# FORM 6-K

# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

**Report of Foreign Private Issuer**
**Pursuant to Rule 13a-16 or 15d-16 of the**
**Securities Exchange Act of 1934**

**Date: May 7, 2013**

**Commission File Number 001-31528**

# IAMGOLD Corporation

**(Translation of registrant's name into English)**

**401 Bay Street Suite 3200, PO Box 153**
**Toronto, Ontario, Canada M5H 2Y4**
**Tel: (416) 360-4710**
**(Address of principal executive offices)**

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☐ Form 40-F ☒

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

**Note:** Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

**Note:** Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Description of Exhibit

| Exhibit | Description of Exhibit |
|---|---|
| 99.1 | News Release – IAMGOLD Reports Q1 Results – Beats Cost Guidance |
| 99.2 | Management Discussion and Analysis |
| 99.3 | Consolidated Financial Statements |
| 99.4 | CEO Certification of Interim Filings |
| 99.5 | CFO Certification of Interim Filings |

## Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**IAMGOLD CORPORATION**

| | |
|---|---|
| Date: May 7, 2013 | By: /s/ Tim Bradburn |
| | Associate General Counsel and Corporate Secretary |

**Exhibit 99.1**

IAMGOLD CORPORATION

**TSX: IMG NYSE: IAG**

NEWS RELEASE

**IAMGOLD REPORTS Q1 RESULTS – BEATS COST GUIDANCE**

*All monetary amounts are expressed in U.S. dollars, unless otherwise indicated.*
*Refer to the interim Management Discussion and Analysis (MD&A) and*
*unaudited consolidated Financial Statements for more information.*

**Toronto, Ontario, May 7, 2013 – IAMGOLD Corporation** ("IAMGOLD" or the "Company") today reported its unaudited consolidated financial and operating results for the first quarter ending March 31, 2013.

- Attributable gold production of 188,000 ounces, with attributable sales of 171,000 ounces.
- Total cash costs of $787 an ounce, $63 below the bottom of guidance.
- Adjusted net earnings [1] attributable to equity holders of $57.7 million, or $0.15 a share.
- Reported net earnings attributable to equity holders of $10.9 million, or $0.03 a share, inclusive of $27.4 million impairment of investments (at market value).
- Revenues of $305.3 million.
- Operating cash flow before changes in working capital [1] of $115.2 million, or $0.31 a share.
- Quarter-end cash, cash equivalents and gold bullion (at market value) of $863.3 million.
- Westwood begins production.
- Launched $100 million cost reduction program.
- Rosebel Definitive Agreement approved by National Assembly of Suriname on April 13, 2013.
- 2013 consolidated total all-in sustaining cost guidance: $1,200-$1,300 an ounce.

"With the initiation of our $100 million cost reduction program before the drop in gold prices and our history of disciplined capital allocation, IAMGOLD was well ahead of the curve in responding to the challenges in our industry," said Steve Letwin, President and CEO. "We are very encouraged with cash costs coming in at $787 an ounce, $63 below the bottom of our guidance, and we will revisit our cost guidance in the second quarter. At the same time, our continued focus on maintaining a strong balance sheet gives us the option of deferring capital expenditures apart from what is essential to sustaining the current operations. **We will move forward only with expansion and development projects that meet our criteria for delivering attractive returns.** The traction we are making on the cost front together with our renewed commitment to capital discipline points to a positive outlook ahead.

"Meanwhile, we continue to execute on our business plan, and brought Westwood into production as scheduled at the end of the first quarter," continued Mr. Letwin. "And in mid-April, the National Assembly of the Government of Suriname unanimously approved the joint venture agreement respecting future resource development and related power costs. The 50% reduction in the power rate applicable to new concessions and future expansions beyond the one currently under review will open a new chapter for Rosebel. We continue to have dialogue with the government with respect to power rates at the existing Rosebel operation."

## FIRST QUARTER 2013 HIGHLIGHTS

### Change in Accounting for Joint Venture Interests

As a result of the adoption of IFRS 11, Joint Arrangements, effective January 1, 2013, IAMGOLD began accounting for its joint venture interests, Sadiola (41%) and Yatela, (40%) using the equity method of accounting instead of proportionate consolidation. We now report earnings from these joint ventures in the consolidated statements of earnings in one line as share of net earnings (losses) from associates and joint ventures. Although there is no change to net earnings and earnings per share, individual line items such as revenues, cost of sales and income tax expense were affected by collapsing the impact of Sadiola and Yatela to one line. As well, consolidated operating cash flows and investing activities within the consolidated statements of cash flows were impacted due to the difference in equity accounting as compared to proportionate consolidation. We continue to present operational information about our joint ventures, including cash costs and gold production.

### Financial Performance

- Revenues for the first quarter 2013 were $305.3 million, down 14% from the same prior year period. The decrease was mainly due to a lower volume of gold sales ($39.1 million) and a lower realized gold price ($11.5 million). The reduction in sales volumes was primarily related to lower production, as expected, from processing lower grades at Essakane and timing differences between production and sales.
- Cost of sales for the first quarter 2013 was $184.4 million, up 3% from the same prior year period. The increase was due to higher than expected operating costs mainly related to longer hauling distances at Rosebel and the mining and processing of harder rock ($4.6 million) and higher depreciation expense ($1.0 million).
- Adjusted net earnings [1] attributable to equity holders for the first quarter 2013 were $57.7 million ($0.15 per share [1]), down $33.9 million ($0.09 per share) or 37% from the same prior year period.
- Net earnings attributable to equity holders for the first quarter 2013 were $10.9 million ($0.03 per share), down from $119.2 million in the first quarter 2012. The decrease was mainly related to lower revenues and higher cost of sales ($54.4 million), higher impairment of investments ($22.8 million), derivative losses ($17.6 million) and higher foreign exchange losses ($12.7 million). The impairment of investments includes an $18.6 million impairment charge for the Company's equity investment in INV Metals Inc. ("ÌNV") as a result of a significant decline in the market value of INV shares. Since IAMGOLD has no ability to control the investment, it is not permitted to utilize an alternate valuation method which may have otherwise found the investment to have a market value in excess of its carrying amount.
- Operating cash flow for the first quarter 2013 was $99.5 million, down $49.7 million, or 33% from the same prior year period. The decrease was mainly due to lower revenues ($48.8 million).
- Operating cash flow before changes in working capital [1] for the first quarter 2013 was $115.2 million ($0.31 per share [1]), down $65.6 million ($0.17 per share) or 36% from the same prior year period.

### Financial Position

- Cash, cash equivalents and gold bullion (at market value) was $863.3 million at March 31, 2013, down $157.3 million from December 31, 2012. The decrease was mainly due to capital expenditures related to mining assets ($194.7 million) and the payment of dividends ($48.6 million), partially offset by cash from operating activities ($99.5 million).
- As at March 31, 2013, no funds were drawn against the Company's $750 million total unsecured revolving credit facilities.

## Production, Cash Costs and Margins

*Gold Operations*

- Attributable gold production, inclusive of the joint venture operations, was 188,000 ounces in the first quarter 2013, down 19,000 ounces from the same quarter 2012. Production was lower due to lower grades at Essakane (15,000 ounces) and Sadiola (6,000 ounces) and lower throughput at Rosebel (4,000 ounces), partially offset by increased production at Yatela (3,000 ounces) and Mouska (3,000 ounces). With the ramp-up of contribution from the Doyon division, we are on track to meet our annual production guidance.
- Attributable sales volume, inclusive of joint ventures operations, for the first quarter 2013 was 171,000 ounces compared to attributable gold production of 188,000 ounces. The difference was mainly related to Rosebel (8,000 ounces), due in part to in-transit inventory related to switching to a different refiner for carbon fines, and ramp-up of processing at Mouska (5,000 ounces). The nominal amount of production from Mouska at the end of March did not get sold.
- Cash costs [2] for the first quarter 2013, inclusive of joint venture operations, were $787 an ounce compared to $679 an ounce in the same quarter 2012, but $63 below the bottom of the 2013 guidance range. Cash costs for IAMGOLD operated sites were $731 an ounce compared to $596 an ounce for the first quarter 2012. As expected, the year-over-year increase was mainly due to the impact of lower grades on production, higher power costs associated with grinding and crushing harder rock and inflationary pressures across all sites. Mine re-sequencing, mostly at Rosebel, to access high grade ore and the proactive kick-off of our cost reduction program helped to reduce costs. While we anticipate further benefits from the cost reduction initiatives, we are maintaining our outlook on cash costs and will re-visit guidance in the second quarter.
- The gold margin [2] in the first quarter 2013 was $844 an ounce, down 17% from the first quarter 2012, reflecting a 16% increase in cash costs per ounce and a lower average realized gold price of $1,631 an ounce compared to $1,702 an ounce in the same prior year period.

*Niobium Operations*

- Niobium production for the first quarter was 1.2 million kilograms, up 9% from the same quarter 2012.
- The operating margin [2] was $16 per kilogram, unchanged from the same prior year period.

## COST REDUCTION PROGRAM

In March, before the drop in the gold price, we announced a $100 million cost-reduction program to counter the cost pressure from inflation and the higher demand for power associated with increasing rock hardness at Essakane and Rosebel. We have completed comprehensive cost reviews at all operating and exploration sites and corporate offices to identify specific areas to reduce costs. We plan to reduce costs at our operations by $43 million, exploration expenditures by $40 million and mine site and corporate general and administrative costs by approximately $11 million and $6 million, respectively. Through a combination of greater control over discretionary spending, the prioritization of activities and measures to improve productivity we are making good progress with this program. The following are some examples:

- Prioritization of brownfield and greenfield exploration projects, leading to refocusing of objectives and cuts to, or elimination of, lower priority projects.
- Hiring freezes at most operations, with exceptions only for critical production roles.
- Re-sequencing of mining to defer waste stripping and to improve ore grades during 2013.
- Discussions with key suppliers to reduce costs of consumables and services as well as capital equipment.

- Reduced reagent consumption and prices at Niobec and increased productivity in the converter process thereby reducing unit production costs.
- Reduced corporate travel and revised travel policy.
- Fuel and waste oil management program to reduce fuel consumption.

## OPERATING HIGHLIGHTS AND CORPORATE DEVELOPMENTS

### Westwood/Mouska

The refurbished plant commenced production at the end of the first quarter 2013. The operation is initially processing stockpiled ore from the Mouska mine. The stockpiled ore from 2012 and the ore mined from Mouska in 2013 are expected to total approximately 60,000 commercial ounces for the year. Production from the Westwood mine, estimated at approximately 80,000 ounces for 2013, will ramp up throughout the year. Commercial production is expected to begin in October 2013. Until then, the contribution from ounces sold will be netted against capital expenditures. In total, the Westwood plant is expected to produce between 130,000 to 150,000 ounces in its first year of production.

### Essakane Expansion

The plant expansion at Essakane, which began mid-2012 to accommodate an increasing proportion of hard rock, is on plan and on time for completion by the end of 2013. Ore grades in 2013 are expected to be 10%-15% lower than the life of mine average, mainly due to the processing of lower-grade, softer ore that had been stockpiled in prior years. As Essakane moves into harder rock, the higher grades will help to mitigate the impact of the higher energy consumption required to treat harder ore and improve grades in line with the life of mine average. We are also focused on bringing in softer ore from the Falagountou satellite resource, eight kilometres east of the main pit. Site evaluation drilling is expected to commence in the second quarter and we are looking at the possibility of advancing evaluation and development studies with the objective of bringing the resource into production in 2014, which would be a year ahead of the original mine plan.

### Sadiola Sulphide Project

With the exception of prior commitments, sustaining capital and capitalized stripping, we are deferring capital expenditures with respect to the sulphide expansion project until our joint venture partner AngloGold Ashanti agrees to move forward. Regardless of project economics, this is not a project that we will proceed with on our own.

### Côté Gold Project

The filing of the Project Description with the Canadian Environmental Assessment Agency in March 2013 initiated the permitting process for the Côté Gold Project in northern Ontario, which is expected to be completed by the end of 2014. The pre-feasibility study is expected to be completed by the end of 2013 followed by the completion of the feasibility study at the end of 2014. If the project economics based on the gold price environment at that time do not meet our required rate of return, we have the option of deferring the project. Côté Gold is an attractive long-term asset that will strengthen our production pipeline.

### Niobec Expansion

The completion of the feasibility study for the Niobec expansion is expected in the third quarter 2013 followed by the finalization of the permitting process in the second quarter 2014. As previously stated, Niobec is a stable business that generates a predictable stream of cash flow. Regardless of the project economics related to the expansion, we will not move forward without a partner to jointly fund the project.

### Rosebel Definitive Agreement

On April 13, 2013, the previously announced agreement with the Surinamese government on November 26, 2012 was unanimously approved by Suriname’s National Assembly. This agreement provides the opportunity to target softer rock at a significantly reduced power rate. The agreement:

- Extends the terms of the existing agreement by 15 years to 2042.
- Establishes a joint venture with the Government of the Republic of Suriname targeting an area within a 45-kilometre radius of the Rosebel mill, but excluding the existing Rosebel concession. IAMGOLD will

have a 70% participating interest and the Government of Suriname a 30% participating interest on a fully-paid basis for investment beyond the scope of the current operation. The power rate applicable to all production from the joint venture area will be $0.11 per kilowatt hour, representing a 50% reduction from the current power rate.

We are pursuing further discussions with the Government of the Republic of Suriname to reduce power rates applicable to our existing concession. The feasibility study will not be finalized until the power rate is determined.

