 'expected credit loss' model for calculating impairment, and new general hedge accounting requirements. The mandatory effective date of IFRS 9 (2014) is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted. The Company will evaluate the impact of adopting IFRS 9 (2014) in its consolidated financial statements in future periods.

4. DISCONTINUED OPERATIONS

Niobec mine

During the fourth quarter 2014, the Company signed a definitive agreement to sell its Niobec mine and the adjacent rare earth element ("REE") deposit for cash proceeds of \$500 million plus working capital adjustments, as well as an additional \$30 million when the adjacent REE deposit goes into commercial production, as defined. A 2% gross proceeds royalty will be payable on any REE production.

Regulatory approval for the transaction was received on January 19, 2015 and the transaction closed on January 22, 2015, with an after-tax gain on disposal of \$37.8 million. As at the date of these consolidated interim financial statements, the determination of the working capital adjustments is based on preliminary estimates that are subject to change. The Niobec mine was previously reported under the Niobium segment and its assets and liabilities were classified as held for sale at December 31, 2014.

Major classes of assets and liabilities included as part of the Niobec mine were as follows as at the date of disposal:

	Note	January 22, 2015
Cash and cash equivalents		\$ 12.9
Receivables, income taxes receivable and other current assets		27.6
Inventories		34.1
Property, plant and equipment		549.3
Other non-current assets		5.3
Accounts payable and accrued liabilities		(28.4)
Deferred income tax liabilities		(111.5)
Provisions and other liabilities		(24.5)
Net carrying amount		\$ 464.8
Consideration received		
Cash	14(a)	\$ 502.6
Less: Cash and cash equivalents disposed of		12.9
Net cash inflow on disposal		\$ 489.7

(a) Net earnings from discontinued operations

	Three months ended March 31,	
	2015 ¹	2014
Niobec mine		
Revenues	\$ 9.4	\$ 62.0
Cost of sales	(4.3)	(39.1)
Other expenses	(3.4)	(0.1)
	1.7	22.8
Income tax benefit (expense)	1.1	(5.0)
Net earnings from discontinued operations before disposal	2.8	17.8
Gain on disposal of discontinued operations	37.8	—
Net earnings from discontinued operations	\$ 40.6	\$ 17.8

¹ Amounts disclosed for 2015 are for the period until January 22, 2015, the date the transaction closed.

(b) Net cash flow from (used in) discontinued operations

Cash flow from (used in):	Three months ended March 31,	
	2015 ¹	2014
Operating activities	\$ 2.9	\$ 18.3
Investing activities	(1.6)	(9.6)
Financing activities	(0.4)	(7.5)
Net cash flow from discontinued operations	\$ 0.9	\$ 1.2

¹ Amounts disclosed for 2015 are for the period until January 22, 2015, the date the transaction closed.

5. GOLD BULLION

		March 31, 2015	December 31, 2014
Ounces held	(oz)	134,737	134,737
Weighted average acquisition cost	(\$/oz)	\$ 720	\$ 720
Acquisition cost	(\$ millions)	\$ 96.9	\$ 96.9
Spot price for gold, end of the period	(\$/oz)	\$ 1,187	\$ 1,206
Market value, end of the period	(\$ millions)	\$ 159.9	\$ 162.5

6. RECEIVABLES AND OTHER CURRENT ASSETS

	Note	March 31, 2015	December 31, 2014
Gold receivables		\$ 3.0	\$ 1.7
Receivables from governments ¹		24.5	23.3
Receivables from related parties	25	0.2	0.2
Other receivables		7.5	6.0
Total receivables		35.2	31.2
Marketable securities and warrants		0.9	14.2
Prepaid expenses		9.1	9.8
Other current assets		0.3	0.3
		\$ 45.5	\$ 55.5

¹ Receivables from governments relate primarily to value added tax.

As at March 31, 2015, the allowance for doubtful non-trade receivables was \$4.3 million (December 31, 2014 - \$3.9 million).

7. INVENTORIES

	Note	March 31, 2015	December 31, 2014
Finished goods - gold production inventories		\$ 63.8	\$ 63.7
Ore stockpiles		1.3	10.3
Mine supplies		168.1	171.1
		233.2	245.1
Ore stockpiles included in other non-current assets	10	146.5	127.6
		\$ 379.7	\$ 372.7

For the three months ended March 31, 2015, the Company recognized a write-down of \$1.2 million for finished goods inventories to net realizable value (three months ended March 31, 2014 - write-down of mine supplies of \$1.7 million).

8. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	Associates		Joint Ventures		Total
	Galane	INV Metals	Sadiola	Yatela	
Balance, January 1, 2014	\$ —	\$ 6.5	\$ 59.0	\$ —	\$ 65.5
Impairment reversal	3.4	—	—	—	3.4
Currency translation adjustment	—	(2.7)	—	—	(2.7)
Share of net earnings (loss), net of income taxes	0.5	(0.9)	(9.4)	(16.4)	(26.2)
Share of net losses recorded as provision	—	—	—	16.4	16.4
Balance, December 31, 2014	3.9	2.9	49.6	—	56.4
Currency translation adjustment	—	(1.2)	—	—	(1.2)
Share of net earnings, net of income taxes	0.3	0.8	1.9	—	3.0
Balance, March 31, 2015	\$ 4.2	\$ 2.5	\$ 51.5	\$ —	\$ 58.2

9. PROPERTY, PLANT AND EQUIPMENT

	Construction in progress	Mining properties	Plant and equipment	Total
Cost				
Balance, January 1, 2014	\$ 984.4	\$ 1,991.8	\$ 1,517.8	\$ 4,494.0
Additions ¹	157.4	158.0	135.8	451.2
Changes in asset retirement obligations	—	24.0	—	24.0
Disposals	—	(3.5)	(63.7)	(67.2)
Transfers within Property, plant and equipment	(980.5)	497.6	482.9	—
De-recognition of assets due to Mouska closure	—	(314.4)	(45.5)	(359.9)
Reclassification to Assets held for sale	(81.5)	(421.1)	(259.9)	(762.5)
Balance, December 31, 2014	79.8	1,932.4	1,767.4	3,779.6
Additions ¹	5.6	42.9	12.7	61.2
Changes in asset retirement obligations	—	1.2	—	1.2
Disposals	—	—	(7.6)	(7.6)
Transfers within Property, plant and equipment	(48.1)	25.9	22.2	—
Balance, March 31, 2015	\$ 37.3	\$ 2,002.4	\$ 1,794.7	\$ 3,834.4

¹ Includes capitalized borrowing costs of \$2.9 million for the three months ended March 31, 2015 (three months ended March 31, 2014 - \$11.0 million) at a weighted average interest rate of 6.99%.

	Construction in progress	Mining properties	Plant and equipment	Total
Accumulated Depreciation				
Balance, January 1, 2014	\$ —	\$ 1,433.8	\$ 539.8	\$ 1,973.6
Depreciation expense ¹	—	78.9	166.0	244.9
Disposals	—	(0.1)	(21.6)	(21.7)
De-recognition of assets due to Mouska closure	—	(314.3)	(44.6)	(358.9)
Reclassification to Assets held for sale	—	(136.0)	(75.2)	(211.2)
Balance, December 31, 2014	—	1,062.3	564.4	1,626.7
Depreciation expense ¹	—	25.0	46.1	71.1
Disposals	—	—	(6.2)	(6.2)
Balance, March 31, 2015	\$ —	\$ 1,087.3	\$ 604.3	\$ 1,691.6
Carrying amount, December 31, 2014	\$ 79.8	\$ 870.1	\$ 1,203.0	\$ 2,152.9
Carrying amount, March 31, 2015	\$ 37.3	\$ 915.1	\$ 1,190.4	\$ 2,142.8

¹ Excludes depreciation expense related to Corporate assets, which is included in General and administrative expenses.

The carrying amount of plant and equipment includes \$36.0 million (December 31, 2014 - \$37.3 million) of equipment held under finance leases. The finance leases are each for a five-year term and contain purchase options that the Company has assessed as being reasonably certain to be exercised at maturity.

10. OTHER NON-CURRENT ASSETS

	Note	March 31, 2015	December 31, 2014
Ore stockpiles		\$ 146.5	\$ 127.6
Marketable securities and warrants		21.4	16.7
Receivables from related parties	25	27.9	26.3
Restricted cash		8.3	8.7
Royalty interests		5.6	18.8
Other		20.7	18.5
		\$ 230.4	\$ 216.6

As at March 31, 2015, the allowance for doubtful non-trade receivables was \$36.0 million (December 31, 2014 - \$36.0 million).

On March 23, 2015, the Company sold its Diavik royalty interest over claims in the Lac de Gras region of the Northwest Territories for total proceeds of \$56.8 million (under the terms of the sale agreement, royalty income due to the Company in the period from January 1, 2015 to March 23, 2015 was provided to the acquirer). The sale proceeds comprised of cash of \$52.5 million and three million five-year warrants of the acquirer with a transaction date fair value of \$4.3 million. The warrants, which are valued using the Black-Scholes model with an exercise price of \$4.50 and expected life of five years, will be subsequently re-measured at fair value at each reporting period. The carrying amount of the Diavik royalty at the date of sale was \$13.2 million, resulting in an after-tax gain on sale of \$43.5 million, net of transaction costs, recognized in Interest income and derivatives and other investment gains in the Consolidated statements of earnings (refer to note 22).

11. PROVISIONS

	March 31, 2015	December 31, 2014
Asset retirement obligations	\$ 301.3	\$ 293.7
Yatela loss provision	13.2	13.2
Other	4.0	4.5
	\$ 318.5	\$ 311.4
Non-current provisions	\$ 301.7	\$ 297.7
Current portion of provisions	16.8	13.7
	\$ 318.5	\$ 311.4

(a) Asset retirement obligations

The Company's activities are subject to various laws and regulations regarding environmental restoration and closure provisions for which the Company estimates future costs. These provisions may be revised on the basis of amendments to such laws and regulations and the availability of new information, such as changes in reserves corresponding to a change in the mine life and discount rates, changes in estimated costs of reclamation activities and acquisition or construction of a new mine. The Company makes a provision based on a best estimate of the future cost of rehabilitating mine sites and related production facilities on a discounted basis.

(b) Provisions for litigation claims and regulatory assessments

By their nature, contingencies will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events. The assessment of contingencies inherently involves the exercise of significant judgments and estimates of the outcome of future events.

