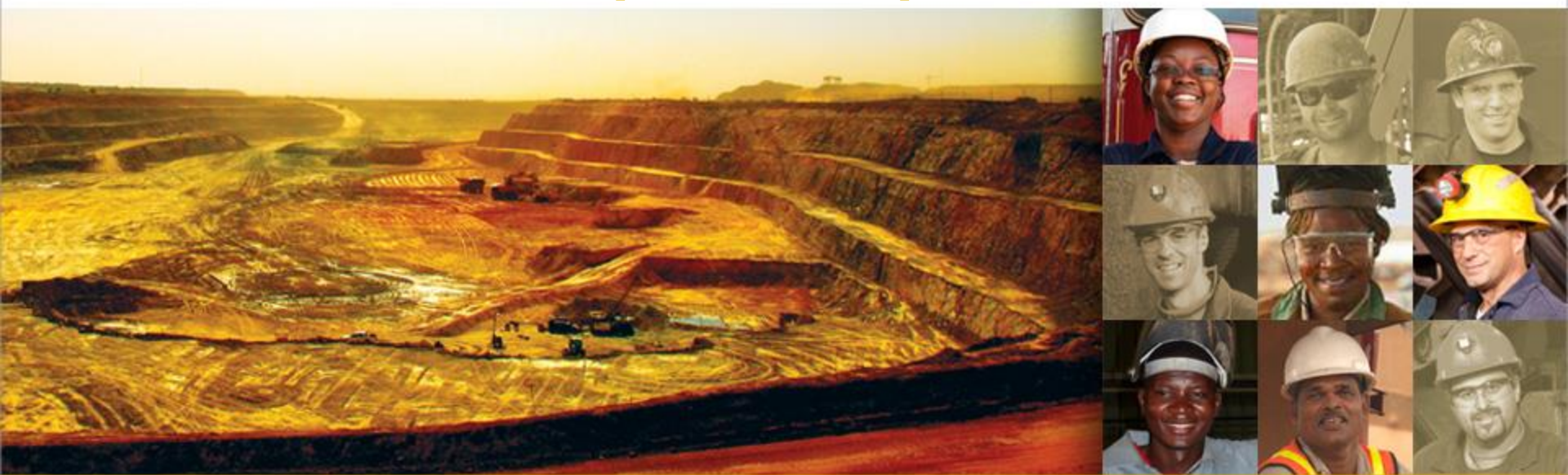


# Cash Preservation Cost Reduction Disciplined Capital Allocation



**Gordon Stothart**

Executive Vice President and COO

CIBC Whistler Institutional Investor Conference – January 22 - 25, 2014

**TSX: IMG   NYSE: IAG**

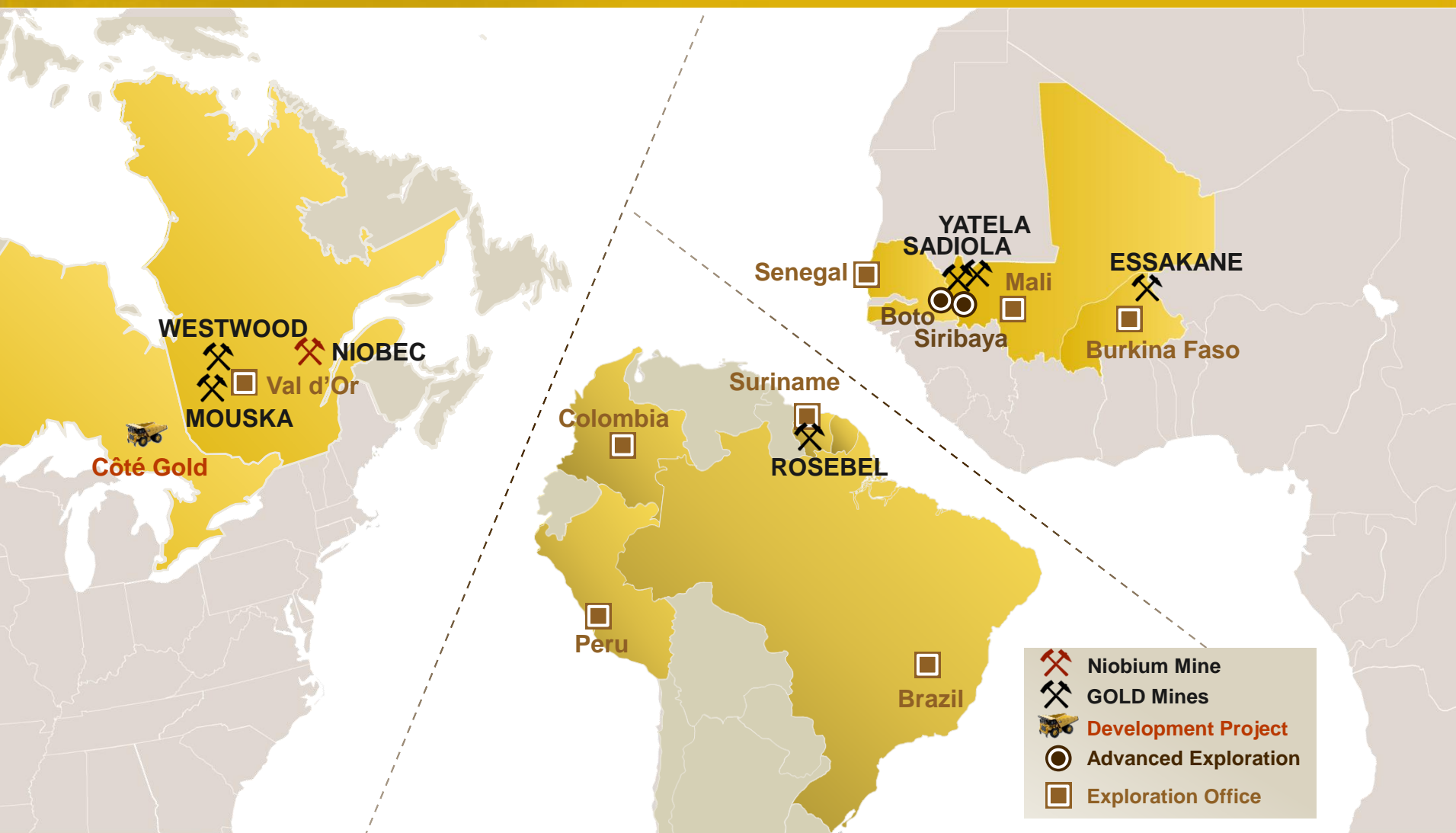
# Cautionary Statement on Forward-Looking Information