## Commitment to Zero Harm Continues

- IAMGOLD made the 2013 Maclean's/Sustainalytics list of the 50 Most Socially Responsible Corporations in Canada for the fourth year in a row.
- Regarding health and safety, the frequency of all types of serious injuries (measured as DART rate [3]) for the first quarter 2013 was 0.96 compared to 1.12 for full year 2012, representing a 14% improvement.

## SUMMARIZED FINANCIAL RESULTS

| Financial Position ($ millions, except where noted) | March 31, 2013 | Change | December 31, 2012 [1] |
|---|---|---|---|
| Cash, cash equivalents, and gold bullion | | | |
| • at market value | **$ 863.3** | **(15%)** | $1,020.6 |
| • at cost | **$ 744.9** | **(17%)** | $ 894.2 |
| Total assets | **$5,282.5** | — | $5,295.6 |
| Long-term debt | **$ 639.2** | — | $ 638.8 |
| Available credit facilities | **$ 750.0** | — | $ 750.0 |

| Summary of Financial and Operating Results ($ millions, except where noted) | Three months ended March 31, 2013 | Change | 2012 [1] |
|---|---|---|---|
| **Financial Data** | | | |
| Revenues | **$305.3** | **(14%)** | $354.1 |
| Cost of sales | **184.4** | **3%** | 178.8 |
| Gross earnings from mining operations | **$120.9** | **(31%)** | $175.3 |
| Net earnings attributable to equity holders of IAMGOLD [2] | **$ 10.9** | **(91%)** | $119.2 |
| Basic net earnings per share ($/share) [2] | **$ 0.03** | **(91%)** | $ 0.32 |
| Adjusted net earnings attributable to equity holders of IAMGOLD [2] | **$ 57.7** | **(37%)** | $ 91.6 |
| Basic adjusted net earnings per share ($/share) [2] | **$ 0.15** | **(38%)** | $ 0.24 |
| Operating cash flow [2] | **$ 99.5** | **(33%)** | $149.2 |
| Operating cash flow ($/share) [2] | **$ 0.26** | **(35%)** | $ 0.40 |
| Operating cash flow before changes in working capital [2] | **$115.2** | **(36%)** | $180.8 |
| Operating cash flow before changes in working capital ($/share) [2] | **$ 0.31** | **(35%)** | $ 0.48 |

1 Balances related to 2012 have been reclassified as per note 2(c)(ii) of the consolidated interim financial statements.

2 The Company has included the following non-GAAP measures: adjusted net earnings attributable to equity holders of IAMGOLD, adjusted net earnings per share, operating cash flow per share, operating cash flow before changes in working capital per share. Refer to the Supplemental Information attached to this news release for reconciliation to GAAP measures.

## KEY OPERATING STATISTICS

| | Three months ended March 31, 2013 | Change | 2012 |
|---|---|---|---|
| **Key Operating Statistics – Gold mines** | | | |
| Gold sales – attributable (000s oz) | **171** | **(12%)** | 195 |
| Gold production – attributable (000s oz) | **188** | **(9%)** | 207 |
| Average realized gold price ($/oz) | **$1,631** | **(4%)** | $1,702 |
| Total cash cost ($/oz) [1] | **$ 787** | **16%** | $ 679 |
| Gold margin ($/oz) [1] | **$ 844** | **(17%)** | $1,023 |
| **Key Operating Statistics – Niobec Mine** | | | |
| Niobium production (millions of kg Nb) | **1.2** | **9%** | 1.1 |
| Niobium sales (millions of kg Nb) | **1.2** | **—** | 1.2 |
| Operating margin ($/kg Nb) [1] | **$ 16** | **—** | $ 16 |

[1] The Company has disclosed the following non-GAAP measures: total cash cost per ounce, gold margin per ounce, and operating margin per kilogram of niobium sold at the Niobec mine. Refer to the Non-GAAP performance measures section of this news release for reconciliation to GAAP measures.

## ATTRIBUTABLE GOLD PRODUCTION AND CASH COSTS

The table below presents the attributable gold production and total cash cost per ounce of production to the Company.

| | Gold Production (000s oz) Three months ended March 31, 2013 | 2012 | Total Cash Cost (/oz) [1] Three months ended March 31, 2013 | 2012 |
|---|---|---|---|---|
| IAMGOLD Operator | | | | |
| Rosebel (95%) | **89** | 93 | **$ 717** | $ 637 |
| Essakane (90%) | **65** | 80 | **729** | 562 |
| Doyon division [2] (100%) | **5** | 2 | **988** | 134 |
| | **159** | 175 | **$ 731** | $ 596 |
| Joint Ventures | | | | |
| Sadiola (41%) | **19** | 25 | **$1,043** | $1,010 |
| Yatela (40%) | **10** | 7 | **1,196** | 1,613 |
| | **29** | 32 | **$1,094** | $1,135 |
| Total | **188** | 207 | **$ 787** | $ 679 |
| Cash cost, excluding royalties | | | **$ 699** | $ 588 |
| Royalties | | | **88** | 91 |
| Total cash cost [1] | | | **$ 787** | $ 679 |

[1] Total cash cost is a non-GAAP measure. Refer to the non-GAAP performance measures section of this news release for the reconciliations to GAAP measures.

[2] In 2012, the Mouska mine, as planned, did not produce gold other than marginal gold derived from the mill clean-up process. In 2013, the processing plant at Westwood began milling Mouska stockpiled ore.

## ROSEBEL MINE, SURINAME

Attributable gold production was 89,000 ounces for the first quarter 2013, 4% lower than the same quarter in 2012 due to lower throughput partially offset by higher than expected grades and recoveries. The mine was able to sequence its mining to access higher grade ore to mitigate the increase in cash costs. Throughput was lower due to unscheduled maintenance, which resulted in the mill being shut down for seven days, and a harder rock blend.

Total cash costs were $717 an ounce, 13% higher than the same period in 2012 mainly due to lower production, increased labour costs, higher maintenance costs and higher fuel costs from longer hauls.

### Cost management initiatives

Ongoing cost management initiatives at Rosebel include continuous improvement programs to improve utilization of primary production equipment in the mine, improve operator efficiency, optimize bench sizes, improve drill and blast performance and, additionally, optimize the intensive cyanide leach section of the gravity circuit to increase overall recovery and reduce total cyanide consumption. The operation continues to look for and implement opportunities to reduce manpower requirements, to reduce power consumption and to find additional soft rock resources to feed the plant.

## ESSAKANE MINE, BURKINA FASO

Attributable gold production was 65,000 ounces, 19% lower than the same prior year period as a result of expected lower grades. Essakane continued stripping in Phase 2 of the push-back of the main pit. During this period, higher-grader ore was stockpiled while lower-grade, softer ore was mined and processed.

Total cash costs in the first quarter 2013 were $729 an ounce, up 30% from the same prior year period. The increase was mainly due to the impact of lower grades, higher energy prices and consumption and the upward pressure on consumable prices.

### Cost management initiatives

Ongoing cost management initiatives at Essakane include significantly improved loading and hauling productivity in the mine, improved primary crusher performance and a program to improve maintenance reliability in the plant to maximize operating time and improve circuit stability. As well, the construction team achieved early completion of two key elements of the expansion project: additional leach capacity and a pebble crusher for the existing grinding circuit. Commissioning and integration of these two elements during April will enhance performance, including improved efficiency of consumables. Manpower growth at Essakane is being managed tightly, and filling of open expatriate positions is being restricted. Efforts continue as well to review alternative power sources for Essakane.

## DOYON DIVISION, CANADA

The Doyon division includes the Mouska Mine and the Westwood Mine. The Mouska Mine is scheduled to close at the end of 2013 and the Westwood plant commenced production at the end of the first quarter 2013. The Westwood plant is initially processing ore stockpiled from the Mouska Mine, which is expected to total approximately 60,000 ounces in 2013. The processing of ore from the Westwood Mine will ramp up throughout 2013, with production estimated at approximately 80,000 ounces for the year. Commercial production is expected to begin in October 2013. Until then, the contribution from ounces sold will be netted against capital expenditures. In total, the Westwood plant is expected to produce between 130,000 to 150,000 ounces in its first year of production.

With production commencing late in the quarter, production was nominal and the small amount of gold poured was sold in April 2013.

Total cash costs per ounce were $988 an ounce, reflecting the nominal amount of production in the first quarter.

Cost management initiatives

Initiatives at Westwood are focused on improving underground development productivity. These efforts include greater involvement of senior supervisors underground, improvements to the supply chain for work materials to development crews, improved maintenance practices and scheduling additional working faces to provide greater flexibility. Improved underground development productivity will reduce requirements for both additional manpower and equipment going forward, as well as provide opportunities for increased production for the current year and a quicker project ramp up period.

**SADIOLA MINE, MALI**

Attributable gold production for the first quarter of 2013 was 19,000 ounces, 24% lower than in the first quarter 2012 due to lower grades partially offset by higher recovery.

Total cash costs were $1,043 an ounce, 3% higher than the same prior year period mainly as a result of lower gold production. Royalties were lower as a result of lower realized gold prices.

Sadiola did not distribute a dividend in the first quarter 2013 and 2012.

Cost management initiatives

Sadiola will address the effectiveness of contractor management so as to improve mining efficiencies and mill performance to reduce costs and increase gold production.

**YATELA MINE, MALI**

Attributable gold production for the first quarter 2013 was 10,000 ounces, 43% higher than in the first quarter 2012. The increase was due to higher gold grades from the bottom of a satellite pit. Total operating material mined was 45% lower than in the same prior year period as the mine is approaching its end of life.

Total cash costs in the first quarter 2013 were $1,196 an ounce, down 26% from the same prior year period. This was due to higher gold production and the impact of the impairment of inventories during 2012 which reduced the net cost of gold produced.

Yatela did not distribute a dividend in the first quarter 2013 and 2012.

Cost management initiatives

Yatela is focused on improving the production of gold through accessing additional and/or higher grade ore zones as they are identified. During the end of life mining, we will continue to look for opportunities to leach additional gold from older heaps.

**NIOBEC NIOBIUM MINE, CANADA**

Niobium production in the first quarter 2013 of 1.2 million kilograms increased 9% from the same period in 2012 due to higher $Nb_2O_5$ ore grades and throughput.

Niobium revenues increased to $49.7 million in the first quarter 2013 compared to $48.4 million in the same prior year period due to marginally higher sales volume. The operating margin of $16 per kilogram remained unchanged compared to the same period in 2012.

Cost management initiatives

For 2013, Niobec is focusing on improving underground development productivity and blasting efficiency. Improved stability of ore quality fed to the mill, together with enhanced flotation capacity, is providing improved metallurgical performance. In the converter, the operation has introduced larger melting vessels to improve overall productivity and reduce costs.

## ATTRIBUTABLE GOLD SALES VOLUME AND REALIZED GOLD PRICE

| | Gold Sales[1] (000s oz) | | Average Realized Gold Price ($/oz) | |
|---|---|---|---|---|
| | Three months ended March 31, | | Three months ended March 31, | |
| | **2013** | 2012 | **2013** | 2012 |
| IAMGOLD operator (100%) | **155** | 178 | **$ 1,630** | $ 1,704 |
| Joint ventures[2] | **28** | 30 | **$ 1,638** | $ 1,690 |
| Total[1] | **183** | 208 | **$ 1,631** | $ 1,702 |

1 Attributable sales volume for the first quarter 2013 and 2012 were 171,000 and 195,000 ounces, respectively, after taking into account 95% of the Rosebel sales and 90% of the Essakane sales.

2 Attributable sales of joint ventures: Sadiola (41%) and Yatela (40%).

## NIOBEC PRODUCTION, SALES AND OPERATING MARGIN

| | Three months ended March 31, | | |
|---|---|---|---|
| | **2013** | **Change** | 2012 |
| Total operating material mined (000s t) | **590** | **4%** | 570 |
| Ore milled (000s t) | **565** | **2%** | 555 |
| Grade (% $Nb_2O_5$) | **0.58** | **5%** | 0.55 |
| Niobium production (millions of kg Nb) | **1.2** | **9%** | 1.1 |
| Niobium sales (millions of kg Nb) | **1.2** | **—** | 1.2 |
| Operating margin ($/kg Nb)[1] | **$ 16** | **—** | $ 16 |

1 Operating margin per kilogram of niobium at the Niobec mine is a non-GAAP measure. Refer to the Supplemental Information section attached to this news release for reconciliation to GAAP measures.

## CAPITAL EXPENDITURES

Capital expenditures (CAPEX) in the first quarter 2013 were $209.1 million, inclusive of joint ventures. The following table shows the split between expansion-related CAPEX and sustaining CAPEX.

**Three months ended March 31, 2013**

| ($ millions) | Sustaining | Development/ Expansion | Total |
|---|---|---|---|
| Gold segments | | | |
| Rosebel | $ 36.0 | $ 12.3 | $ 48.3 |
| Essakane | 30.5 | 45.6 | 76.1 |
| Westwood | — | 51.9 | 51.9 |
| Total gold segments | 66.5 | 109.8 | 176.3 |
| Niobec | 8.4 | 9.8 | 18.2 |
| Corporate and other | 0.2 | — | 0.2 |
| Total capital expenditures, consolidated | 75.1 | 119.6 | 194.7 |
| Joint ventures [1] – Sadiola and Yatela | 7.0 | 7.4 | 14.4 |
| | $ 82.1 | $ 127.0 | $209.1 |

1 Attributable capital expenditures of joint ventures: Sadiola(41%) and Yatela (40%).

### Rosebel

Total capital expenditures were $48.3 million in the first quarter. Sustaining CAPEX was $36.0 million and included mining equipment ($18.9 million), capitalized stripping ($5.4 million), resource development exploration ($3.2 million) and tailings dam ($3.1 million). Expansion CAPEX of $12.3 million included mining equipment ($7.0 million), third ball mill ($4.9 million) and the feasibility study ($0.4 million) related to the future expansion.