The Company operates in various countries around the world and may be subject to assessments by the regulatory authorities in each of those countries, which can be complex and subject to interpretation. Assessments may relate to matters such as income and other taxes, duties and environmental matters. The Company is diligent and exercises informed judgments to interpret the provisions of applicable laws and regulations as well as their application and administration by regulatory authorities to reasonably determine and pay the amounts due. From time to time, the Company may undergo a review by the regulatory authorities and in connection with such reviews, disputes may arise with respect to the Company's interpretations about the amounts due and paid.

The Company is also subject to various litigation actions. In-house counsel, outside legal advisors, and other subject matter experts assess the potential outcome of litigation and regulatory assessments. Accordingly, the Company establishes provisions for future disbursements considered probable.

As at March 31, 2015, the Company did not have any material provisions for litigation claims or regulatory assessments. Further, the Company does not believe claims or regulatory assessments, for which no provision has been recorded, will have a material impact on the financial position of the Company.

12. OTHER LIABILITIES

	Notes	March 31, 2015	December 31, 2014
Finance lease obligations	24(b)	\$ 34.8	\$ 34.9
Cash flow hedges	15(b)	22.0	7.6
Non-hedge derivatives	15(c)	59.6	52.9
		\$ 116.4	\$ 95.4
Non-current other liabilities		\$ 60.8	\$ 59.2
Current portion of other liabilities		55.6	36.2
		\$ 116.4	\$ 95.4

13. INCOME TAXES

The Company estimates the effective tax rate expected to be applied for the full fiscal year and uses this rate to provide income taxes in interim periods. The impact of changes in judgment concerning the probable realization of losses, changes in tax rates, and foreign exchange rates are recognized in the interim period in which they occur.

The tax expense for the three months ended March 31, 2015 was \$21.8 million (three months ended March 31, 2014 - \$9.1 million) and varied from the tax expense calculated using the combined Canadian federal and provincial statutory income tax rate of 27%. The variance was mainly due to fluctuations in foreign currency exchange rates, net foreign earnings taxed at higher tax rates and fluctuations in the mix of income for the recognition of certain tax benefits and related deferred tax assets.

14. LONG-TERM DEBT AND CREDIT FACILITIES

(a) Senior unsecured notes

On September 21, 2012, the Company issued at face value \$650.0 million of senior unsecured notes ("Notes") with an interest rate of 6.75% per annum. The Notes are denominated in U.S. dollars and mature on October 1, 2020. Interest is payable in arrears in equal semi-annual installments on April 1 and October 1.

The Notes indenture contains a restriction on the use of proceeds from the sale of the Company's Niobec mine (refer to note 4). The restriction requires the Company to invest the net proceeds back into the business within 365 days, with the option to extend another 180 days in certain cases. Investments include acquisitions and capital expenditures.

During the first quarter of 2015, the Company repurchased a face value of \$5.4 million of its Notes for cash consideration of \$4.5 million. The resulting gain of \$0.9 million, net of transaction costs, was recognized in Interest income and derivatives and other investment gains in the Consolidated statements of earnings (refer to note 22).

The following are the contractual maturities related to the Notes, including interest payments:

Notes, balance as at	Carrying amount ¹	Contractual cash flows	Payments due by period			
			<1 yr	1-2 yrs	3-5 yrs	>5 yrs
March 31, 2015	\$ 644.6	\$ 905.8	\$ 43.7	\$ 87.0	\$ 87.0	\$ 688.1
December 31, 2014	\$ 650.0	\$ 913.4	\$ 43.9	\$ 87.8	\$ 87.8	\$ 693.9

¹ The carrying amount of the long-term debt excludes unamortized deferred transaction costs of \$7.9 million as at March 31, 2015 (December 31, 2014 - \$8.3 million).

(b) Credit facilities

The Company has a four-year \$500.0 million unsecured revolving credit facility. The maturity date of the credit facility is February 22, 2016 with a provision to extend the maturity date for a period of one year. No funds were drawn against the credit facility as at March 31, 2015 and December 31, 2014. The Company was in compliance with its credit facility covenants as at March 31, 2015.

The Company has a \$75.0 million Canadian revolving credit facility for the issuance of letters of credit. The maturity date of this credit facility is July 23, 2015. As at March 31, 2015, \$56.3 million was drawn against the credit facility (December 31, 2014 - \$61.5 million). The Company's letters of credit guarantee certain asset retirement obligations and are revalued to U.S. dollars at the end of each reporting period. Refer to note 11(a).

Credit facility issue costs are capitalized in other non-current assets. Amortization is calculated on a straight-line basis over the term of the credit facility. The carrying amount of credit facility issue costs, net of amortization as at March 31, 2015 was \$0.6 million (December 31, 2014 - \$0.8 million).