*All information included in this presentation, 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 presentation. For example, forward-looking statements contained in this presentation are found under, but are not limited to being included under, the headings "Third Quarter 2013 Highlights", Operating Highlights and Corporate Developments", and "2013 Outlook", and include, without limitation, statements with respect to: the Company's guidance for production, cash costs, all-in sustaining costs, depreciation expense, effective tax rate, niobium production and operating margin, capital expenditures, operations outlook, cost management initiatives, 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, niobium, copper, silver or certain other commodities (such as diesel, aluminum 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, filed with Canadian securities regulatory authorities at [www.sedar.com](http://www.sedar.com), and filed under Form 40-F with the United States Securities Exchange Commission at [www.sec.gov/edgar.html](http://www.sec.gov/edgar.html). The risks described in the Annual Information Form (filed and viewable on [www.sedar.com](http://www.sedar.com) and [www.sec.gov/edgar.html](http://www.sec.gov/edgar.html), and available upon request from the Company) are hereby incorporated by reference into this presentation.*

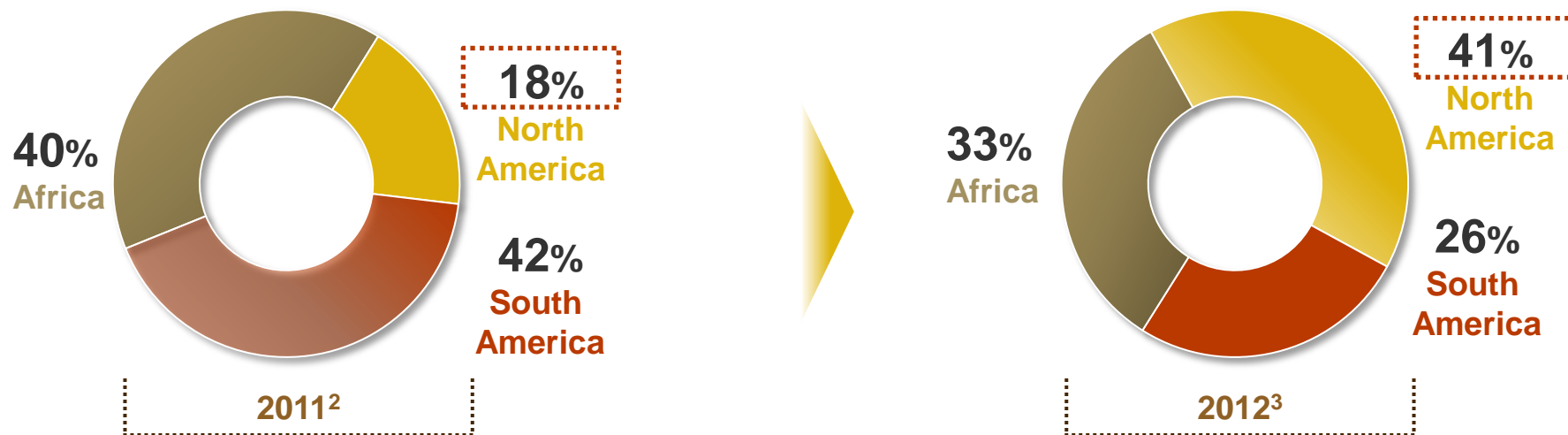
*The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise except as required by applicable law.*

# IAMGOLD's High Quality, Long-Life Assets



# Balanced Geographic Portfolio

## Gold Mineral Resources<sup>1</sup>



<sup>1</sup> Mineral resources include mineral reserves.

<sup>2</sup> Based on IAMGOLD attributable mineral resources as at December 31, 2011.

<sup>3</sup> Based on IAMGOLD attributable mineral resources as at December 31, 2012, except for mineral resources for the Boto Gold Project which are as at April 19, 2013.