### Essakane

Total capital expenditures were $76.1 million in the first quarter. Sustaining CAPEX of $30.5 million included capitalized stripping ($19.4 million) and mining equipment ($5.9 million). Expansion CAPEX of $45.6 million relates to the expansion of the plant (construction, mine and mill equipment), which will be completed by the end of 2013, to accommodate the transition to hard rock.

### Westwood

Total capital expenditures were $51.9 million in the first quarter and related to general mine infrastructure in preparation for start-up, including the refurbishment of the mill.

### Niobec

Total capital expenditures were $18.2 million in the first quarter. Sustaining CAPEX was $8.4 million including underground development ($3.2 million) and mill optimization ($1.5 million). Although Niobec will not move forward with an expansion without a partner to participate in the funding, expansion CAPEX of $9.8 million included the expansion feasibility study, land costs and mine development associated with expansion and construction.

### Joint Ventures

Total attributable capital expenditures were $14.4 million in the first quarter. Sustaining CAPEX of $7.0 million included capitalized stripping ($3.4 million) at Sadiola. While capital expenditures have, for the most part, been deferred pending final approval by AngloGold Ashanti to move the Sadiola sulphide project forward, expansion CAPEX of $7.4 million related to previous commitments for equipment.There were no significant capital expenditures at Yatela.

## EXPLORATION

IAMGOLD was active at brownfield development and greenfield exploration projects in eight countries located in West Africa and North and South America for the three months ended March 31, 2013. In the first quarter 2013, exploration expenditures totaled $28.8 million, of which $22.1 million was expensed and $6.7 million was capitalized. This compares to $27.7 million for the same period in 2012. Drilling activities from all projects totaled approximately 117,400 metres for the quarter.

In light of IAMGOLD's $100 million cost reduction initiative, we have re-prioritized our global exploration activities and lowered our 2013 outlook by $40 million. The reduction in exploration activities relates to greenfield projects ($14.9 million), brownfield projects ($18.6 million) and the Côté Gold project ($6.5 million). The reduction in Côté Gold spending reflects the deferral of some exploration costs into future years, as well as a redesign of some study components. The changes are not anticipated to impact the timing of the project. Nevertheless, we plan to undertake significant greenfield exploration campaigns on priority projects in Ontario, Brazil and Senegal, and largely maintain planned resource development drilling programs at the Rosebel, Essakane, Westwood and Niobec operations. The outlook for 2013 exploration expenditures of $99.0 million is $48.2 million lower than 2012 full year exploration spend.

## 2013 OUTLOOK

### PRODUCTION AND CASH COSTS – Guidance maintained for 2013

| IAMGOLD Full Year Guidance | 2013 |
|---|---|
| Rosebel (000s oz) | 365 – 385 |
| Essakane (000s oz) | 255 – 275 |
| Doyon division (000s oz) [1] | 130 – 150 |
| Total owner-operated production (000s oz) | 750 – 810 |
| Joint ventures (000s oz) | 125 – 140 |
| **Total attributable production (000s oz)** | **875 – 950** |
| Owner-operated total cash cost ($/oz) [2] | $ 810 – $880 |
| Consolidated total cash cost ($/oz) [2] | $ 850 – $925 |
| Owner-operated all-in sustaining cost ($/oz) [3] | $1,150 – $1,250 |
| Consolidated total all-in sustaining cost ($/oz) [3] | $1,200 – $1,300 |
| Niobec production (millions of kg Nb) | 4.7 – 5.1 |
| Niobec operating margin ($/kg Nb) [2] | $ 15 – $17 |
| Effective tax rate (%) | 38% |

1 Doyon division production of 130,000 – 150,000 ounces includes Westwood non-commercial production of 40,000 to 50,000 ounces. Associated contribution will be recorded against its mining assets in the consolidated balance sheet.

2 Cash cost per ounce and operating margin per kilogram of niobium sold at the Niobec mine are non-GAAP measures. Refer to the Non-GAAP performance measures section of this news release for reconciliation to GAAP measures.

3 All-in sustaining cost per ounce sold is defined as the sum of operating gold sites attributable cost of sales excluding depreciation and including by-product credits, corporate general and administration expenses, sustaining exploration spending, sustaining capital expenditures and asset retirement obligation costs divided by attributable ounces sold. The Company plans to conform to the World Gold Council industry guidelines.

IAMGOLD maintains its 2013 annual gold production guidance range of 875,000 to 950,000 ounces. Production is expected to trend higher in the second quarter with the processing of Mouska stockpiled ore and is expected to end the year within guidance. Cash cost guidance for 2013 is maintained at a range of $850 to $925 an ounce. Cash costs for the remainder of the year are expected to trend higher, mainly due to increasing hard rock at Rosebel and Essakane. At the same time, we are achieving traction with our cost improvement program.

We expect to produce between 4.7 and 5.1 million kilograms of niobium in 2013 at a margin of between $15 and $17 a kilogram.

### Effective Tax Rate

The effective tax rate for the first quarter 2013 was 68% due to the limited tax deductibility on the impairment of investments. After normalizing earnings for the impairment and other items, the effective tax rate was 36% in the first quarter 2013 and is comparable to the annual effective tax rate of 38% previously provided as guidance.

Income tax paid was $14.3 million in the first quarter 2013. As in the prior year, income tax paid will be highest in the second quarter 2013 as final payments for the 2012 income tax liabilities and installments for the estimated income tax liabilities for 2013 will be made. For the second quarter 2013, income tax paid is expected to be in the range of $50 million to $60 million, excluding Sadiola and Yatela, which are accounted for as equity investments.

## CAPITAL EXPENDITURES

The Company maintains its capital expenditure forecast for 2013 as set out below.

| ($ millions) | Sustaining | Development/ Expansion | Total |
|---|---|---|---|
| Gold segments | | | |
| Rosebel | $ 108.0 | $ 22.0[1] | $130.0 |
| Essakane | 100.0 | 200.0 | 300.0 |
| Westwood | 20.0 | 80.0 | 100.0 |
| Total gold segments | 228.0 | 302.0 | 530.0 |
| Niobec | 31.0 | 49.0 | 80.0 |
| Corporate and other | 5.0 | — | 5.0 |
| Total capital expenditures, consolidated | 264.0 | 351.0 | 615.0 |
| Joint ventures – Sadiola [2] and Yatela | 20.0 | 30.0 | 50.0 |
| | $ 284.0 | $ 381.0 | $665.0 |

1 The Company is pursuing further discussions with the Government of Suriname to reduce power rates applicable to its existing concession. The feasibility study and associated capital program, if any, will not be finalized until the power rate is determined.

2 Attributable capital expenditures of $50 million include capitalized stripping costs and existing commitments related to the ordering of long lead items in 2012 for the Sadiola sulphide expansion project.

As disclosed in IAMGOLD's annual MD&A, depreciation expense is expected to increase in 2013 compared to 2012 with the commencement of commercial production at the Westwood mine and higher depreciation of capitalized stripping at Essakane. Depreciation is expected to be in the range of $175 million to $185 million, excluding Sadiola and Yatela, which are accounted for as equity investments.

The outlook is based on 2013 full year assumptions for average realized gold price of $1,600 per ounce, $C/$US exchange rate of 1.00, $US/€ exchange rate of 1.25 and average crude oil price of $95 per barrel.

## NON-GAAP FINANCIAL MEASURES – ADJUSTED NET EARNINGS

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. Management believes that these measures better reflect the Company's performance for the current period and are a better indication 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 do not have any standardized meaning prescribed by IFRS, are 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. Adjusted net earnings attributable to equity holders of IAMGOLD represent net earnings attributable to equity holders excluding certain impacts, net of tax, such as changes in estimates of asset retirement obligations at closed sites, unrealized derivative gains or losses, gains or losses on sale of marketable securities and assets, interest expensed that is unrelated to financing working capital, impairments of investments in associates and marketable securities, foreign exchange gains or losses and the impact of significant changes in tax laws for mining taxes. These measures are not necessarily indicative of net earnings or cash flows as determined under IFRS.

The following table provides a reconciliation of net earnings attributable to equity holders of IAMGOLD as per the consolidated interim statements of earnings, to adjusted net earnings attributable to equity holders of IAMGOLD.

| | Three months ended March 31, | |
|---|---|---|
| ($ millions, except where noted) | **2013** | 2012 |
| Earnings before income taxes and non-controlling interests | **$ 53.3** | $178.8 |
| Adjusted items: | | |
| • Impairment of investments | **27.4** | 4.6 |
| • Interest expense on senior unsecured notes | **7.7** | — |
| • Foreign exchange losses (gains) | **1.6** | (11.1) |
| • Unrealized derivative losses (gains) | **12.0** | (9.6) |
| • Gains on sale of marketable securities | **—** | (5.6) |
| • Losses (gains) on sale of assets | **0.3** | (2.3) |
| • Changes in estimates of asset retirement obligations at closed sites | **(2.3)** | (3.1) |
| | **46.7** | (27.1) |
| Adjusted earnings before income taxes and non-controlling interests | **100.0** | 151.7 |
| • Income tax expenses | **(36.0)** | (49.8) |
| • Tax impact of adjusted items | **0.1** | (0.5) |
| • Non-controlling interests | **(6.4)** | (9.8) |
| Adjusted net earnings attributable to equity holders of IAMGOLD | **$ 57.7** | $ 91.6 |
| Basic weighted average number of common shares outstanding (millions) | **376.6** | 376.0 |
| Basic adjusted net earnings attributable to equity holders of IAMGOLD per share ($/share) | **$ 0.15** | $ 0.24 |
| Effective adjusted tax rate (%) | **36%** | 33% |

## NON-GAAP FINANCIAL MEASURES – OPERATING CASH FLOW BEFORE CHANGES IN WORKING CAPITAL

The Company makes reference to a non-GAAP measure for operating cash flow before changes in working capital and operating cash flow before changes in working capital per share. This measure is defined as cash generated excluding changes in working capital. Working capital can be volatile due to numerous factors including build-up 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 operating cash flow before changes in working capital:

| ($ millions, except where noted) | Three months ended March 31, 2013 | Three months ended March 31, 2012 [1] |
|---|---|---|
| Cash flow generated from operating activities per consolidated interim financial statements | **$ 99.5** | $149.2 |
| Adjusting items from non-cash working capital items and non-current ore stockpiles | | |
| • Receivables and other current assets | **(7.5)** | (16.1) |
| • Inventories and non-current ore stockpiles | **27.1** | 26.4 |
| • Accounts payable and accrued liabilities | **(3.9)** | 21.3 |
| Operating cash flow before changes in working capital | **$115.2** | $180.8 |
| Basic weighted average number of common shares outstanding (millions) | **376.6** | 376.0 |
| Basic operating cash flow before changes in working capital per share ($/share) | **$ 0.31** | $0.489 |

[1] Balances related to 2012 have been reclassified as per note 2(c)(ii) of the consolidated interim financial statements.

## NON-GAAP FINANCIAL MEASURES – GOLD MARGIN

This news release refers to gold margin per ounce of gold, 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 an equal or even faster 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 cutoff grades, mine sequencing, and stockpiling practices, is designed to maximize the total value of the asset given conservatively derived assumptions for key economic parameters 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 of gold 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 gold margin per ounce of gold for the gold operating mine to realized gold price less total cash costs per ounce produced.

| | Three months ended March 31, | |
|---|---|---|
| ($/oz of gold) | **2013** | 2012 |
| Realized gold price | **$1,631** | $1,702 |
| Total cash costs | **787** | 679 |
| Gold margin | **$ 844** | $1,023 |

## NON-GAAP FINANCIAL MEASURES – CASH COSTS

This news release often refers to cash costs per ounce, a non-GAAP performance measure in order to provide investors with information about the 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 the overall effectiveness and efficiency of gold mining operations. "Cash cost" figures are calculated in accordance with a standard developed by The Gold Institute, which was a worldwide association of suppliers of gold and gold products and included leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard is still an accepted standard 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 attributable realized derivative gain or loss, but are exclusive of amortization, reclamation, capital, exploration and development costs. These costs are then divided by the Company's attributable ounces of gold produced to arrive at the total cash costs per ounce. The measure, along with sales, is considered a key indicator of a company's ability to generate operating earnings and cash flow from its mining operations.