15. FINANCIAL INSTRUMENTS

Financial assets (liabilities)	March 31, 2015		December 31, 2014	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Cash and cash equivalents	\$ 729.2	\$ 729.2	\$ 158.5	\$ 158.5
Current receivables	10.5	10.5	7.7	7.7
Receivables from related parties	28.1	28.1	26.5	26.5
Marketable securities and warrants	22.3	22.3	30.9	30.9
Restricted cash	8.3	8.3	8.7	8.7
Bond fund investments	6.6	6.6	6.0	6.0
Net derivative liabilities	(81.6)	(81.6)	(60.5)	(60.5)
Accounts payable and accrued liabilities	(161.0)	(161.0)	(169.5)	(169.5)
Finance lease obligation	(34.8)	(34.8)	(34.9)	(34.9)
Long-term debt ¹	(644.6)	(533.4)	(650.0)	(490.0)

¹ The carrying amount of the long-term debt excludes unamortized deferred transaction costs of \$7.9 million as at March 31, 2015 (December 31, 2014 – \$8.3 million).

(a) Financial assets measured at fair value through Other comprehensive income

Marketable securities fair value reserve

Share market price exposure risk is related to the fluctuation in the market price of marketable securities. The Company's portfolio of marketable securities is not part of its core operations, and accordingly, gains and losses from these marketable securities are not representative of the Company's performance during the period. Consequently, the Company has designated all of its investments in marketable securities to be measured at fair value through Other comprehensive income. The Company's portfolio of marketable securities is primarily focused on the mining sector and relates entirely to investments in equity securities.

During the period, the Company disposed of certain marketable securities that were no longer considered to be strategic to the Company.

	Three months ended March 31,	
	2015	2014
Proceeds on sale of marketable securities	\$ 14.4	\$ —
Acquisition date fair value of marketable securities sold	(9.1)	—
Gain on sale of marketable securities recorded in Other comprehensive income	\$ 5.3	\$ —

For the three months ended March 31, 2014, realized gains of \$0.3 million on the sale of marketable securities were transferred from Other comprehensive income to the Consolidated statements of earnings.

(b) Cash flow hedge fair value reserve

(i) Hedge gains (losses)

	Hedge gains (losses) recognized in cash flow hedge reserve	(Gains) losses reclassified from cash flow hedge reserve
	Three months ended March 31, 2015	Three months ended March 31, 2015
Exchange rate risk		
Canadian dollar contracts		
Forward contracts	\$ (6.3)	\$ 4.7
Option contracts	(6.4)	—
Euro option contracts	(14.8)	3.4
	(27.5)	8.1
Time value of options and forward contracts excluded from hedge relationship	5.4	(0.4)
	\$ (22.1)	\$ 7.7

For the three months ended March 31, 2015, total losses of \$7.7 million were reclassified from the cash flow hedge reserve. Losses of \$4.7 million and \$1.3 million were reclassified to Cost of sales and General and administrative expenses, respectively, in the Consolidated statements of earnings and losses of \$1.7 million were reclassified to Property, plant and equipment in the Consolidated balance sheets.

There was no hedge ineffectiveness for the three months ended March 31, 2015.

(ii) Currency exchange rate risk

Movements in the Canadian dollar (C\$) and the Euro (€) against the U.S. dollar have a direct impact on the Company's consolidated interim financial statements. The Company's operations have exposure to these currencies; however, the Company's functional currency and that of its subsidiaries is the U.S. dollar.

The Company manages its exposure to the Canadian dollar and the Euro by executing a combination of forward and option contracts. The Company's objective is to hedge its exposure to these currencies resulting from operating and capital expenditure requirements at some of its mine sites and corporate offices.

The Company has designated forward and option contracts as cash flow hedges for its highly probable forecasted Canadian dollar and Euro expenditure requirements. The Company has elected to only designate the spot element of forward contracts and the change in the intrinsic value of options in the hedging relationships. The time value component of options and the forward element of forward contracts are recorded in Other comprehensive income as a cost of hedging.

An economic relationship exists between the hedged items and the hedging instruments as the fair values of both the hedged items and hedging instruments move in opposite directions in response to the same risk. The hedge ratio is determined by dividing the quantity of the forward and option contracts by the quantity of the forecasted Canadian dollar and Euro expenditure exposures.

As at March 31, 2015, the Company had outstanding derivative contracts, which qualified for hedge accounting. The periods in which the cash flows are expected to occur and the impact on the Consolidated statements of earnings, are as follows:

March 31, 2015	2015	2016	Total
Cash flow hedges			
Exchange rate risk			
Canadian dollar contracts (millions of C\$)	95.0	60.0	155.0
Forward contracts	50.0	—	50.0
Contract rate range (C\$/)	1.10 - 1.12		
Option contracts	45.0	60.0	105.0
Contract rate range (C\$/)	1.12 - 1.17	1.12 - 1.18	
Euro option contracts (millions of €)	87.0	—	87.0
Contract rate range (\$/€)	1.21 - 1.29		

Additional information on hedging instruments and hedged forecast transactions related to exchange rate risk as at March 31, 2015 is as follows:

	Carrying amount		Fair value changes used for calculating hedge ineffectiveness		
	Assets	Liabilities	Cash flow hedge fair value reserve	Hedging instruments	Hedged items
Cash flow hedges					
Exchange rate risk					
Canadian dollar contracts					
Forward contracts	\$ —	\$ (5.0)	\$ (5.7)	\$ (5.7)	5.8
Option contracts	—	(6.3)	(6.4)	(6.4)	6.6
Euro option contracts	—	(10.7)	(12.1)	(12.1)	12.2
	\$ —	\$ (22.0)	\$ (24.2)	\$ (24.2)	24.6

(c) **Non-hedge derivatives**

(i) **Currency exchange rate risk**

As at March 31, 2015, the Company did not have any outstanding currency derivative contracts which were not designated for hedge accounting (December 31, 2014 - \$nil).