# Priorities



Cost Reduction



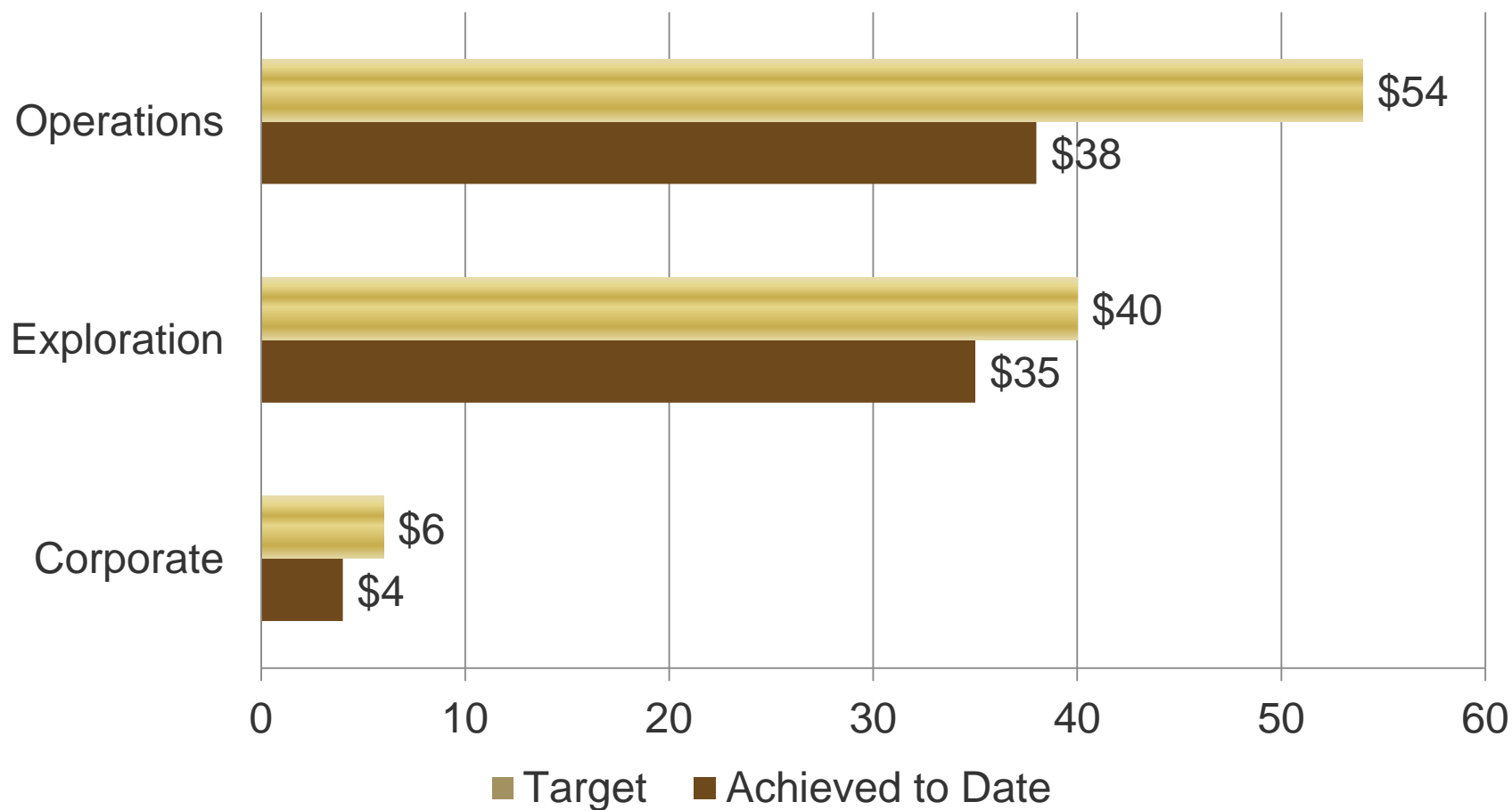
Disciplined Capital Allocation



Cash Preservation



# Cost Reduction: Achieved 77% of \$100M Target





# Examples of Ongoing Cost Reduction Initiatives

## Reducing Power Costs and Consumption of Consumables

- ✓ Reduced power rates and cyanide consumption at Rosebel
- ✓ Reduced fuel consumption at Westwood
- ✓ Reduced consumption of energy and steel in the grinding process at Essakane

## Reducing Labour Costs

- ✓ Implemented transition plan to replace more expats with nationals
- ✓ Reduced staffing requirements through efficiency improvements
- ✓ Replaced consultants with in-house technical services team

## Renegotiating Mining Camp Supply Contracts

- ✓ Consolidated bus contracts for transporting workers at Essakane
- ✓ Negotiated price discounts from local suppliers at Essakane

## Improving Operating Efficiencies and Reducing Maintenance Costs

- ✓ Improved productivity of drilling teams at Rosebel
- ✓ Reduced the frequency and cost of preventive truck maintenance
- ✓ Reduced maintenance costs through the redesign of mine roads
- ✓ Installed a potable water system at Essakane to provide safe drinking water
- ✓ Increased monitoring and management of tire wear at Westwood



# Disciplined Capital Allocation Strategy

## Niobec Expansion

Expansion decision to be made when feasibility study and permits are in place

**NIOBEC WILL NOT MOVE FORWARD WITHOUT A PARTNER TO JOINTLY FUND THE PROJECT**

## Sadiola

Waiting for JV partner to decide to proceed

**WILL NOT PROCEED ALONE REGARDLESS OF PROJECT ECONOMICS**

## Côte Gold Project

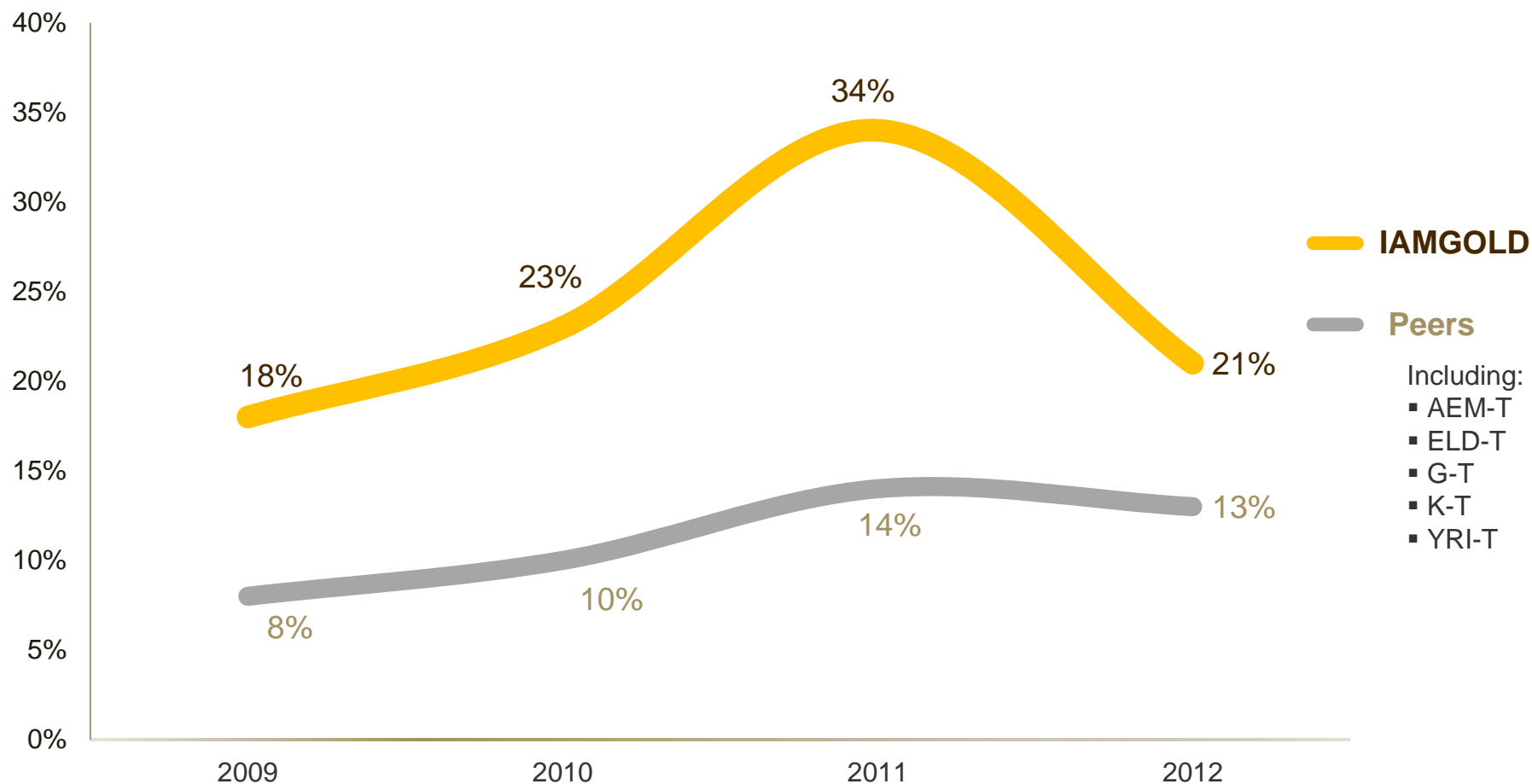
Construction decision to be made mid-2015 when feasibility study is complete and permits are in place