These gold 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 operations as determined under IFRS. The following tables provide a reconciliation of total cash costs per ounce produced for gold mines to the cost of sales, excluding depreciation, as per the consolidated interim statements of earnings.

| | Three months ended March 31, | |
|---|---|---|
| **($ millions, except where noted)** | **2013** | 2012 |
| Cost of sales [1], excluding depreciation | **$146.0** | $141.4 |
| Less: Cost of sales for non-gold segments [2], excluding depreciation | **31.4** | 31.0 |
| Cost of sales for gold segments, excluding depreciation | **114.6** | 110.4 |
| Adjust for: | | |
| By-product credit (excluded from cost of sales) | **(0.3)** | (0.6) |
| Stock movement | **14.8** | 7.7 |
| Other mining costs | **(4.2)** | (4.7) |
| Cost attributed to non-controlling interests | **(8.6)** | (8.1) |
| | **1.7** | (5.7) |
| Cash costs – operating mines | **116.3** | 104.7 |
| Cash costs – Sadiola and Yatela (Joint ventures) | **31.9** | 36.4 |
| Total cash costs | **$148.2** | $141.1 |
| Attributable gold production – operating mines (000s oz) | **159** | 175 |
| Attributable gold production – Sadiola and Yatela (joint ventures) (000s oz) | **29** | 32 |
| Total attributable gold production (000s oz) | **188** | 207 |
| Total cash costs ($/oz) | **$ 787** | $ 679 |

1 As per the Company's consolidated interim financial statements.
2 Non-gold segments consist of Niobium, Corporate, and Exploration and Evaluation Segments

## NON-GAAP FINANCIAL MEASURES – NIOBEC OPERATING MARGIN

This news release refers to operating margin per kilogram of niobium at the Niobec mine, a non-GAAP performance measure, in order to provide investors with information about the measure used by management to monitor the performance of its non-gold asset, the Niobec mine. The information allows management to assess how well the Niobec mine is performing relative to the plan and to prior periods, as well as, assess the overall effectiveness and efficiency of the operations. The operating margin per kilogram of niobium does not have any standardized meaning prescribed by IFRS, are 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 operating margin per kilogram of niobium at the Niobec mine to revenues and cost of sales as per the consolidated interim statements of earnings.

| | Three months ended March 31, | |
|---|---|---|
| **($ millions, except where noted)** | **2013** | 2 012 |
| Revenues from the Niobec mine as per segmented information [1] | **$ 49.7** | $ 48.4 |
| Cost of sales from the Niobec mine as per segmented information, excluding depreciation expenses | **(30.1)** | (29.8) |
| Other costs | **—** | (0.2) |
| Operating margin | **$ 19.6** | $ 18.4 |
| Sales volume (millions of kg Nb) | **1.2** | 1.2 |
| **Operating margin ($/kg Nb)** | **$ 16** | $ 16 |

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

### End Notes (excluding tables)

(1) Adjusted net earnings attributable to equity holders of IAMGOLD, adjusted net earnings attributable to equity holders of IAMGOLD per share, operating cash flow from continuing operations before changes in working capital and operating cash flow from continuing operations before changes in working capital per share are non-GAAP financial measures. Please refer to the reconciliation to GAAP measures above in this news release.

(2) Cash cost per ounce, gold margin per ounce, operating margin per kilogram of niobium at the Niobec mine are non-GAAP measures. Please refer to the Supplemental Information section attached to this news release for reconciliation to GAAP measures.

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

### Filing of Amended New By-Law Number Two

IAMGOLD announces that, following discussions with Institutional Shareholder Services ("ISS") regarding the advanced notice provisions in the new By-Law Number Two of the Corporation which has been filed on SEDAR and EDGAR and is subject to the approval of IAMGOLD's shareholders at the upcoming annual and special meeting of shareholders to be held on May 21, 2013, IAMGOLD has amended these provisions to meet ISS's standards. The amended new By-Law Number Two has been filed on SEDAR ( www.sedar.com ) and EDGAR ( www.sec.gov ) and available on IAMGOLD's website ( www.iamgold.com ). Shareholders can also request a copy from IAMGOLD's Corporate Secretary.

## CONFERENCE CALL

A conference call will be held on Wednesday, May 8, 2013 at 8:30 a.m. (Eastern Standard Time) for a discussion with management regarding IAMGOLD's first quarter 2013 operating performance and financial results. A webcast of the conference call will be available through IAMGOLD's website - www.iamgold.com .

Conference Call Information: North America Toll-Free: 1-855-410-0553 or 1-646-583-7389, passcode: 755503#.

A replay of this conference call will be available from 5:00 p.m. May 8th to June 6th, 2013. Access this replay by dialling: North America toll-free: 1-855-410-0556 or 1-646-583-7395, passcode: 337468#.

## CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

Certain information included in this news release, 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 statements. 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 use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "plan" 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 , and filed under Form 40-F with the United States Securities Exchange Commission at www.sec.gov/edgar.html . The risks described in the Annual Information Form (filed and viewable on www.sedar.com and www.sec.gov/edgar.html , and available upon request from the Company) are hereby incorporated by reference into this news release.

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.

**About IAMGOLD**

IAMGOLD ( www.iamgold.com ) is a leading mid-tier gold producer with six operating gold mines (including current joint ventures) on three continents. In the Canadian province of Québec, the Company also operates Niobec Inc., one of the world's top three producers of niobium, and owns a rare earth element resource close to its niobium mine. IAMGOLD is well positioned for growth with a strong financial position and extensive management and operational expertise. To grow from this strong base, IAMGOLD will advance those projects from its pipeline of exploration and expansion projects that can deliver attractive rates of return. IAMGOLD's growth plans are strategically focused in certain regions in Canada, select countries in South America and Africa.

**For further information please contact :**

**Bob Tait,** VP Investor Relations, IAMGOLD Corporation
Tel: (416) 360-4743 Mobile: (647) 403-5520

**Laura Young** , Director, Investor Relations, IAMGOLD Corporation
Tel: (416) 933-4952 Mobile: (416) 670-3815

Toll-free: 1-888-464-9999 info@iamgold.com

Please note:

This entire news release may be accessed via fax, e-mail, IAMGOLD's website at www.iamgold.com and through CNW Group's website at www.newswire.ca . All material information on IAMGOLD can be found at www.sedar.com or at www.sec.gov .

Si vous désirez obtenir la version française de ce communiqué, veuillez consulter le http://www.iamgold.com/French/Home/default.aspx.

IAMGOLD CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS
## THREE MONTHS ENDED MARCH 31, 2013

The following Management's Discussion and Analysis ("MD&A") of IAMGOLD Corporation ("IAMGOLD" or the "Company"), dated May 7, 2013, is intended to supplement and complement the consolidated interim financial statements and notes thereto for the three month period ended March 31, 2013. This MD&A should be read in conjunction with IAMGOLD's annual audited consolidated financial statements and related notes for December 31, 2012 and the related MD&A included in the 2012 annual report. All monetary 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. IAMGOLD's shares trade on the Toronto and New York stock exchanges.

## CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

Certain 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 statements. 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 use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "plan" 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, and filed under Form 40-F with the United States Securities Exchange Commission at www.sec.gov/edgar.html. The risks described in the Annual Information Form (filed and viewable on www.sedar.com and www.sec.gov/edgar.html, and 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

IAMGOLD Corporation (www.iamgold.com) is a leading mid-tier gold producer with six operating gold mines (including joint ventures) on three continents. In the Canadian province of Québec, the Company also operates Niobec Inc., one of the world's top three producers of niobium, and owns a rare earth element resource close to its niobium mine. IAMGOLD is uniquely positioned with a strong financial position and extensive management and operational expertise. To grow from this strong base, IAMGOLD will advance those projects from its pipeline of exploration and expansion projects that can deliver attractive rates of return. IAMGOLD's growth plans are strategically focused in certain regions in Canada and in select countries in South America and Africa.

IAMGOLD's commitment is to Zero Harm, in every aspect of its business. IAMGOLD is one of the companies on the JSI index [1].

IAMGOLD is listed on the Toronto Stock Exchange (trading symbol "IMG") and the New York Stock Exchange (trading symbol "IAG").

## FIRST QUARTER 2013 HIGHLIGHTS

### FINANCIAL

- As a result of the adoption of IFRS 11, Joint Arrangements, effective January 1, 2013, the Company began accounting for its joint venture interests, Sadiola (41%) and Yatela (40%), using the equity method of accounting instead of proportionate consolidation. The Company now reports earnings from these joint ventures in the consolidated statements of earnings in one line as share of net earnings (losses) from associates and joint ventures. Although there is no change to net earnings and earnings per share, individual line items such as revenues, cost of sales and income tax expense were affected by collapsing the impact of Sadiola and Yatela to one line. In addition, consolidated operating cash flows and investing activities within the consolidated statements of cash flows were impacted due to the difference in equity accounting as compared to proportionate consolidation. The Company continues to present operational information about its joint ventures, including cash costs and gold production.

[1] Jantzi Social Index ("JSI"). The JSI, 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.

- Revenues for the first quarter 2013 were $305.3 million, down $48.8 million or 14% from the same prior year period. The decrease in revenues is mainly related to lower gold sales volume ($39.1 million) and a lower realized gold price ($11.5 million), partially offset by increased by-product credits and royalty income ($0.5 million) and higher niobium sales ($1.3 million). The reduction in sales volumes was primarily related to lower production, as expected, from processing lower grades at Essakane and timing differences between production and sales.
- The cost of sales for the first quarter 2013 was $184.4 million, up $5.6 million or 3% from the same prior year period. The increase is related to higher than expected operating costs mainly related to longer hauling distances at Rosebel and the mining and processing of harder rock ($4.6 million) and higher depreciation expense ($1.0 million).
- Net earnings attributable to equity holders for the first quarter 2013 were $10.9 million or $0.03 per share, down $108.3 million or 91% from the same prior year period. The decrease is mainly related to lower revenues and higher cost of sales noted above ($54.4 million), higher impairment of investments ($22.8 million), derivative losses ($17.6 million) and higher foreign exchange losses ($12.7 million).
- Adjusted net earnings [1] for the first quarter 2013 were $57.7 million ($0.15 per share [1]), down $33.9 million ($0.09 per share) or 37% from the same prior year period.
- Operating cash flow for the first quarter 2013 was $99.5 million, down $49.7 million or 33% from the same prior year period. The decrease in operating cash flow was mainly due to lower revenues noted above ($48.8 million).
- Operating cash flow before changes in working capital [1] for the first quarter 2013 was $115.2 million ($0.31 per share [1]), down $65.6 million ($0.17 per share) or 36% from the same prior year period.
- Cash, cash equivalents and gold bullion (at market value) was $863.3 million at March 31, 2013, down $157.3 million since December 31, 2012 mainly due to capital expenditures related to mining assets ($194.7 million), the payment of dividends ($48.6 million) and a decline due to a lower closing gold price for the gold bullion holdings ($8.0 million), offset partially by net cash from operating activities ($99.5 million).

**OPERATIONS**

- The Company made the 2013 Maclean's/Sustainalytics list of the 50 Most Socially Responsible Corporations in Canada for the fourth year in a row.
- Regarding health and safety, the frequency of all types of serious injuries (measured as DART rate [2]) for the first quarter 2013 was 0.96 compared to 1.12 for full year 2012, representing a 14% improvement.

**GOLD**

- The gold processing plant at the Westwood mine in the province of Québec began operating in March 2013. Initially, ore stockpiled from the adjacent Mouska mine is being processed. During 2013, the plant is expected to produce between 130,000 ounces and 150,000 ounces of gold, with approximately 60,000 ounces from the 30-year old Mouska mine and approximately 80,000 ounces from the Westwood mine.
- Attributable gold production, inclusive of joint venture operations, for the first quarter 2013 was 188,000 ounces, down 19,000 ounces or 9% from the same prior year period. Gold production was lower due to lower grades at Essakane (15,000 ounces) and Sadiola (6,000 ounces) and lower throughput at Rosebel (4,000 ounces), partially offset by increased production at Yatela (3,000 ounces) and Mouska (3,000 ounces). With the ramp-up of contribution from the Doyon division, the Company is on track to meet its annual production guidance.
- Attributable sales volume, inclusive of joint venture operations, for the first quarter 2013 was 171,000 ounces compared to attributable gold production of 188,000 ounces. The difference was mainly related to Rosebel (8,000 ounces), due in part to in-transit inventory related to switching to a different refiner for carbon fines, and ramp-up of processing at Mouska (5,000 ounces).
- Cash costs [1], inclusive of joint venture operations, for the first quarter 2013 were $787 per ounce, up 16% from the same prior year period. As expected, the year-over-year increase was mainly due to the impact of lower grades and the increase in processing hard rock together with inflationary cost pressures across all sites. The Company benefited from mine re-sequencing, mostly at Rosebel, to access high grade ore and the proactive kick-off of its cost reduction program. While the Company anticipates further benefits from the cost reduction initiatives, the Company is maintaining its outlook on cash cost and will re-visit guidance in the second quarter.

1 The Company has disclosed adjusted net earnings, adjusted net earnings per share, operating cash flow before changes in working capital, operating cash flow before changes in working capital per share, total cash cost per ounce produced, gold margin and operating margin per kilogram of niobium sold which are non-GAAP measures. Refer to the non-GAAP performance measures section of the MD&A for the reconciliations to GAAP measures.

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

## NIOBIUM

- Niobium production for the first quarter 2013 was 1.2 million kilograms, up 9% from the same prior year period. The operating margin per kilogram of niobium [1] for the first quarter 2013 was similar to the same prior year period at $16 per kilogram.