(ii) **Oil contracts and fuel market price risk**

Diesel is a key input to extract tonnage and, in some cases, to wholly or partially power operations. Since diesel is produced by the refinement of crude oil, changes in the price of oil directly impact fuel costs. The Company believes there is a strong relationship between prices for crude oil and diesel.

As at March 31, 2015, the Company had outstanding option contracts, which were not designated for hedge accounting. The periods in which the cash flows are expected to occur are as follows:

March 31, 2015	2015	2016	2017	Total
Crude oil option contracts (barrels)	825,000	1,101,000	786,000	2,712,000
Contract price range (\$/barrel)	\$75 - \$95	\$68 - \$95	\$71 - \$95	

The fair value as at March 31, 2015 was included in other current and non-current liabilities.

	March 31, 2015	December 31, 2014
Crude oil option contracts	\$ (59.6)	\$ (52.9)

(iii) **Non-hedge derivative gains (losses)**

Non-hedge derivative gains (losses) are included in Interest income and derivatives and other investment gains in the Consolidated statements of earnings. These gains (losses) relate to contracts associated with the mine sites, development projects and Corporate.

	Three months ended March 31,	
	2015	2014
Unrealized gains (losses) on		
Derivatives - currency contracts	\$ —	\$ (3.1)
Derivatives - oil contracts	(6.7)	1.0
Other	(0.2)	0.1
	(6.9)	(2.0)
Realized losses on		
Derivatives - currency contracts	—	(1.5)
Derivatives - oil contracts	(7.3)	—
	(7.3)	(1.5)
	\$ (14.2)	\$ (3.5)

16. FAIR VALUE MEASUREMENTS

The fair value hierarchy categorizes into three levels the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly such as those derived from prices.
- Level 3 inputs are unobservable inputs for the asset or liability.

There have been no changes in the classification of financial instruments in the fair value hierarchy since December 31, 2014.

(a) **Assets and liabilities measured at fair value on a recurring basis**

As at March 31, 2015, the Company's assets and liabilities recorded at fair value were as follows:

Fair value	March 31, 2015				December 31,
	Level 1	Level 2	Level 3	Total	2014
Assets					Total
Cash and cash equivalents	\$ 729.2	\$ —	\$ —	\$ 729.2	\$ 158.5
Restricted cash	8.3	—	—	8.3	8.7
Marketable securities and warrants	15.7	4.3	2.3	22.3	30.9
Bond fund investments	6.6	—	—	6.6	6.0
	\$ 759.8	\$ 4.3	\$ 2.3	\$ 766.4	\$ 204.1
Liabilities					
Derivatives					
Currency contracts	\$ —	\$ (22.0)	\$ —	\$ (22.0)	\$ (7.6)
Oil contracts	—	(59.6)	—	(59.6)	(52.9)
	\$ —	\$ (81.6)	\$ —	\$ (81.6)	\$ (60.5)

(b) **Valuation techniques**

Marketable securities and warrants

The fair value of marketable securities included in Level 1 is determined based on a market approach. The closing price is a quoted market price from the exchange market that is the principal active market for that particular security. The fair value of warrants included in Level 2 is obtained through the use of Black-Scholes pricing model, which uses share price inputs and volatility measurements. The fair value of investments in equity instruments that are not actively traded is determined using valuation techniques that require inputs that are both unobservable and significant, and therefore were categorized as Level 3 in the fair value hierarchy. The Company used the latest transaction price for these securities, obtained from the entity, to value these marketable securities and warrants.

Marketable securities included in Level 3

Balance, January 1, 2015	\$ 2.3
Change in fair value reported in Other comprehensive income, net of income taxes	—
Shares received	—
Balance, March 31, 2015	\$ 2.3

Bond fund investments

The fair value of bond fund investments included in Level 1 is measured using quoted prices (unadjusted) in active markets.

Derivatives

For derivative contracts, the Company obtains a valuation of the contracts from counterparties of those contracts. The Company assesses the reasonableness of these valuations through internal methods and third party valuations. The Company then calculates a credit valuation adjustment or debit valuation adjustment to reflect the counterparty's or the Company's own default risk. Valuations are based on the present value of market valuations considering interest rate and volatility, taking into account the credit risk of the financial instrument. Valuations of derivative contracts are therefore classified within Level 2 of the fair value hierarchy.

Long-term debt

Long-term debt is accounted for at amortized cost, using the effective interest rate method. The fair value required to be disclosed is determined using quoted prices (unadjusted) in active markets, and is therefore classified within Level 1 of the fair value hierarchy. The fair value of long-term debt as at March 31, 2015 was \$533.4 million (December 31, 2014 - \$490.0 million).

Investments in associates

Investments in associates are measured at fair value on a non-recurring basis when an impairment charge or reversal is required to be recorded. After application of the equity method, the fair value of an investment in associate is determined for purposes of assessing whether an impairment charge or reversal of a previously recorded impairment charge is required. For publicly traded companies, the Company determines the fair value of its investment in associates based on a market approach reflecting the closing price of the investment in the associate's shares at the balance sheet date. Since there is a quoted market price, this is classified within Level 1 of the fair value hierarchy. As at March 31, 2015, no investments in associates were measured at fair value.