**WILL NOT PROCEED UNLESS GOLD PRICE AND OUR LIQUIDITY SUPPORT THE DECISION**





# Return on Capital



**ROC Calculation:** Pre-Tax Earnings from Operations/Capital

**Pre-tax Earnings\* from Operations:** Revenues - mining costs (called cost of sales in 2012) + share of loss/gain from equity accounted investments. \*Earnings are before exploration expenses, corporate G&A and other operating costs.

**Capital:** Equity + non-controlling interests + long-term debt - cash, cash equivalents - gold bullion at book value, marketable securities, warrants and royalty interests.

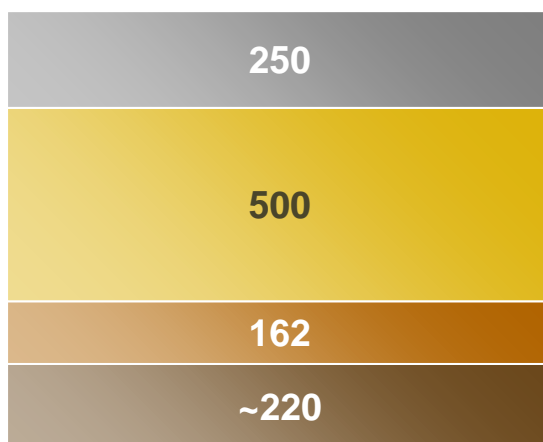


# Liquidity

We are committed to preserving our financial liquidity.

**\$1,130**

\$millions



As at end of

**2013**

- Cash & cash equivalents
- Gold bullion at market
- Unused credit facility
- Unused Niobec credit facility

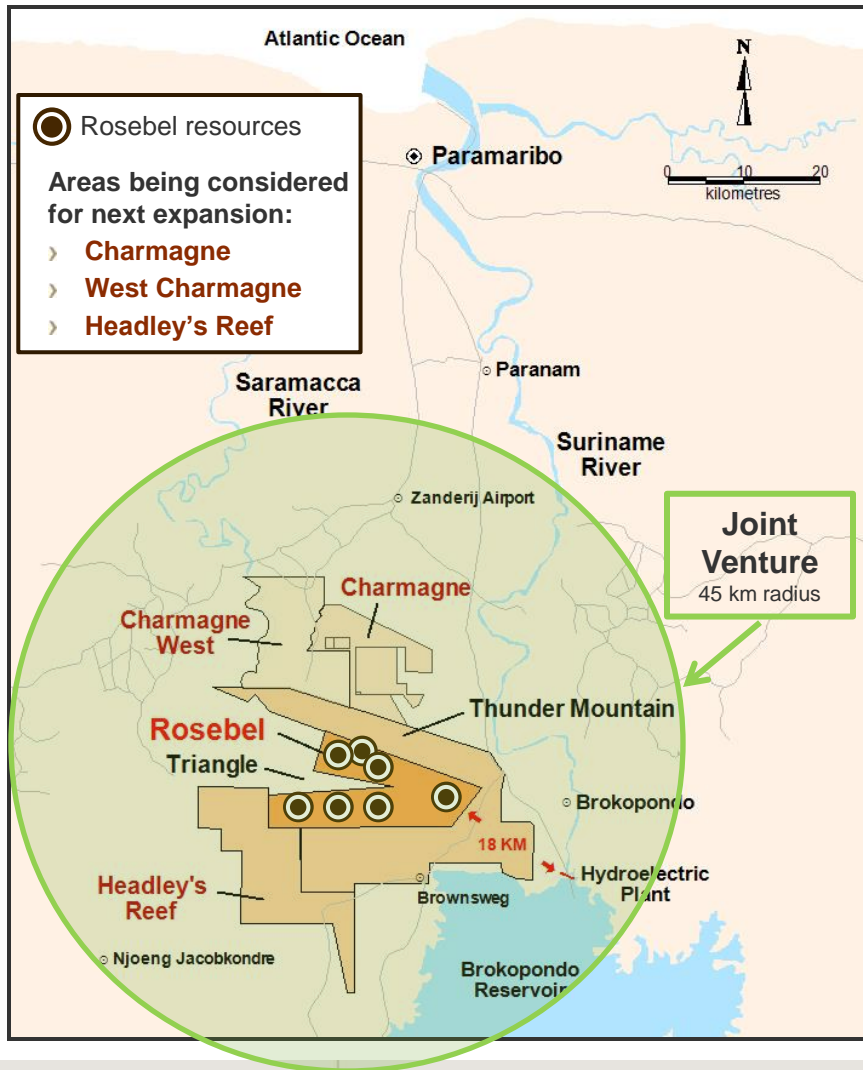
	Dec 31, 2013E <sup>1</sup>	Sept 30, 2013	Dec 31, 2012 <sup>2</sup>
\$millions			
Cash & cash equivalents	~220	361	797
Gold bullion at market	162	179	223
Unused credit facility	500	500	500
Unused Niobec credit facility	250	250	250
<b>Total</b>	<b>1,130</b>	<b>1,290</b>	<b>1,770</b>

**The Company has \$650 million of senior unsecured notes due in October 2020.**

<sup>1</sup> Estimates for cash, cash equivalents and bullion related to the full year 2013 have not yet been audited.