## CORPORATE DEVELOPMENTS

- In March 2013, before the drop in the gold price, the Company announced a $100 million cost-reduction program to counter the cost pressure from inflation and the higher demand for power associated with increasing rock hardness at Essakane and Rosebel. The Company has completed comprehensive cost reviews at all operating and exploration sites and corporate offices to identify specific areas to reduce costs. The Company plans to reduce costs at its operations by $43 million, exploration expenditures by $40 million, general and administrative costs at mine sites by $11 million and corporate general and administration costs by $6 million. Through a combination of greater control over discretionary spending, the prioritization of activities and measures to improve productivity, the Company is achieving good traction with this program. The following are some examples:
  - Prioritization of brownfield and greenfield exploration projects, leading to refocusing of objectives and cuts to, or elimination of lower priority projects.
  - Hiring freezes at most operations, with exceptions only for critical production roles.
  - Re-sequencing of mining to defer waste stripping and to improve ore grades during 2013.
  - Discussions with key suppliers to reduce costs of consumables and services as well as capital equipment.
  - Reduced reagent consumption and prices at Niobec and increased productivity in the converter process thereby reducing unit production costs.
  - Reduced corporate travel and revised travel policy.
  - Fuel and waste oil management program to reduce fuel consumption.
- The Company announced on November 26, 2012 that it had reached a definitive agreement (the “Agreement”) with the Government of the Republic of Suriname (the “Government”) addressing future resource development and related power costs. On April 13, 2013, the Agreement was approved by the legislative authority of Suriname, the National Assembly. The Agreement extends the term of Rosebel’s existing Mineral Agreement by 15 years to 2042. The Agreement further establishes a new joint venture growth vehicle under which Rosebel would hold a 70% participating interest and the Government will acquire a 30% participating interest on a fully-paid basis for investment beyond the scope of the current operation. The Agreement provides additional power at a cost of $0.11 per kilowatt hour, which will apply to any production from the joint venture area. The existing Rosebel concession will remain under the current ownership structure.

| Summary of Financial and Operating Results ($ millions, except where noted) | Three months ended March 31, 2013 | Change | 2012 [1] |
|---|---|---|---|
| **Financial Data** | | | |
| Revenues | **$305.3** | **(14%)** | $354.1 |
| Cost of sales | **184.4** | **3%** | 178.8 |
| Gross earnings from mining operations | **$120.9** | **(31%)** | $175.3 |
| Net earnings attributable to equity holders of IAMGOLD | **$ 10.9** | **(91%)** | $119.2 |
| Basic net earnings per share ($/share) | **$ 0.03** | **(91%)** | $ 0.32 |
| Adjusted net earnings attributable to equity holders of IAMGOLD [2] | **$ 57.7** | **(37%)** | $ 91.6 |
| Basic adjusted net earnings per share ($/share) [2] | **$ 0.15** | **(38%)** | $ 0.24 |
| Operating cash flow | **$ 99.5** | **(33%)** | $149.2 |
| Operating cash flow ($/share) [2] | **$ 0.26** | **(35%)** | $ 0.40 |
| Operating cash flow before changes in working capital [2] | **$115.2** | **(36%)** | $180.8 |
| Operating cash flow before changes in working capital ($/share) [2] | **$ 0.31** | **(35%)** | $ 0.48 |
| **Key Operating Statistics – Gold Mines** | | | |
| Gold sales – attributable (000s oz) | **171** | **(12%)** | 195 |
| Gold production – attributable (000s oz) | **188** | **(9%)** | 207 |
| Average realized gold price ($/oz) | **$1,631** | **(4%)** | $1,702 |
| Total cash cost ($/oz) [2] | **$ 787** | **16%** | $ 679 |
| Gold margin ($/oz) [2] | **$ 844** | **(17%)** | $1,023 |
| **Key Operating Statistics – Niobec Mine** | | | |
| Niobium production (millions of kg Nb) | **1.2** | **9%** | 1.1 |
| Niobium sales (millions of kg Nb) | **1.2** | **—** | 1.2 |
| Operating margin ($/kg Nb) [2] | **$ 16** | **—** | $ 16 |

| Financial Position ($ millions) | March 31, 2013 | Change | December 31, 2012 [1] |
|---|---|---|---|
| Cash, cash equivalents, and gold bullion | | | |
| • at market value | **$ 863.3** | **(15%)** | $**1,020.6** |
| • at cost | **$ 744.9** | **(17%)** | $ **894.2** |
| Total assets | **$5,282.5** | **—** | $**5,295.6** |
| Long-term debt | **$ 639.2** | **—** | $ **638.8** |
| Available credit facilities | **$ 750.0** | **—** | $ **750.0** |

1 Balances related to 2012 have been reclassified as per note 2(c)(ii) of the consolidated interim financial statements.

2 The Company has disclosed the following non-GAAP measures: adjusted net earnings attributable to equity holders of IAMGOLD, adjusted net earnings per share, operating cash flow before changes in working capital per share, total cash cost per ounce produced, gold margin per ounce, and operating margin per kilogram of niobium sold at the Niobec mine. Refer to the non-GAAP performance measures section of the MD&A for the reconciliations to GAAP measures.

## OUTLOOK

Production and cash costs guidance maintained for 2013.

| IAMGOLD Full Year Guidance | 2013 |
|---|---|
| Rosebel (000s oz) | 365 – 385 |
| Essakane (000s oz) | 255 – 275 |
| Doyon division (000s oz) [1] | 130 – 150 |
| Total owner-operated production (000s oz) | 750 – 810 |
| Joint ventures (000s oz) | 125 – 140 |
| **Total attributable production (000s oz)** | **875 – 950** |
| Owner-operated total cash cost ($/oz) [2] | $ 810 – $880 |
| Consolidated total cash cost ($/oz) [2] | $ 850 – $925 |
| Owner-operated all-in sustaining cost ($/oz) [3] | $1,150 – $1,250 |
| Consolidated total all-in sustaining cost ($/oz) [3] | $1,200 – $1,300 |
| Niobec production (millions of kg Nb) | 4.7 – 5.1 |
| Niobec operating margin ($/kg Nb) [2] | $ 15 – $17 |
| Effective tax rate (%) | 38% |

1 Doyon division production of 130,000 – 150,000 ounces includes Westwood non-commercial production of 40,000 to 50,000 ounces. Associated contribution will be recorded against its mining assets in the consolidated balance sheet.

2 Cash cost per ounce produced and operating margin per kilogram of niobium sold at the Niobec mine are non-GAAP measures. Refer to the non-GAAP performance measures section of the MD&A for the reconciliation to GAAP measures.

3 All-in sustaining cost per ounce sold is defined as the sum of operating gold sites attributable cost of sales excluding depreciation and including by-product credits, corporate general and administration expenses, sustaining exploration spending, sustaining capital expenditures and asset retirement obligation costs divided by attributable ounces sold. The Company plans to conform to the World Gold Council industry guidelines.

The Company maintains its 2013 annual gold production guidance range of 875,000 to 950,000 ounces. Production is expected to trend higher in the second quarter with the processing of Mouska stockpiled ore and is expected to end the year within guidance.

The Company maintains its 2013 cash cost guidance range of $850 and $925 an ounce. Cash costs for the remainder of the year are expected to trend higher, mainly due to increasing hard rock at Rosebel and Essakane. The Company expects to end the year within its cash cost guidance.

As disclosed in the Company's annual MD&A, depreciation expense is expected to increase in 2013 compared to 2012 with the commencement of commercial production at the Westwood mine and higher depreciation of capitalized stripping at Essakane. Depreciation expense is expected to be in the range of $175 million to $185 million, excluding Sadiola and Yatela, which are accounted for as equity investments.

The outlook is based on 2013 full year assumptions using an average realized gold price of $1,600 per ounce, C$/U.S.$ exchange rate of 1.00, U.S.$/€ exchange rate of 1.25 and average crude oil price of $95 per barrel.

## EFFECTIVE TAX RATE

The effective tax rate for the first quarter 2013 was 68% due to the limited tax deductibility on the impairment of investments. After normalizing earnings for the impairment and other items, the effective tax rate was 36% in the first quarter 2013 and is comparable to the annual effective tax rate of 38% previously provided as guidance.

Income tax paid was $14.3 million in the first quarter 2013. As in the prior year, income tax paid will be highest in the second quarter 2013 as final payments for the 2012 income tax liabilities and installments for the estimated income tax liabilities for 2013 will be made. For the second quarter 2013, income tax paid is expected to be in the range of $50 million to $60 million, excluding Sadiola and Yatela, which are accounted for as equity investments.

## NIOBIUM PRODUCTION AND OPERATING MARGIN

The Company expects to produce between 4.7 million and 5.1 million kilograms of niobium in 2013 at an operating margin of between $15 and $17 per kilogram.

## CAPITAL EXPENDITURES OUTLOOK

| ($ millions) | Sustaining | Development/ Expansion | Total |
|---|---|---|---|
| Gold segments | | | |
| Rosebel | $ 108.0 | $ 22.0[1] | $130.0 |
| Essakane | 100.0 | 200.0 | 300.0 |
| Westwood | 20.0 | 80.0 | 100.0 |
| Total gold segments | 228.0 | 302.0 | 530.0 |
| Niobec | 31.0 | 49.0 | 80.0 |
| Corporate and other | 5.0 | — | 5.0 |
| Total capital expenditures, consolidated | 264.0 | 351.0 | 615.0 |
| Joint ventures – Sadiola[2] and Yatela | 20.0 | 30.0 | 50.0 |
| | $ 284.0 | $ 381.0 | $665.0 |

1 The Company is pursuing further discussions with the Government of Suriname to reduce power rates applicable to its existing concession. The feasibility study and associated capital program, if any, will not be finalized until the power rate is determined.

2 Attributable capital expenditures of $50 million include sustaining capital expenditures, capitalized stripping costs and existing commitments related to the ordering of long lead items in 2012 for the Sadiola sulphide expansion project.

## MARKET TRENDS

### GLOBAL FINANCIAL MARKET CONDITIONS

Events and conditions in the global financial markets impact gold prices, commodity prices, interest rates and currency rates. These conditions and market volatilities may have a positive or negative impact on the Company's revenues, operating costs, project development expenditures and project planning.

### GOLD MARKET

For the first quarter 2013, the gold price has displayed volatility with spot daily closings between $1,574 and $1,694 per ounce (first quarter 2012: between $1,598 and $1,781 per ounce) from the London Bullion Market Association.

| | Three months ended March 31, | | |
|---|---|---|---|
| | **2013** | **Change** | 2012 |
| Average market gold price ($/oz) | **$1,632** | **(3%)** | $1,691 |
| Average realized gold price ($/oz) | **$1,631** | **(4%)** | $1,702 |
| Closing market gold price ($/oz) | **$1,598** | **(4%)** | $1,663 |

### NIOBIUM MARKET

The Company is one of three significant producers of ferroniobium in the world, with a market share of approximately 8% at the end of 2012. The largest producer in the niobium market is a Brazilian producer whose dominant market position can impact market dynamics. Niobium demand closely follows the demand for steel, with a trend towards increased usage of niobium per tonne of steel produced. World steel production in the first quarter 2013 was 2% higher than the first quarter 2012. The general increase in overall crude steel production was due to China, offset by significant reductions in Japan, Korea, the United States and Europe. Steel production is up, but due to regional differences, overall consumption of niobium is down. Even with the reduction in niobium demand in the first quarter 2013, Niobec was able to sell all available material and maintain its pricing from the prior year.

### CURRENCY

The Company's reporting and functional currency is the U.S. dollar. Movement in the Canadian dollar against the U.S. dollar has a direct impact on the Company's Canadian mining activities. International operations are also exposed to fluctuation in currency exchange rates. Currencies continued to experience volatility relative to the U.S. dollar in the first quarter 2013. The key currencies to which the Company is exposed are the Canadian dollar and the Euro.

| **Three months ended March 31** | **2013** | 2012 |
|---|---|---|
| Average rates | | |
| • Canadian$ / U.S.$ | **1.0075** | 1.0011 |
| • U.S.$ / Euro | **1.3205** | 1.3117 |
| Closing rates | | |
| • Canadian$ / U.S.$ | **1.0160** | 0.9978 |
| • U.S.$ / Euro | **1.2819** | 1.3343 |

For the remainder of 2013, the Company will have a significant Canadian dollar requirement due to the expenditures required for Westwood, Côté Gold pre-feasibility work, and the Niobec expansion feasibility project. In addition, the Company will continue to have Euro requirements due to capital and operating expenditures related to the Essakane mine in Burkina Faso. The Company hedges a portion of currency exposure through forward and option contracts to mitigate the impact of the volatility in the exchange rates of these currencies. During 2013, the Company will, on an ongoing basis, update its hedging strategy, which is designed to meet its currency requirements by mitigating the volatility of movement in the exchange rate of foreign currencies.

Refer to financial condition – market risks section for more information.

## OIL PRICE

The Company's operations and projects expect to consume approximately 1.1 million barrels of fuel in 2013. During the first quarter 2013, the oil price displayed considerable volatility with spot daily closings between $90 and $98 per barrel.

| Three months ended March 31 | 2013 | 2012 |
|---|---|---|
| Average market oil price ($/barrel) | **$94** | $103 |
| Closing market oil price ($/barrel) | **$97** | $103 |

Refer to financial condition – market risks section for more information.

## SENSITIVITY IMPACT

The following table provides estimated sensitivities on cash cost per ounce of gold around certain inputs, excluding the impact of the Company's hedging program that can affect the Company's operating results, assuming expected 2013 production levels.

| | Change of | Annualized Impact on Cash Cost [1] by $/oz |
|---|---|---|
| Gold price | $100/oz | $ 5 |
| Oil price | $10/barrel | $ 13 |
| Canadian$ / U.S.$ | $0.10 | $ 14 |
| U.S.$ / Euro | $0.10 | $ 11 |

1 Cash cost per ounce produced is a non-GAAP measure. Refer to non-GAAP performance measures section of the MD&A for the reconciliations to GAAP measures.