Finance lease obligation

Finance lease obligation is accounted for at amortized cost, using the effective interest rate method. The fair value required to be disclosed is determined using market interest rate inputs and is therefore classified within Level 2 of the fair value hierarchy.

17. SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares, first preference shares issuable in series and second preference shares issuable in series.

	Three months ended March 31,	
	2015	2014
Number of shares (in millions)		
Outstanding, beginning of the period	376.9	376.6
Issuance of shares for share-based compensation	0.6	0.1
Issuance of flow-through shares	13.8	—
Outstanding, end of the period	391.3	376.7

(a) Flow-through common shares

During the three months ended March 31, 2015, the Company issued 13.8 million flow-through common shares at prices ranging between C\$3.51 and C\$4.14 per share for net proceeds of \$39.3 million (C\$50 million). The flow-through common shares were primarily issued to fund prescribed resource expenditures on the Westwood mine. Flow-through common shares require the Company to incur an amount equivalent to the proceeds of the issue on prescribed resource expenditures in accordance with the applicable tax legislation. As at March 31, 2015, the remaining unspent amount was \$29.1 million (C\$37.0 million).

Flow-through common shares of \$35.3 million were recognized in equity based on the quoted price of the existing shares on the date of the issue less issuance costs. The \$4.0 million difference between the amount recognized in common shares and the amount the investor paid for the shares is recognized as a deferred gain which is reversed into earnings as eligible expenditures are made. For the three months ended March 31, 2015, \$1.0 million was recognized as amortization of gain related to the flow-through common shares, and is included in Interest income and derivatives and other investment gains in the Consolidated statements of earnings (refer to note 22).

18. EARNINGS (LOSS) PER SHARE

Basic earnings (losses) per share computation

	Three months ended March 31,	
	2015	2014
Numerator		
Net loss from continuing operations attributable to equity holders of IAMGOLD	\$ (16.5)	\$ (14.1)
Net earnings from discontinued operations attributable to equity holders of IAMGOLD	40.6	17.8
Net earnings attributable to equity holders of IAMGOLD	24.1	3.7
Denominator (in millions)		
Weighted average number of common shares (basic)	385.1	376.7
Basic loss from continuing operations attributable to equity holders of IAMGOLD per share (\$/share)	\$ (0.04)	\$ (0.04)
Basic earnings from discontinued operations attributable to equity holders of IAMGOLD per share (\$/share)	\$ 0.10	\$ 0.05
Basic earnings attributable to equity holders of IAMGOLD per share (\$/share)	\$ 0.06	\$ 0.01

Due to a net loss from continuing operations attributable to equity holders of IAMGOLD for the three months ended March 31, 2015 and 2014, share options and restricted share units were anti-dilutive.

Equity instruments excluded from the computation of diluted loss per share, which could be dilutive in the future, were as follows:

(in millions)	Three months ended March 31,	
	2015	2014
Share options	5.5	6.6
Restricted share units	2.4	2.4
Performance share units	—	0.1
	7.9	9.1

19. SHARE-BASED COMPENSATION

(a) Share option award plan

	Share options (in millions)	Weighted average exercise price (C\$) ¹
Outstanding, beginning of the period	5.4	\$ 10.56
Granted	0.9	2.99
Forfeited	(0.8)	12.33
Outstanding, end of the period	5.5	\$ 9.06
Exercisable, end of the period	2.4	\$ 11.92

¹ Exercise prices are denominated in Canadian dollars. The exchange rate at March 31, 2015 between the U.S. dollar and Canadian dollar was \$0.7895/C\$.

The following were the weighted average inputs to the Black-Scholes model used in determining the fair value of the options granted. The estimated fair value of the options is expensed over the options' expected life.

Three months ended March 31, 2015	Share options
Weighted average risk-free interest rate	1%
Weighted average expected volatility ¹	55%
Weighted average dividend yield	0.00%
Weighted average expected life of options issued (years)	5.0
Weighted average grant-date fair value (C\$ per share)	\$ 1.29
Weighted average share price at grant date (C\$ per share)	\$ 2.83
Weighted average exercise price (C\$ per share)	\$ 2.99

¹ Expected volatility is estimated by considering historic average share price volatility based on the average expected life of the options.

(b) Full value award plans

Full value awards consist of performance share units and restricted share units.

Three months ended March 31, 2015	Full value awards (in millions)
Outstanding, beginning of the period	2.1
Granted	1.2
Issued	(0.6)
Forfeited	(0.3)
Outstanding, end of the period	2.4

The following are the weighted average inputs to the model used in determining fair value for restricted share units granted. The estimated fair value of the awards is expensed over their vesting period.

Three months ended March 31, 2015	Performance share units
Weighted average risk-free interest rate	1%
Weighted average expected volatility ¹	63%
Weighted average dividend yield	0.00%
Weighted average expected life of RSUs issued (years)	2.6
Weighted average grant-date fair value (C\$ per share)	\$ 2.88
Weighted average share price at grant date (C\$ per share)	\$ 2.88
Model used	Black-Scholes

¹ Expected volatility is estimated by considering historic average share price volatility based on the average expected life of the options.