<sup>2</sup> Balances related to 2012 have been reclassified as per note 2 (c)(ii) of the unaudited condensed consolidated interim financial statements.

# Rosebel - A New Power Agreement



## Old Agreement

- ~20¢/kWh power
- 5% gov't carried equity
- 170 km<sup>2</sup>
- Taxes & royalties

## New Agreement

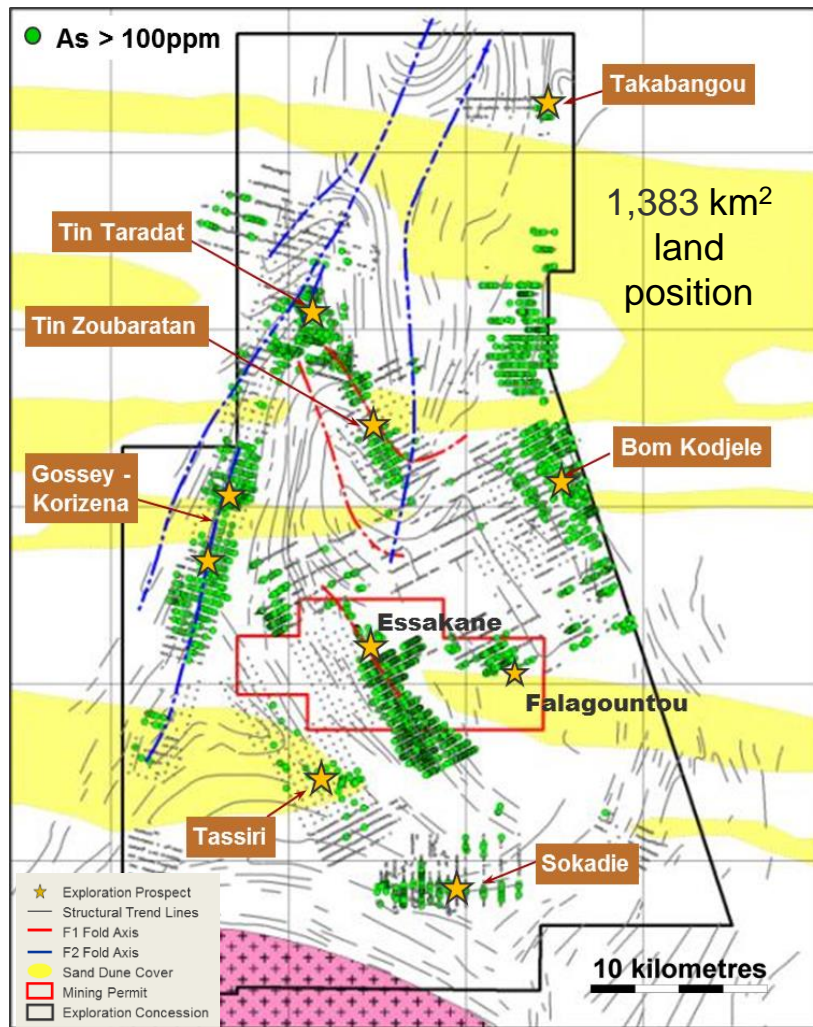
- Reduced power rate
- For current and future operations
- 5% gov't carried equity
- 170 km<sup>2</sup>
- Taxes & royalties

## JV Agreement

- 11¢/kWh power on JV ore
- Applies to surrounding areas not governed by New Agreement
- Targeting softer ore
- 30% gov't equity on fully paid basis
- up to 200 km<sup>2</sup>
- Taxes & royalties



# Essakane Exploration Focus



## Falagountou satellite resource

- >200,000 ounces
- Community Relocation Action Plan approved in March
- Site evaluation drilling commenced in Q2



# Westwood – Mineral Reserve and Resource Estimate



## As of December 31, 2012:

### Reserve Estimate

- Proven reserve of 65Koz @ 7.6 g/t Au
- Probable reserve of 283Koz @ 13.1 g/t Au

### Resource Estimate (includes reserves)

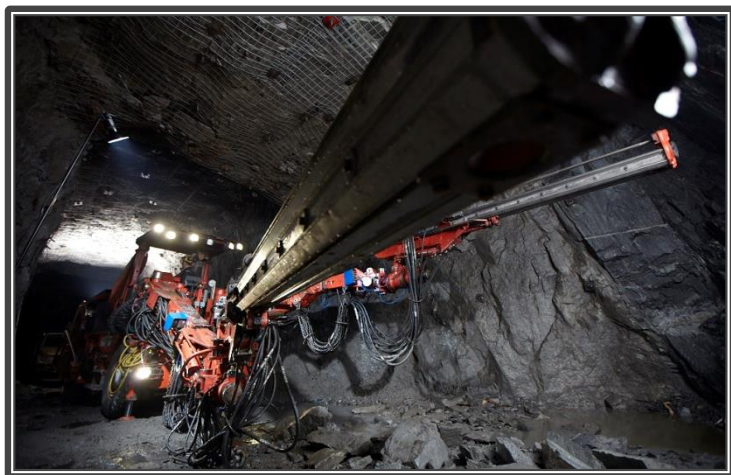
- Measured resource of 67Koz @ 7.5 g/t Au
- Indicated resource of 466Koz @ 13.0 g/t Au
- Inferred resource estimate of 3.3Moz @ 10.6 g/t Au

Source: February 20, 2013 news release « IAMGOLD Operations Post 2012 Reserves of 11.3 Million Ounces and Measured and Indicated Resources of 22.6 Million Ounces »



# Doyon Division<sup>1</sup>

## Westwood / Mouska



- › Mouska contributed 15,000 ozs. of production in Q4 for annual production of 63,000 ozs.
- › Westwood produced 20,000 ozs. in Q4 for annual production of 73,000 ozs.
- › Combined the Doyon Division produced 136,000 ozs. of gold in 2013, within guidance of 130,000 – 150,000 ozs.