## Operations

The table below presents the total ounces of gold sold and the average realized gold price per ounce.

| | Gold Sales[1] (000s oz) Three months ended March 31, | | Average Realized Gold Price ($/oz) Three months ended March 31, | |
|---|---|---|---|---|
| | **2013** | 2012 | **2013** | 2012 |
| IAMGOLD operator (100%) | **155** | 178 | **$ 1,630** | $ 1,704 |
| Joint ventures[2] | **28** | 30 | **$ 1,638** | $ 1,690 |
| Total[1] | **183** | 208 | **$ 1,631** | $ 1,702 |

1 Attributable sales volume for the first quarter 2013 and 2012 were 171,000 and 195,000 ounces, respectively, after taking into account 95% of the Rosebel sales and 90% of the Essakane sales.

2 Attributable sales of joint ventures: Sadiola (41%) and Yatela (40%).

The table below presents the attributable gold production and total cash cost per ounce of production to the Company.

| | Gold Production (000s oz) Three months ended March 31, | | Total Cash Cost ($/oz)[1] Three months ended March 31, | |
|---|---|---|---|---|
| | **2013** | 2012 | **2013** | 2012 |
| **IAMGOLD Operator** | | | | |
| Rosebel (95%) | **89** | 93 | **$ 717** | $ 637 |
| Essakane (90%) | **65** | 80 | **729** | 562 |
| Doyon division[2] (100%) | **5** | 2 | **988** | 134 |
| | **159** | 175 | **$ 731** | $ 596 |
| **Joint Ventures** | | | | |
| Sadiola (41%) | **19** | 25 | **$ 1,043** | $ 1,010 |
| Yatela (40%) | **10** | 7 | **1,196** | 1,613 |
| | **29** | 32 | **$ 1,094** | $ 1,135 |
| **Total** | **188** | 207 | **$ 787** | $ 679 |
| Cash cost, excluding royalties | | | **$ 699** | $ 588 |
| Royalties | | | **88** | 91 |
| Total cash cost[1] | | | **$ 787** | $ 679 |

1 Total cash cost is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A for the reconciliations to GAAP measures.

2 In 2012, the Mouska mine, as planned, did not produce gold other than marginal gold derived from the mill clean-up process. In 2013, the processing plant at Westwood began milling Mouska stockpiled ore.

## CAPITAL EXPENDITURES

| Three months ended March 31, 2013<br>($ millions) | Sustaining | Development/<br>Expansion | Total |
|---|---|---|---|
| Gold segments | | | |
| Rosebel | $ 36.0 | $ 12.3 | $ 48.3 |
| Essakane | 30.5 | 45.6 | 76.1 |
| Westwood | — | 51.9 | 51.9 |
| Total gold segments | 66.5 | 109.8 | 176.3 |
| Niobec | 8.4 | 9.8 | 18.2 |
| Corporate and other | 0.2 | — | 0.2 |
| Total capital expenditures, consolidated | 75.1 | 119.6 | 194.7 |
| Joint ventures [1] – Sadiola and Yatela | 7.0 | 7.4 | 14.4 |
| | $ 82.1 | $ 127.0 | $209.1 |

1 Attributable capital expenditures of joint ventures: Sadiola (41%) and Yatela (40%).

**Suriname – Rosebel Mine (IAMGOLD interest – 95%)**
**Summarized Results 100% Basis, unless otherwise stated**

| | Three months ended March 31, | | |
|---|---|---|---|
| | **2013** | **Change** | 2012 |
| Total operating material mined (000s t) | **10,954** | **(17%)** | 13,203 |
| Capital waste mined (000s t) | **2,323** | **190%** | 801 |
| Strip ratio [1] | **4.5** | **50%** | 3.0 |
| Ore milled (000s t) | **2,898** | **(7%)** | 3,131 |
| Head grade (g/t) | **1.1** | **10%** | 1.0 |
| Recovery (%) | **96** | **2%** | 94 |
| Gold production – 100% (000s oz) | **94** | **(4%)** | 98 |
| Attributable gold production – 95% (000s oz) | **89** | **(4%)** | 93 |
| Gold sales – 100% (000s oz) | **83** | **(5%)** | 87 |
| Gold revenue ($/oz) [2] | **$ 1,630** | **(4%)** | $ 1,702 |
| Cash cost excluding royalties ($/oz) | **$ 623** | **16%** | $ 538 |
| Royalties ($/oz) | **$ 94** | **(5%)** | $ 99 |
| Total cash cost ($/oz) [3] | **$ 717** | **13%** | $ 637 |

1 Strip ratio is calculated as waste divided by ore mined.
2 Gold revenue per ounce is calculated as gold sales divided by ounces of gold sold.
3 Total cash cost per ounce produced is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A for the reconciliations to GAAP measures.

Gold production for the first quarter 2013 was 4% lower than the same prior year period due to lower throughput partially offset by higher than expected grades and recoveries. Throughput was lower due to unscheduled maintenance, which resulted in the mill being shut down for seven days, and a harder rock blend.

Total cash cost per ounce produced was higher compared to the same prior year period mainly due to lower production, increased labour costs, higher maintenance costs and higher fuel costs from longer hauls. The mine was able to sequence its mining to process higher grade ore to mitigate the increase in cash costs.

During the first quarter 2013, sustaining capital expenditures were $36.0 million and included mining equipment ($18.9 million), capitalized stripping ($5.4 million), resource development exploration ($3.2 million), tailings dam ($3.1 million), capital spares ($2.3 million) and other sustaining capital ($3.1 million).

Outlook

The Company maintains the guidance provided for the Rosebel mine. Rosebel's attributable production in 2013 is expected to be between 365,000 and 385,000 ounces. Capital expenditures are expected to be approximately $130 million related to mobile equipment ($50 million), tailings dam ($15 million), capital spares ($10 million), completion of the third ball mill ($5 million), resource delineation ($15 million), capitalized stripping ($15 million) and other sustaining capital ($20 million). Outlook for capital expenditures related to the feasibility study will not be finalized until the power rate is determined.

Cost management initiatives

Ongoing cost management initiatives at Rosebel include continuous improvement programs to improve utilization of primary production equipment in the mine, improve operator efficiency, optimize bench sizes, improve drill and blast performance and, additionally, optimize the intensive cyanide leach section of the gravity circuit to increase overall recovery and reduce total cyanide consumption. The operation continues to look for and implement opportunities to reduce manpower requirements, to reduce power consumption and to find additional soft rock resources to feed the plant.

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

| | Three months ended March 31, | | |
|---|---|---|---|
| | **2013** | **Change** | 2012 |
| Total operating material mined (000s t) | **2,131** | **(39%)** | 3,512 |
| Capital waste mined (000s t) | **8,896** | **135%** | 3,785 |
| Strip ratio [1] | **4.4** | **144%** | 1.8 |
| Ore milled (000s t) | **2,612** | **(1%)** | 2,626 |
| Head grade (g/t) | **0.9** | **(18%)** | 1.1 |
| Recovery (%) | **92** | **(1%)** | 93 |
| Gold production – 100% (000s oz) | **72** | **(19%)** | 89 |
| Attributable gold production – 90% (000s oz) | **65** | **(19%)** | 80 |
| Gold sales – 100% (000s oz) | **72** | **(18%)** | 88 |
| Gold revenue ($/oz) [2] | **$1,629** | **(4%)** | $1,704 |
| Cash cost excluding royalties ($/oz) | **$ 647** | **35%** | $ 480 |
| Royalties ($/oz) | **$ 82** | **—** | $ 82 |
| Total cash cost ($/oz) [3] | **$ 729** | **30%** | $ 562 |

1 Strip ratio is calculated as waste divided by ore mined.
2 Gold revenue per ounce is calculated as gold sales divided by ounces of gold sold.
3 Total cash cost per ounce produced is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A for the reconciliations to GAAP measures.

Gold production was 19% lower than the same prior year period as a result of expected lower grades. During the first quarter 2013, Essakane continued stripping in Phase 2 of the push-back of the main pit. During this period, higher grade harder ore was stockpiled, while lower grade softer ore was mined and processed.

Total cash costs in the first quarter 2013 were higher compared to the same prior year period mainly due to the impact of lower grades, higher energy prices and consumption and the upward pressure on consumable prices.

During the first quarter 2013, sustaining capital expenditures were $30.5 million and consisted of capitalized stripping costs ($19.4 million), mining equipment ($5.9 million) and other sustaining capital ($5.2 million).

Outlook

The Company maintains the guidance provided for the Essakane mine. Essakane's attributable production in 2013 is expected to be between 255,000 and 275,000 ounces. The mine is expected to process more hard and transitional rock at a lower head grade compared to 2012. Capital expenditures are expected to be approximately $300 million related to the plant expansion ($200 million), capitalized stripping ($74 million), resource delineation ($11 million) and other sustaining capital ($15 million).

Cost management initiatives

Ongoing cost management initiatives at Essakane include significantly improved loading and hauling productivity in the mine, improved primary crusher performance and a program to improve maintenance reliability in the plant to maximize operating time and improve circuit stability. As well, the construction team achieved early completion of two key elements of the expansion project: additional leach capacity and a pebble crusher for the existing grinding circuit. Commissioning and integration of these two elements during April will enhance performance, including improved efficiency of consumables. Manpower growth at Essakane is being managed tightly, and filling of open expatriate positions is being restricted. Efforts continue as well to review alternative power sources for Essakane.

**Canada – Doyon Division (IAMGOLD interest – 100%)**
**Summarized Results**

| | Three months ended March 31, | | |
|---|---|---|---|
| | **2013** | **Change** | 2012 |
| Total operating material mined (000s t) | **26** | **44%** | 18 |
| Ore milled (000s t) | **16** | **—** | — |
| Head grade (g/t) | **11.6** | **—** | — |
| Recovery (%) | **92** | **—** | — |
| Gold production (000s oz) | **5** | **150%** | 2 |
| Gold sales (000s oz) | **—** | **(100%)** | 3 |
| Gold revenue ($/oz) [1] | **$ —** | **(100%)** | $1,751 |
| Cash cost excluding royalties ($/oz) | **$ 953** | **882%** | $ 97 |
| Royalties ($/oz) | **$ 35** | **(5%)** | $ 37 |
| Total cash cost ($/oz) [2] | **$ 988** | **637%** | $ 134 |

1 Gold revenue per ounce is calculated as gold sales divided by ounces of gold sold.
2 Total cash cost per ounce produced is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A for the reconciliations to GAAP measures.

Gold production commenced at the end of March at the re-furbished mill of the Doyon division. Ore stockpiled from the Mouska mine was processed in the mill during the first quarter 2013. Cash costs were higher compared to the same prior year period as gold production for the prior period was linked to the mill clean-up process.

Outlook

The Company maintains the guidance provided for the Doyon division. The Doyon division includes the Mouska mine and the Westwood mine. The Mouska mine is scheduled to close at the end of 2013 and the Westwood mine is expected to reach commercial production by October 2013. Total Doyon division gold production in 2013 is expected to be between 130,000 and 150,000 ounces. Capital expenditures are expected to be approximately $100 million and include underground mine development ($45 million), underground mine equipment ($29 million), shaft sinking ($5 million), underground and surface construction ($14 million) and resource delineation ($7 million).

Until the mine site achieves commercial production, the contribution from the gold produced in the interim period will be applied as a credit against mining assets in the consolidated balance sheets. The consolidated statements of cash flows in total will not change; however, operating cash flows will be lower offset by lower cash in investing activities. The revenues from the gold sold after obtaining commercial production at Westwood will be reported in the consolidated statements of earnings.

Cost management initiatives

Initiatives at Westwood are focused on improving underground development productivity. These efforts include greater involvement of senior supervisors underground, improvements to the supply chain for work materials to development crews, improved maintenance practices and scheduling additional working faces to provide greater flexibility. Improved underground development productivity will reduce requirements for both additional manpower and equipment going forward, as well as provide opportunities for increased production for the current year and a quicker project ramp up period.

**Mali – Sadiola Mine (IAMGOLD interest – 41%)**
**Summarized Results 41% Basis**

| | Three months ended March 31, | | |
|---|---|---|---|
| | **2013** | **Change** | 2012 |
| Total operating material mined (000s t) | **2,404** | **43%** | 1,686 |
| Capital waste mined (000s t) | **734** | **(66%)** | 2,146 |
| Strip ratio [1] | **14.8** | **(34%)** | 22.3 |
| Ore milled (000s t) | **438** | **(2%)** | 448 |
| Head grade (g/t) | **1.3** | **(38%)** | 2.1 |
| Recovery (%) | **93** | **9%** | 85 |
| Attributable gold production – 41% (000s oz) | **19** | **(24%)** | 25 |
| Attributable gold sales – 41% (000s oz) | **18** | **(25%)** | 24 |
| .Gold revenue ($/oz) [2] | **$1,642** | **(3%)** | $1,686 |
| Cash cost excluding royalties ($/oz) | **$ 953** | **4%** | $ 915 |
| Royalties ($/oz) | **$ 90** | **(5%)** | $ 95 |
| Total cash cost ($/oz) [3] | **$1,043** | **3%** | $1,010 |

1 Strip ratio is calculated as waste divided by ore mined.
2 Gold revenue per ounce is calculated as gold sales divided by ounces of gold sold.
3 Total cash cost per ounce produced is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A for the reconciliations to GAAP measures.

Attributable gold production for the first quarter 2013 was 24% lower compared to the same prior year period driven by lower grades partially offset by higher recovery.

Total cash costs were 3% higher compared to the same prior year period mainly as a result of lower gold production. Royalties were lower as a result of lower realized gold prices.