20. COST OF SALES

Cost of sales includes mine production, transport and smelter costs, site administrative costs, royalty expenses, and depreciation expense.

	Three months ended March 31,	
	2015	2014
Operating costs - mines	\$ 159.8	\$ 136.9
Royalties	9.6	10.4
Depreciation expense ¹	62.3	37.9
	\$ 231.7	\$ 185.2

¹ Depreciation expense excludes depreciation related to Corporate assets, which is included in General and administrative expenses.

21. FINANCE COSTS

	Three months ended March 31,	
	2015	2014
Interest expense	\$ 8.4	\$ 0.3
Credit facility fees	1.0	1.0
Accretion expense	0.3	0.8
Other	0.4	—
	\$ 10.1	\$ 2.1

Total interest paid during the three months ended March 31, 2015 was \$0.6 million (three months ended March 31, 2014 - \$1.5 million). Total interest paid includes the interest on the Notes and interest on finance leases.

22. INTEREST INCOME AND DERIVATIVES AND OTHER INVESTMENT GAINS

	Three months ended March 31,	
	2015	2014
Interest income	\$ 0.4	\$ 0.3
Reversal of impairment of investments in associates	—	3.4
Write-down of accounts receivable	(0.4)	(0.2)
Non-hedge derivative losses	(14.2)	(3.5)
Gain on sale of royalty asset	43.5	—
Gains on sale of marketable securities	—	0.7
Gain on repurchase of long-term debt	0.9	—
Amortization of gain related to flow-through common shares	1.0	—
Other	0.4	0.5
	\$ 31.6	\$ 1.2

23. CASH FLOW ITEMS

The cash flow statement includes results and balances from discontinued operations.

(a) Adjustments for other non-cash items within operating activities

	Three months ended March 31,	
	2015	2014
Share-based compensation	\$ 1.6	\$ 1.3
Gains on sale of marketable securities	—	(0.7)
Write-down of receivables	0.4	—
Gain on disposal of discontinued operations	(37.8)	—
Impairment of inventories	1.2	—
Derivative losses	20.2	3.7
Other	1.7	0.3
	\$ (12.7)	\$ 4.6

(b) Adjustments for cash items within operating activities

	Three months ended March 31,	
	2015	2014
Disbursements related to asset retirement obligations	\$ (0.7)	\$ (1.7)
Settlement of derivatives	(19.0)	(1.6)
Other	—	(0.3)
	\$ (19.7)	\$ (3.6)

(c) Movements in non-cash working capital items and non-current ore stockpiles

	Three months ended March 31,	
	2015	2014
Receivables and other current assets	\$ 3.0	\$ (13.7)
Inventories and non-current ore stockpiles	(7.1)	7.3
Accounts payable and accrued liabilities	(20.7)	(30.1)
	\$ (24.8)	\$ (36.5)

(d) Other investing activities

	Three months ended March 31,	
	2015	2014
Acquisition of investments	\$ (0.8)	\$ (0.8)
Proceeds from sale of marketable securities	14.4	0.3
Net disposals of other assets	(0.5)	(0.3)
	\$ 13.1	\$ (0.8)

24. COMMITMENTS

(a) Commitments

	March 31,	December 31,
	2015	2014
Purchase obligations	\$ 79.7	\$ 44.9
Capital expenditure obligations	6.1	7.8
Operating leases	4.4	6.0
	\$ 90.2	\$ 58.7

Commitments – payments due by period

At March 31, 2015	Payments due by period				
	Total	<1 yr	1-2 yrs	3-5 yrs	>5 yrs
Purchase obligations	\$ 79.7	\$ 74.1	\$ 5.1	\$ 0.5	\$ —
Capital expenditure obligations	6.1	6.1	—	—	—
Operating leases	4.4	2.7	1.6	0.1	—
	\$ 90.2	\$ 82.9	\$ 6.7	\$ 0.6	\$ —

(b) Finance lease commitments

The finance lease liabilities are repayable as follows:

	March 31, 2015	December 31, 2014
Within one year	\$ 9.6	\$ 8.9
Between two and five years	28.8	29.6
After five years	—	0.3
	38.4	38.8
Future interest	(3.6)	(3.9)
Present value of finance lease liabilities	\$ 34.8	\$ 34.9

The present values of finance lease liabilities are repayable as follows:

	March 31, 2015	December 31, 2014
Within one year	\$ 9.6	\$ 8.9
Between two and five years	25.2	25.7
After five years	—	0.3
	\$ 34.8	\$ 34.9

25. RELATED PARTY TRANSACTIONS

The Company had the following related party transactions included in Receivables and other current assets in the Consolidated balance sheets:

The Company has non-interest bearing loan receivables from Sadiola and Yatela for certain services rendered. As at March 31, 2015, the outstanding loan balances were \$0.2 million (December 31, 2014 - \$0.2 million). For the three months ended March 31, 2015, there were no advances made or repayments received by the Company (three months ended March 31, 2014 - advances of \$0.5 million; repayments of \$0.1 million).