### 2014 Production Guidance

**100,000 - 120,000 oz.\***

### Revised plan for Westwood

- › Revision to 2014 plan resulted from a reassessment after the June software malfunction and August rock burst
- › Focus of first half of 2014 on more mine development, switching to production ramp up in second half
- › Commercial production status expected in Q3 2014
- › No change to long-term mine plan, estimated reserves and resources and LOM throughput and production
- › Westwood is expected to reach full capacity by end of 2016

<sup>1</sup> The Doyon Division consists of ore from both the Mouska Mine and the Westwood Mine. While the ore from Mouska is commercial production, the ore from Westwood is at pre-commercial levels.





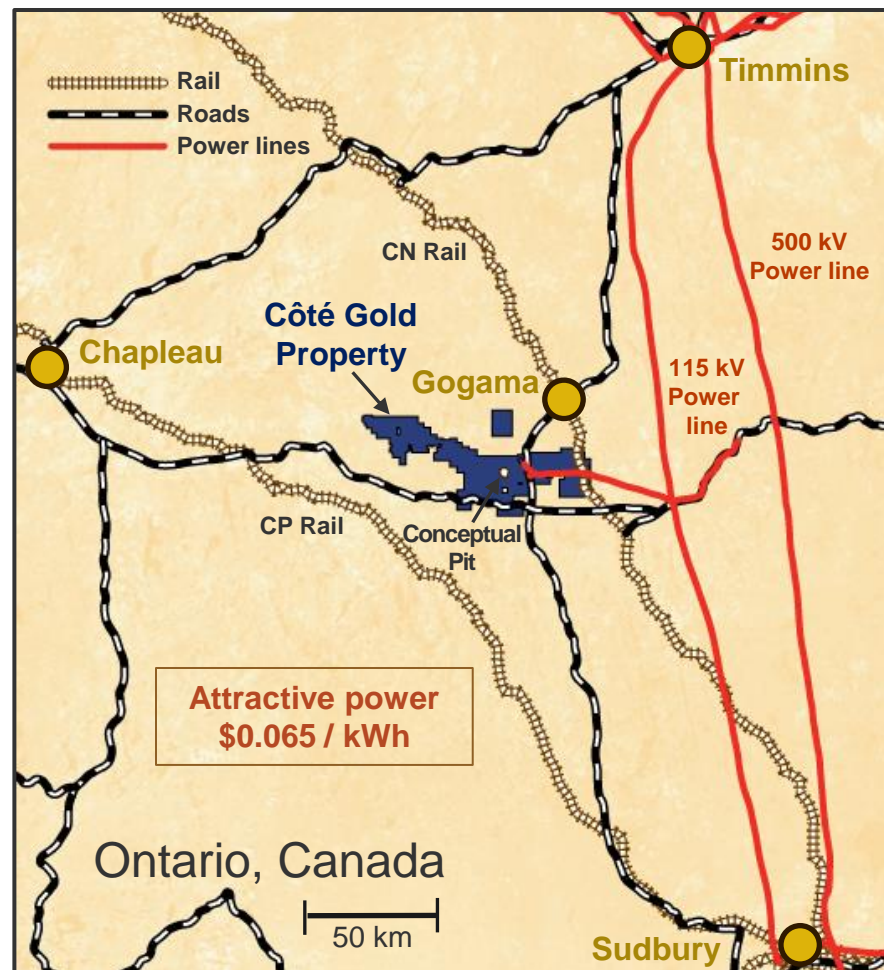
# Côté Gold – Well Established Infrastructure

## Mineral Resource Estimate Effective December 31, 2012

	Tonnes (millions)	Grade (g/t)	Contained Ounces (million ozs)
<b>Indicated</b>			
0.25 g/t Au cut-off	278	0.86	7.68
<b>0.30 g/t Au cut-off</b>	<b>269</b>	<b>0.88</b>	<b>7.61</b>
0.40 g/t Au cut-off	244	0.93	7.32
0.50 g/t Au cut-off	210	1.01	6.83
<b>Inferred</b>			
0.25 g/t Au cut-off	47	0.71	1.07
<b>0.30 g/t Au cut-off</b>	<b>44</b>	<b>0.74</b>	<b>1.04</b>
0.40 g/t Au cut-off	36	0.83	0.95
0.50 g/t Au cut-off	30	0.90	0.88

Source: Updated Resource Estimate for Côté Gold, effective December 31, 2012.

Note: CIM Definitions were followed for classification of Mineral Resources. Mineral Resources are estimated at a cut-off grade of 0.30 g/t Au. Mineral Resources are estimated using a gold price of US\$1,600 per ounce and metallurgical recovery of 93.5%. High grade assays are capped at 15 g/t Au and 20 g/t Au depending on sub-domain. Bulk density of 2.71 t/m<sup>3</sup> was used for tonalite and breccia and 2.79 t/m<sup>3</sup> was used for diorite. The Mineral Resource Estimate is constrained within a Whittle Pit shell using assumed costs and the above noted gold recovery and gold price. Mineral Resources are not Mineral Reserves and do not yet have demonstrated economic viability, but are deemed to have a reasonable prospect of economic extraction. Numbers may not add due to rounding. Mineral Resources are reported on a 100% basis; IAMGOLD has a 92.5% average attributable ownership of this project.