In the first quarter 2013, attributable sustaining capital expenditures were $5.8 million and consisted of spending on capitalized stripping ($3.4 million) and various smaller projects ($2.4 million).

Sadiola did not distribute a dividend in the first quarter 2013 and 2012.

Cost management initiatives

For 2013, Sadiola will address the effectiveness of contractor management so as to improve mining efficiencies and mill performance to reduce maintenance costs and increase gold production.

**Mali – Yatela Mine (IAMGOLD interest – 40%)**
**Summarized Results 40% Basis**

| | Three months ended March 31, | | |
|---|---|---|---|
| | **2013** | **Change** | 2012 |
| Total operating material mined (000s t) | **1,206** | **(45%)** | 2,175 |
| Strip ratio [1] | **27.7** | **66%** | 16.7 |
| Ore crushed (000s t) | **256** | **4%** | 246 |
| Head grade (g/t) | **1.2** | **50%** | 0.8 |
| Attributable gold stacked – 40% (000s oz) | **10** | **67%** | 6 |
| Attributable gold production – 40% (000s oz) | **10** | **43%** | 7 |
| Attributable gold sales – 40% (000s oz) | **10** | **67%** | 6 |
| Gold revenue ($/oz) [2] | **$1,632** | **(4%)** | $1,704 |
| Cash cost excluding royalties ($/oz) | **$1,098** | **(28%)** | $1,522 |
| Royalties ($/oz) | **$ 98** | **8%** | $ 91 |
| Total cash cost ($/oz) [3] | **$1,196** | **(26%)** | $1,613 |

1 Strip ratio is calculated as waste divided by ore mined.
2 Gold revenue per ounce is calculated as gold sales divided by ounces of gold sold.
3 Total cash cost per ounce produced is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A for the reconciliations to GAAP measures.

Attributable gold production for the first quarter 2013 was 43% higher compared to the prior year as a result of higher gold grades from the bottom of a satellite pit. Total operating material mined was 45% lower compared to the same prior year period as the mine is approaching its end of life.

Total cash costs in the first quarter 2013 were lower compared to the same prior year period due to higher gold production and the impact of the impairment of inventories during 2012 which have reduced the net cost of gold produced.

In the first quarter 2013, attributable sustaining capital expenditures were $1.2 million.

Yatela did not distribute a dividend in the first quarter 2013 and 2012.

Cost management initiatives

Cost management for Yatela is focused on improving the production of gold through accessing additional and/or higher grade ore zones as they are identified. During the end of life mining, Yatela will continue to look for opportunities to leach additional gold from older heaps.

## Canada – Niobec Mine (IAMGOLD interest – 100%)
## Summarized Results

| | Three months ended March 31, | | |
|---|---|---|---|
| | **2013** | **Change** | 2012 |
| Total operating material mined (000s t) | **590** | **4%** | 570 |
| Ore milled (000s t) | **565** | **2%** | 555 |
| Grade (% $Nb_2O_5$) | **0.58** | **5%** | 0.55 |
| Niobium production (millions of kg Nb) | **1.2** | **9%** | 1.1 |
| Niobium sales (millions of kg Nb) | **1.2** | **—** | 1.2 |
| Operating margin ($/kg Nb) [1] | **$ 16** | **—** | $ 16 |

[1] Operating margin per kilogram of niobium at the Niobec mine is a non-GAAP measure. Refer to the non-GAAP performance measures section of the MD&A for reconciliation to GAAP measures.

Niobium production in the first quarter 2013 was marginally higher than the same prior year period as higher $Nb_2O_5$ ore grades were realized together with higher throughput tonnage.

Niobium revenues increased to $49.7 million in the first quarter 2013 compared to $48.4 million in the same prior year period due to marginally higher sales volume. The operating margin in the first quarter 2013 remained unchanged compared to the same prior year period.

In the first quarter 2013, sustaining capital expenditures were $8.4 million and consisted of underground development ($3.2 million), mill optimization ($1.5 million) and various other projects ($3.7 million).

### Outlook

The Niobec mine's production for 2013 is expected to be between 4.7 million kilograms and 5.1 million kilograms with an operating margin ranging between $15 and $17 per kilogram. Capital expenditures are expected to be $80 million and include completion of the expansion feasibility study, land acquisitions and mine development associated with the expansion ($49 million), underground mine development for near-term production ($9 million), completion of the mill expansion to reach a throughout rate of 285 tonnes per hour ($4 million), completion of an underground garage ($3 million), and other sustaining capital ($15 million).

The timing of further capital spending related to the Niobec expansion project will be aligned with the advancement of permitting and the completion of the feasibility study in the third quarter 2013. Regardless of project economics related to the expansion, the Company will not move forward without a partner to participate in the funding.

### Cost management initiatives

For 2013, Niobec is focusing on improving underground development productivity and blasting efficiency. Improved stability of ore quality fed to the mill, together with enhanced flotation capacity, is providing improved metallurgical performance. In the converter, the operation has introduced larger melting vessels to improve overall productivity and reduce costs.

| ($ millions) | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Rosebel – expansion | **$ 12.3** | $ 4.9 |
| Essakane – expansion | **45.6** | 16.8 |
| Westwood – development | **51.9** | 36.1 |
| Niobec – expansion | **9.8** | 0.8 |
| | **119.6** | 58.6 |
| Joint ventures – expansion – Sadiola sulphide project (41%) | **7.4** | 5.2 |
| **Total development and expansion expenditures** | **$ 127.0** | $ 63.8 |

In the first quarter 2013, the Company's development and expansion project expenditures totaled $127.0 million.

## ROSEBEL EXPANSION

On April 13, 2013, the previously announced Agreement with the Surinamese government on November 26, 2012 was unanimously approved by Suriname's National Assembly. This Agreement provides the opportunity to target softer rock at a significantly reduced power rate. The Agreement:

- Extends the terms of the existing agreement by 15 years to 2042.
- Establishes a joint venture with the Government of Suriname targeting an area within a 45-kilometre radius of the Rosebel mill, but excluding the existing Rosebel concession. IAMGOLD will have a 70% participating interest and the Government of Suriname a 30% participating interest. The power rate applicable to all production from the joint venture area will be $0.11 per kilowatt hour, representing a 50% reduction from the current power rate.

The Company is pursuing further discussions with the Government of Suriname to reduce power rates applicable to its existing concession. The feasibility study will not be finalized until the power rate is determined.

Capital spending for non-sustaining projects amounted to $12.3 million in the first quarter 2013 and related to the expansion of the site where plans will be finalized by the middle of 2013 to further define the expansion potential of bringing in the satellite resources. Spending is related to mining equipment for expansion ($7.0 million), the third ball mill ($4.9 million) and the feasibility study ($0.4 million).

## ESSAKANE EXPANSION

The plant expansion at Essakane which began in the middle of 2012 to accommodate an increasing proportion of hard rock is on plan and on time for completion by the end of 2013. As the mine moves into harder rock, the higher grades will help mitigate the impact of the higher energy consumption required to treat harder ore and improve grades in line with the life of mine average. The Company is also focused on bringing in softer ore from the Falagountou satellite resource, eight kilometres east of the main pit. On April 10, 2013, a protocol agreement was signed between the Falagountou district authority and Essakane on the development of the Falagountou pit. Site evaluation drilling has commenced in the second quarter and the Company is looking at the possibility of advancing evaluation and development studies with the objective of bringing the resource into production in 2014, which would be a year ahead of the original mine plan.

First quarter 2013 spending of $45.6 million for the Phase 2 expansion relates to construction, mine and mill equipment.

## WESTWOOD DEVELOPMENT

The plant commenced production at the end of the first quarter 2013. The operation is initially processing stockpiled ore from the Mouska mine. The stockpiled ore from 2012 and the ore mined from Mouska in 2013 are expected to total approximately 60,000 ounces. Production from the Westwood mine, estimated at approximately 80,000 ounces for 2013, will ramp up through the year.

The Westwood project expenditures in the first quarter 2013 of $51.9 million consisted of significant infrastructure preparation and construction, including the cyanide destruction plant, paste fill plant and mill refurbishing. During the first quarter 2013, shaft sinking was completed to a depth of 1,958 metres. Underground development work in the first quarter 2013 totaled 3,788 metres of lateral and vertical excavation. The majority of the $51.9 million spending in the first quarter 2013 related to underground development and general mine infrastructure.

### JOINT VENTURES – SADIOLA SULPHIDE PROJECT

With the exception of prior commitments, sustaining capital and capitalized stripping, the Company is deferring capital expenditures with respect to the sulphide expansion project until its joint venture partner, AngloGold Ashanti, agrees to move forward. Regardless of project economics, this is not a project that the Company will proceed with on its own. The Company's attributable spending in the first quarter 2013 for the sulphide project of $7.4 million was related to previous commitments on equipment.

### NIOBEC EXPANSION

Based on the pre-feasibility study completed in early 2012 for Niobec, the Company is proceeding with a feasibility study using the block caving mining method. The completion of the feasibility study for the Niobec expansion is expected in the third quarter 2013 followed by the finalization of the permitting process in the second quarter 2014. As previously stated, Niobec is a stable business that generates a predictable stream of cash flow. Regardless of project economics related to the expansion, the Company will not move forward without a partner to participate in the funding.

Spending of $9.8 million in the first quarter 2013 is related to completion of the expansion feasibility study, land costs and mine development associated with expansion and construction.

## EXPLORATION

IAMGOLD was active at brownfield development and greenfield exploration projects in eight countries located in West Africa and North and South America for the three months ended March 31, 2013.

In the first quarter 2013, exploration expenditures totaled $28.8 million ($27.7 million in the first quarter 2012), of which $22.1 million was expensed and $6.7 million was capitalized. Drilling activities from all projects totaled approximately 117,400 metres for the quarter.

| ($ millions) | Three months ended March 31, | | |
|---|---|---|---|
| | **2013** | **Change** | 2012 |
| Exploration projects - greenfield | **$ 7.8** | **(37%)** | $12.3 |
| Exploration projects - brownfield [1] | **12.2** | **(17%)** | 14.7 |
| Subtotal | **20.0** | **(26%)** | 27.0 |
| Côté Gold project [2] | **7.8** | **—** | — |
| Other scoping and feasibility studies | **1.0** | **43%** | 0.7 |
| Total | **$28.8** | **4%** | $27.7 |

1 Exploration projects - brownfield exclude $0.8 million of expenditures related to Sadiola and Yatela for the first quarter 2013 and $0.7 million for the same prior year period.

2 Expenditures for the Côté Gold project include pre-feasibility studies, permitting and exploration.

## OUTLOOK – 2013 EXPLORATION

The following table represents the current outlook for exploration expenditures for 2013 after the $40 million reduction in exploration expenditures:

| ($ millions) | Capitalized | Expensed | Total |
|---|---|---|---|
| Exploration projects - greenfield | $ 0.1 | $ 32.2 | $32.3 |
| Exploration projects - brownfield [1] | 26.5 | 13.6 | 40.1 |
| Subtotal | 26.6 | 45.8 | 72.4 |
| Côté Gold project [2] | 0.2 | 24.3 | 24.5 |
| Other scoping and feasibility studies | — | 2.1 | 2.1 |
| Total | $ 26.8 | $ 72.2 | $99.0 |

1 Exploration projects-brownfield excludes $3.2 million of planned expenditure related to Sadiola and Yatela.

2 Planned expenditures for the Côté Gold project include pre-feasibility studies, permitting and exploration.

The outlook for 2013 exploration expenditures is $99.0 million, down $48.2 million as compared to the 2012 full year exploration spend, excluding spending of $5.1 million related to Sadiola and Yatela which are now accounted for using the equity method of accounting. In light of the Company's $100 million cost reduction initiative, the Company has re-prioritized its global exploration activities and lowered its 2013 exploration outlook by $40 million. The reduction in exploration activities relates to greenfield projects ($14.9 million), brownfield projects ($18.6 million), and the Côté Gold project ($6.5 million). The reduction in Côté Gold spending reflects the deferral of some exploration costs into future years, as well as a redesign of some study components. Changes are not anticipated to impact the timing of the project. Nevertheless, the Company plans to undertake significant greenfield exploration campaigns on priority projects in Ontario, Brazil and Senegal, and largely maintain planned resource development drilling programs at the Rosebel, Essakane and Niobec operations, and on the Westwood project.

### Côté Gold Project, Ontario, Canada

On January 22, 2013, the Company announced an updated NI 43-101 compliant resource estimate for the Côté Gold deposit in Ontario comprising indicated resources of 269 million tonnes averaging 0.88 grams of gold per tonne for 7.61 million ounces and inferred resources of 44 million tonnes averaging 0.74 grams of gold per tonne for 1.04 million ounces. The updated resource estimate, based on a cut-off grade of 0.30 grams of gold per tonne, represents a 114% increase in indicated resources in comparison to the previous estimate announced October 4, 2012.

Approximately 13,600 metres of diamond drilling was completed on the Côté Gold project in the first quarter 2013. The primary aim of the winter exploration program has been to complete infill drilling in areas of the resource that are easier accessed during winter freeze conditions. Results will be used to complete a further resource update as part of the ongoing prefeasibility work. Exploration activities continue with the objective to expand the limits of the Côté Gold deposit and evaluate priority targets elsewhere within the 516 square kilometre exploration property.