The Company had the following significant related party transactions included in Other non-current assets in the Consolidated balance sheets:

During the three months ended March 31, 2015, the Company made advances of \$1.6 million to Sadiola related to previous purchase commitments for the sulphide project (three months ended March 31, 2014 - \$3.1 million). These advances are part of a loan agreement which bears interest at LIBOR plus 2% and is to be repaid on the earlier of December 31, 2016 and, at such time as Sadiola has sufficient free cash flow to do so. As at March 31, 2015, the carrying amount was \$27.9 million (December 31, 2014 - \$26.3 million), including accrued interest income.

26. SEGMENTED INFORMATION

	March 31, 2015			December 31, 2014		
	Total non-current assets	Total assets	Total liabilities	Total non-current assets	Total assets	Total liabilities
Gold mines						
Suriname	\$ 584.1	\$ 746.9	\$ 259.6	\$ 580.0	\$ 740.9	\$ 261.3
Burkina Faso	887.5	1,090.0	146.8	897.3	1,093.3	136.5
Canada	832.0	855.1	161.7	818.7	849.5	175.4
Total gold mines	2,303.6	2,692.0	568.1	2,296.0	2,683.7	573.2
Discontinued operations (Niobium)	—	—	—	—	628.5	167.0
Exploration and evaluation	555.8	571.7	9.3	554.2	569.9	8.5
Corporate ¹	166.0	872.4	841.6	187.9	340.7	810.5
Total per consolidated financial statements	\$ 3,025.4	\$ 4,136.1	\$ 1,419.0	\$ 3,038.1	\$ 4,222.8	\$ 1,559.2
Joint ventures (Mali) ²	\$ 99.8	\$ 158.2	\$ 135.5	\$ 100.6	\$ 155.8	\$ 135.1

1 The carrying amount of the joint ventures is included in the corporate segment as non-current assets.

2 The breakdown of the financial information for the joint ventures has been disclosed above as it is reviewed regularly by the Company's chief operating decision maker to assess performance of the joint ventures and to make resource allocation decisions.

Three months ended March 31, 2015

	Consolidated statement of earnings information							Net capital expenditures ³
	Revenues	Cost of sales ¹	Depreciation expense	General and administrative ²	Exploration	Other	Earnings (loss) from operations	
Gold mines								
Suriname	\$ 101.0	\$ 67.4	\$ 21.5	\$ —	\$ 1.0	\$ 0.6	\$ 10.5	\$ 15.1
Burkina Faso	110.3	71.2	27.7	—	—	—	11.4	15.3
Canada	33.4	30.3	12.0	—	—	7.1	(16.0)	19.5
Total gold mines excluding joint ventures	244.7	168.9	61.2	—	1.0	7.7	5.9	49.9
Exploration and evaluation ⁴	—	—	0.1	0.1	8.6	0.4	(9.2)	1.9
Corporate	—	0.5	1.0	10.4	—	1.7	(13.6)	0.1
Total per consolidated financial statements	244.7	169.4	62.3	10.5	9.6	9.8	(16.9)	51.9
Joint ventures (Mali) ⁶	25.4	18.6	3.7	—	—	—	3.1	1.7
Discontinued operations (Niobium)	9.4	4.3	—	—	—	(0.2)	5.3	1.6
	\$ 279.5	\$ 192.3	\$ 66.0	\$ 10.5	\$ 9.6	\$ 9.6	\$ (8.5)	\$ 55.2

Three months ended March 31, 2014

	Consolidated statement of earnings information							Earnings (loss) from operations	Net capital expenditures ³
	Revenues	Cost of sales ¹	Depreciation expense	General and administrative ²	Exploration	Other			
Gold mines									
Suriname	\$ 116.8	\$ 75.8	\$ 17.0	\$ —	\$ 1.2	\$ 0.6	\$ 22.2	\$ 18.6	
Burkina Faso	92.9	66.9	19.5	—	—	0.2	6.3	35.3	
Canada	5.2	4.0	0.1	—	—	4.1	(3.0)	35.5	
Total gold mines excluding joint ventures	214.9	146.7	36.6	—	1.2	4.9	25.5	89.4	
Exploration and evaluation ⁴	—	—	0.1	0.1	7.9	1.8	(9.9)	1.2	
Corporate ⁵	2.4	0.6	1.2	11.0	—	0.2	(10.6)	—	
Total per consolidated financial statements	217.3	147.3	37.9	11.1	9.1	6.9	5.0	90.6	
Joint ventures (Mali) ⁶	26.7	26.4	6.9	—	0.1	—	(6.7)	3.8	
Discontinued operations (Niobium)	62.0	31.6	7.5	—	—	0.1	22.8	9.6	
	\$ 306.0	\$ 205.3	\$ 52.3	\$ 11.1	\$ 9.2	\$ 7.0	\$ 21.1	\$ 104.0	

1 Excludes depreciation expense.

2 Includes depreciation expense relating to Corporate and Exploration and evaluation assets.

3 Includes cash expenditures for Property, plant and equipment, capitalized borrowing costs, Exploration and evaluation assets, finance lease payments and is net of proceeds from finance leases.

4 Closed site costs on Exploration and evaluation properties included in other operating costs.

5 Includes earnings from royalty interests.

6 Net earnings (losses) from joint ventures are included in a separate line in the Consolidated statements of earnings. The breakdown of the financial information has been disclosed above as it is reviewed regularly by the Company's chief operating decision maker to assess its performance and to make resource allocation decisions.



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