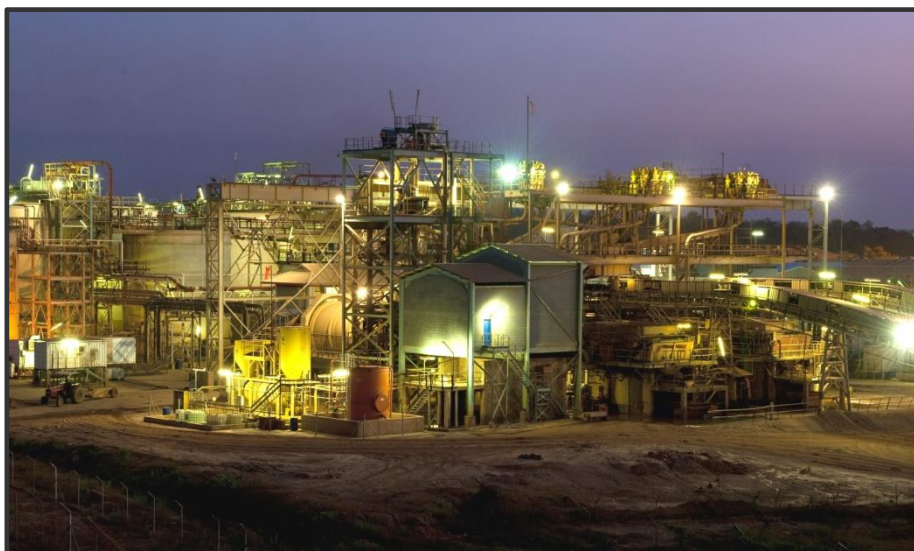


Source: MNM and Trelawney Mining

# Sadiola & Yatela – Joint Ventures in Mali

## 2014 Production Guidance

**90,000 - 100,000 oz.\*** (attributable)



## Sadiola Overview

- › Produced 86,000 ozs. (attributable 41%) in 2014, below guidance of 125,000 – 140,000 ozs.
- › Potential to extend current oxide operation to mine sulphides still under consideration
- › Depends on partner willing to fund expansion

## 2013 Ongoing Examples of Cost Reduction

- › Portable crushers effective at improving mill feed performance
- › Lower reagent and maintenance costs with increase in production drive total cash costs down 26%

## Yatela Overview

- › Produced >2 Moz 2001 to date
- › Mine excavation ended Sept 30, 2013
- › Leach pads to operate until 2016

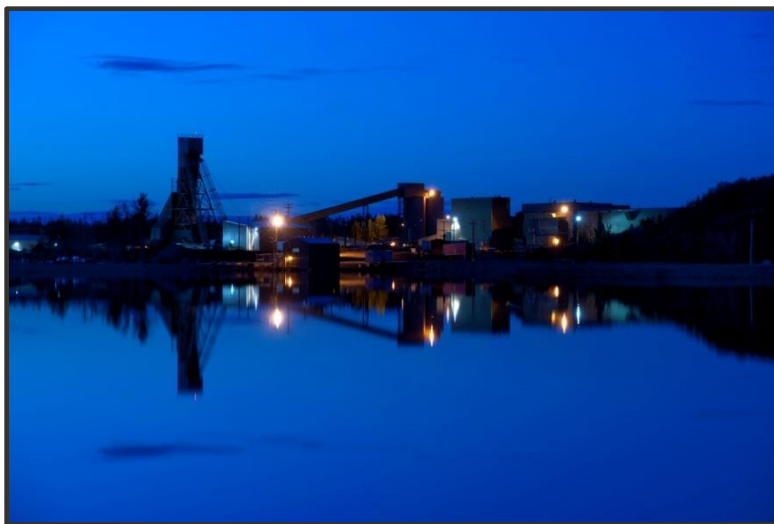


# Niobec – Quebec

## 2014 Production Guidance

**4.7 - 5.1 Mkg Nb**

*Niobium is a scarce metal that strengthens and lightens the weight of steel*



## Overview

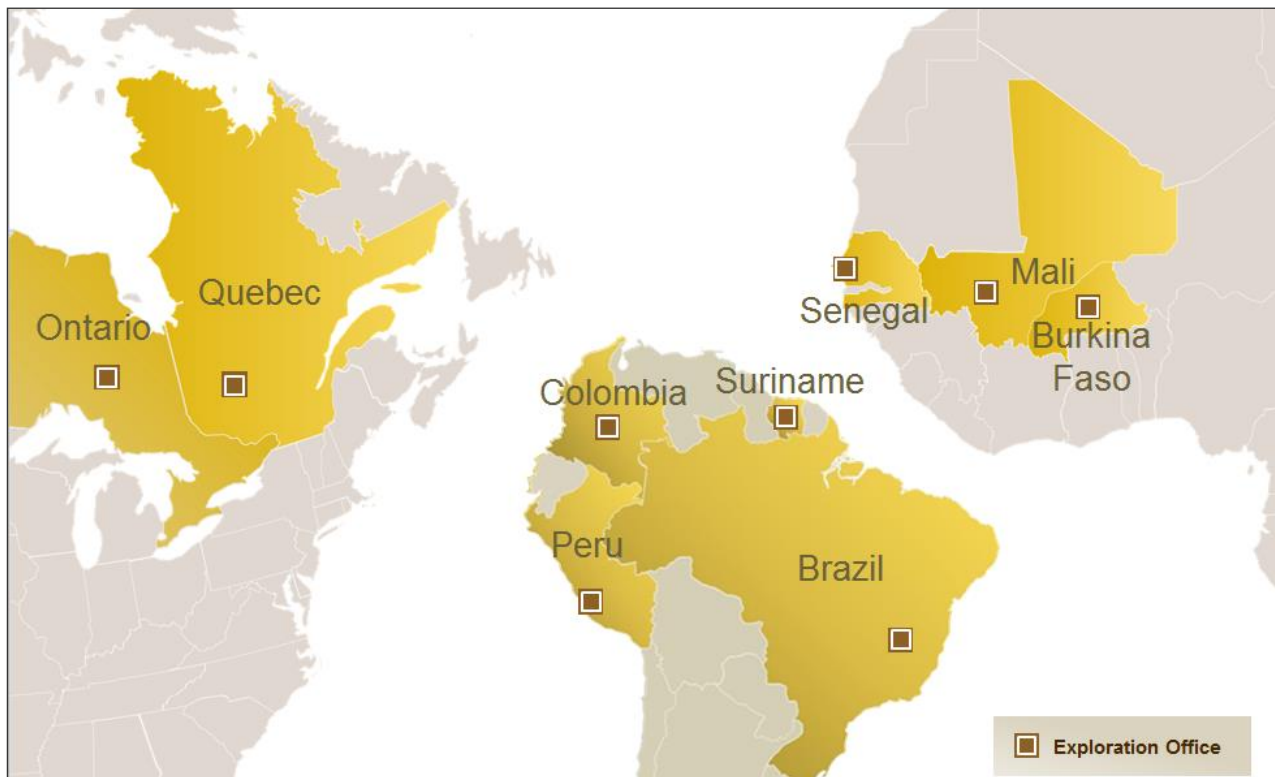
- › 2013 a record year with 5.3Mkg of production at an average margin of \$18/kg, due to strong recoveries and higher grade
- › Expansion would triple production and increase mine life to 46 years
- › Feasibility study being redone to examine a multi-year phased expansion

## 2013 Ongoing Examples of Cost Reduction

- › Improving underground development productivity and blasting efficiency
- › Introduction of larger melting vessels to improve productivity and reduce costs in the converter



# 2014 Exploration Program - \$59.6 Million<sup>1</sup>



## Continued focus on:

- › Near-mine development and select greenfields projects in W. Africa, South America and Canada
  - › Greenfield: Boto - Senegal; Pitangui – Brazil; Côte Gold - Canada
  - › Brownfield: Essakane – Burkina Faso; Rosebel – Suriname; Westwood - Canada

<sup>1</sup> Excluding exploration costs of \$28.1M related to mine site resource infill and condemnation drilling, the Côte Gold project and other scoping and pre-feasibility studies.





# Advancing Select Greenfield Projects - Priorities



**Source:** Updated Resource Estimate for Boto Gold, effective July 29, 2013.

**Note:** CIM Definitions were followed for classification of Mineral Resources. Mineral Resources are estimated at a cut-off grade of 0.60 g/t Au. Mineral Resources are estimated using a gold price of US\$1,500 per ounce. High grade assays are capped at 15 g/t Au and 30 g/t Au depending on geological area. Bulk density varies from 1.61 t/m<sup>3</sup> to 2.62 g/cm<sup>3</sup> based on weathering code. The Mineral Resource Estimate is constrained by a Whittle Pit shell. Mineral Resources are not Mineral Reserves and do not yet have demonstrated economic viability, but are deemed to have a reasonable prospect of economic extraction. Numbers may not add due to rounding. Mineral Resources are reported on a 100% ownership basis.

## ■ Boto Gold Project – Senegal

- › Indicated resource of 1.1M oz. at 1.62 g/t Au
- › Drilling was suspended in Q3'13 during the rainy season
- › Resumed drilling program around Malikoundi deposit in November
- › Deposit remains open along strike to north and down dip at depth

## ■ Pitangui Project - Brazil

- › Infill drilling at São Sabastião continued in 2013
- › A mineral resource is expected soon should encouraging results continue

# 2014 Guidance

Attributable  
gold production

	<u>Guidance</u>
Rosebel (000s oz.)	330 - 350
Essakane (000s oz.)	315 - 330
Doyon division (000s oz.) <sup>1</sup>	100 - 120
Total owner-operated production (000s oz.)	745 - 800
Joint ventures (000s oz.)	90 - 100
Total attributable production (000s oz.)	835 - 900
Total cash costs <sup>2,3</sup> – owner-operator	\$790 - \$830
Total cash costs – gold mines (\$/oz)	\$825 - \$875
All-in sustaining costs <sup>2,4</sup> – owner-operator (\$/oz.)	\$1,100 - \$1,200
All-in sustaining costs – gold mines (\$/oz.)	\$1,150 - \$1,250
All-in sustaining costs – total <sup>5</sup> (\$/oz.)	\$1,080 - \$1,185
Niobec production (Mkg Nb)	4.7 - 5.1
Niobec operating margin (\$/kg Nb) <sup>2</sup>	\$15 - \$17

<sup>1</sup> The Doyon Division consists of ore from both the Mouska Mine and the Westwood Mine. While the ore from Mouska is commercial production, the ore from Westwood is at pre-commercial levels. The Westwood Mine is expected to enter commercial production in the third quarter of 2014.

<sup>2</sup> This is a non-GAAP measure.

<sup>3</sup> The total cash costs computation does not include Westwood pre-commercial production.

<sup>4</sup> By-product credits are included in the calculation of this measure.

<sup>5</sup> Total, as used with all-in sustaining costs, includes the impact of niobium contribution, defined as the Niobec mine's operating margin and sustaining capital on a per gold ounce sold basis.





# 2014 Capital Expenditure Forecast

(\$ millions)	Sustaining	Development/ Expansion	Total
Rosebel	70 <sup>1</sup>	30	100
Essakane	80 <sup>2</sup>	25	105
Westwood	35	55	90
Côte Gold	-	15	15
<b>Total owner-operated gold</b>	<b>185</b>	<b>125</b>	<b>310</b>
Niobec	20	50	70
<b>Total consolidated</b>	<b>205</b>	<b>175</b>	<b>380</b>
Joint ventures – Sadiola and Yatela	10	10	20
<b>Total (±5%)</b>	<b>215</b>	<b>185</b>	<b>400</b>

<sup>1</sup> Includes capitalized stripping of \$15 million.

<sup>2</sup> Includes capitalized stripping of \$55 million.



# Reasons to Invest in IAMGOLD

## ■ Operations

- › Rosebel: New power rates and access to softer, higher grade ore from surrounding JV area
- › Essakane: More grinding and crushing capacity, ore from Falagountou and review of power sources
- › Westwood: Mine to ramp up, leading to higher production and lower unit costs

## ■ Strong in-house engineering team

## ■ Outstanding CSR record and reputation

## ■ Long-life mines

## ■ Strong balance sheet

## ■ Successful \$100M cost reduction program

## ■ Continued focus on cost reductions, cash preservation and capital discipline





Presentation Date: January 24, 2014

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