The filing of the Project Description with the Canadian Environmental Assessment Agency in March 2013 initiated the permitting process for the Côté Gold project in northern Ontario, which is expected to be completed by the end of 2014. The pre-feasibility study is expected to be completed by the end of 2013 followed by the completion of the feasibility study at the end of 2014. If the project economics based on the gold price environment at that time do not meet the Company's required rate of return, then it will have the option of deferring the project. Côté Gold is an attractive long-term asset that will strengthen the Company's production pipeline.

### Brownfield Exploration Projects

IAMGOLD mine and regional exploration teams continued to conduct brownfield exploration and resource development work during 2013 at Essakane, Rosebel, Westwood and Niobec.

### Essakane, Burkina Faso

More than 33,300 metres of diamond and reverse circulation drilling was completed during the first quarter 2013 on the Essakane mine lease and surrounding mineral concessions, including over 6,650 metres directed to resource delineation and development. On the mine lease, drilling targeted areas of inferred resources within the Essakane Main Zone ("EMZ"), slightly below the feasibility study expansion pit design, and evaluated several brownfield oxide prospects. A comprehensive set of agreements was signed with the Falagountou and Essakane North stakeholders which will allow infill drilling at both locations. Additional infill drilling will also be initiated on two oxide targets identified south of the EMZ. On the exploration concessions, follow-up drilling campaigns were completed at the Sokadie and Tassiri prospects. Integration and interpretation of these results is in progress as assay data comes to hand.

### Rosebel, Suriname

Nearly 20,500 metres of diamond drilling was completed on the Rosebel mine lease during the first quarter 2013. The primary objective was to increase the oxide resource inventory at Mayo and Rosebel, and evaluate potential near-surface strike extensions of the Koolhoven, West Pay Caro and J-Zone deposits. Resource drilling has increased the confidence in the existing resource inventory and targeted resource expansions at Royal Hill, Roma, East Pay Caro, Mayo, and Rosebel. Exploration drilling to follow up on positive 2012 drill results was carried out in the Compagnie Creek area, located 2.5 kilometres south of the Rosebel pit. Elsewhere on the property, geological mapping and geochemical sampling programs continued, including a mechanical auger drill program over domains of thick alluvium that cover projected extensions of the Rosebel district mineralized trends.

### Westwood, Quebec, Canada

Approximately 26,500 metres of diamond drilling was completed during the first quarter 2013 for the Westwood project. The program is designed to provide additional inferred resources and upgrade existing mineral resources to indicated categories in tandem with the on-going underground development and construction of the surface installations. Infill delineation drilling was completed between levels 84-05 and 132-10 to confirm the interpreted mineralized zones, and expansion drilling targeted mineralized horizons below level 132. As part of the development work, the exploration ramp and underground drifts were extended by over 3,100 metres during the quarter to provide better underground access for definition drilling in the upper parts of the deposit. The shaft was completed during the first part of the quarter at a final depth of 1,958 metres.

### Niobec, Quebec, Canada

During the first quarter 2013, 8,350 metres of underground diamond drilling was completed as part of a resource delineation and expansion program of the Niobec mine that has been designed to expand and convert resources to reserves, and underpin a five-year transition strategy toward the planned expansion of the operation. Returned drill results are as expected. A metallurgical test work program initiated in 2012 to confirm recoveries for use in resource estimation continued throughout the quarter.

## Greenfield Exploration Projects

In addition to the mine site and brownfield exploration programs described above, the Company was active on some 15 early to advanced stage greenfield exploration projects during the first quarter 2013.

Highlights during the quarter include:

### Kalana Joint Venture, Mali

In 2012, over 67,000 metres of diamond and reverse circulation drilling was completed on the Kalana project. The primary objective of the program was to develop a drill hole supported geological model of the Kalana deposit to be used to complete an NI 43-101 compliant mineral resource estimate. By year end, a preliminary estimate had been completed. Based on the results of the 2012 exploration program, a decision was made to terminate the option effective February 28, 2013.

### Boto, Senegal

Exploration drilling aiming to extend mineralized zones at the Boto2 and Boto4 prospects totaled over 5,300 metres in the first quarter 2013. Drilling continues to intersect wide zones of sulphide-bearing, variably altered and brecciated metasedimentary lithologies. Assay results are mainly pending but upon receipt will be incorporated into a geological model for use in a mineral resource estimate scheduled for completion in the first half of 2013.

### Pitangui, Brazil

Over 2,300 metres of diamond drilling were completed during the first quarter 2013 on the recent gold discovery in Banded Iron Formation ("BIF") host rocks in Brazil. At the São Sebastião target, drilling has now traced a continuous zone of gold mineralization for 1,400 metres along strike. Drilling also commenced late in the quarter on the Aparição target located approximately three kilometres southeast of São Sebastião. The initial drillhole at Aparição cut a similar stratigraphy to São Sebastião including a narrow sulphide-bearing BIF unit. Although assays are pending for this hole, the discovery of a possible second mineralization system has elevated the exploration potential of the entire Pitangui district. Ground and borehole electromagnetic geophysical surveys are in progress to assist drillhole targeting.

### REE Project, Quebec, Canada

On February 20, 2013, the Company announced an updated resource estimate incorporating the results of the 2012 drilling on its wholly owned Rare Earth Element ("REE") deposit. Total indicated resources are estimated at 531 million tonnes at an average grade of 1.64% TREO representing 8.7 billion kilograms of contained TREO. An additional 527 million tonnes of inferred resources at an average grade of 1.83% TREO representing 9.7 billion kilograms of contained TREO have also been delineated.

An exploration drift extending from the nearby Niobec mine to the REE deposit was completed during the quarter for a total length of 1,280 metres including the services areas. The drift will allow for the collection of a bulk sample to support future metallurgical studies and provide access for future underground drilling programs once further studies are commissioned.

## QUARTERLY FINANCIAL REVIEW

| ($ millions, except where noted) | 2013 | 2012 [1] | | | | 2011 [2] | | |
|---|---|---|---|---|---|---|---|---|
| | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 |
| Revenues from continuing operations | **$305.3** | $398.5 | $336.3 | $364.5 | $354.1 | $417.9 | $367.3 | $289.9 |
| Net earnings from continuing operations | **$ 17.3** | $ 94.6 | $ 86.7 | $ 60.9 | $129.0 | $145.8 | $ 60.0 | $ 80.1 |
| Net earnings | **$ 17.3** | $ 94.6 | $ 86.7 | $ 60.9 | $129.0 | $145.8 | $ 50.7 | $484.5 |
| Net earnings attributable to equity holders of IAMGOLD | **$ 10.9** | $ 84.6 | $ 78.0 | $ 52.9 | $119.2 | $133.6 | $ 40.7 | $478.9 |
| Basic earnings attributable to equity holders of IAMGOLD per share ($/share) | **$ 0.03** | $ 0.22 | $ 0.21 | $ 0.14 | $ 0.32 | $ 0.36 | $ 0.11 | $ 1.28 |
| Diluted earnings attributable to equity holders of IAMGOLD per share ($/share) | **$ 0.03** | $ 0.22 | $ 0.21 | $ 0.14 | $ 0.32 | $ 0.35 | $ 0.11 | $ 1.27 |

1 Balances related to 2012 have been reclassified as per note 2(c)(ii) of the consolidated interim financial statements.
2 The revenues from continuing operations for 2011 have been adjusted to reflect the equity method of accounting for joint ventures, Sadiola and Yatela.

The first quarter 2013 is the thirteenth consecutive quarter of positive net earnings for the Company.

## FINANCIAL CONDITION

### LIQUIDITY AND CAPITAL RESOURCES

The Company ended the first quarter 2013 with $863.3 million in cash, cash equivalents and gold bullion at market value.

Working capital [1] as at March 31, 2013 was $910.4 million, down $118.2 million compared to December 31, 2012 due to lower current assets ($135.5 million), partially offset by lower current liabilities ($17.3 million).

Current assets were mainly down compared to December 31, 2012 due to less cash and cash equivalents of $149.3 million resulting from capital expenditures spent on mining assets ($194.7 million), the payment of dividends ($48.6 million), offset partially by cash generated from operating activities ($99.5 million).

| Working Capital [1] | | March 31, 2013 | December 31, 2012 [3] |
|---|---|---|---|
| Working capital [1] | ($ millions) | **$ 910.4** | $ 1,028.6 |
| Current working capital ratio [2] | | **3.9** | 4.1 |

1 Working capital is defined as current assets less current liabilities and excludes non-current stockpiles.
2 Current working capital ratio is defined as current assets divided by current liabilities.
3 Balances related to 2012 have been reclassified as per note 2(c)(ii) of the consolidated interim financial statements.

As at March 31, 2013, no funds were drawn against the Company's $750.0 million total unsecured revolving credit facilities. At March 31, 2013, the Company has committed $68.0 million of its $75.0 million letters of credit facility for the guarantee of certain asset retirement obligations.

| Gold Bullion | | March 31, 2013 | December 31, 2012 |
|---|---|---|---|
| Ounces held | (oz) | **134,737** | 134,737 |
| Weighted average acquisition cost | ($/oz) | **$ 720** | $ 720 |
| Acquisition cost | ($ millions) | **$ 96.9** | $ 96.9 |
| End of period spot price for gold | ($/oz) | **$ 1,598** | $ 1,658 |
| End of period market value | ($ millions) | **$ 215.3** | $ 223.3 |

## Contractual Obligations

Contractual obligations at March 31, 2013 were $1,216.7 million and include capital commitments and the contractual cash flows on the senior unsecured notes. These obligations will be met through available cash resources and operating cash flows.

The Company also holds hedging contracts that are included in the summary of outstanding derivative contracts in the market risk section.

## Market Risks

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, 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.

## Marketable Securities and Warrants Held As Investments and Market Price Risk

Investments in marketable securities are classified as available-for-sale financial assets and are recorded at fair value. At the end of the quarter, the Company reviewed its marketable securities for objective evidence of impairment and determined that an impairment charge of $8.8 million was required, of which $5.3 million was transferred from other comprehensive income to interest income, derivatives and other investment gains (losses).

## Investment in Associates

Associates (Galane Gold Ltd. and INV Metals Inc.) are included in the consolidated balance sheets as investments in associates and joint ventures. The Company's share of earnings (losses) is included in the consolidated statements of earnings as share of net earnings from investments in associates and joint ventures (net of tax). The Company reviewed its investment in associates for objective evidence of impairment and determined that an impairment charge of $18.6 million was required for the investment in INV Metals Inc. as a result of a significant decline in the market value of the shares. As the Company has no ability to control the investment, it is not permitted to utilize an alternate valuation method, which may have otherwise found the investment to have a market value in excess of its carrying amount.

## Summary of Outstanding Derivative Contracts

At the end of March 2013, the Company had 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, Euros, oil and aluminum.

At March 31, 2013, the Company's outstanding derivative contracts were as follows:

| Contracts | 2013 | 2014 |
|---|---|---|
| **Foreign Currency** | | |
| Canadian dollar contracts (millions of C$) | 300.0 | 305.2 |
| Contract rate range (C$/$) | C$1.0000 – C$1.0725/$ | C$1.0200 – C$1.0975/$ |
| Hedge ratio [1] | 61% | 45% |
| Euro contracts (millions of €) | 114.0 | 96.0 |
| Contract rate range ($/€) | $1.1841– $1.2800/€ | $1.2475/€ |
| Hedge ratio [1] | 51% | 37% |
| **Commodities** | | |
| Crude oil option contracts (barrels) | 441,000 | — |
| Contract price range ($/barrel of crude oil) | $75 - $95 | — |
| Hedge ratio [1] | 50% | — |
| Aluminum contracts (metric tonnes) | 2,325 | 2,400 |
| Contract rate range ($/metric tonnes) | $1,955 - $2,146 | $1,900 - $2,150 |
| Hedge ratio [1] | 66% | 49% |

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.

## Currency Exchange Rate Risk

The Company's objective is to hedge its exposure to Canadian dollars and Euros resulting from operating and capital expenditures requirements at the Niobec, Essakane and Westwood mines and corporate costs.

## 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 fuel 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.

## Aluminum Contracts and Market Price Risk

Aluminum is a key input in the production of ferroniobium. The Company has a hedging strategy to limit the impact of fluctuations of aluminum prices and to economically hedge a portion of its future consumption of aluminum at the Niobec mine.

For further information regarding risks associated with financial instruments please refer to the Company's consolidated interim financial statements at March 31, 2013.

## Shareholders' Equity

During the first quarter 2013, the Company paid a semi-annual dividend declared in December 2012 in the amount of $0.125 per share totaling $47.1 million. The payment of dividends to non-controlling interests for the three months ended March 31, 2013 was $1.5 million.

| Number issued and outstanding (millions) | March 31, 2013 | May 6, 2013 |
|---|---|---|
| Shares | **376.6** | 376.6 |
| Share options | **6.1** | 6.1 |

## Cash Flow

| ($ millions) | Three months ended March 31, 2013 | 2012 [1] |
|---|---|---|
| • Operating activities | **$ 99.5** | $ 149.2 |
| • Investing activities | **(199.2)** | (128.6) |
| • Financing activities | **(51.3)** | (52.4) |
| • Impact of foreign exchange on cash and cash equivalents | **1.7** | 5.8 |
| Decrease in cash and cash equivalents | **(149.3)** | (26.0) |
| Cash and cash equivalents, beginning of year | **797.3** | 1,046.7 |
| Cash and cash equivalents, end of period | **$ 648.0** | $ 1,020.7 |

[1] Balances related to 2012 have been reclassified as per note 2(c)(ii) of the consolidated interim financial statements.

### Operating Activities

Net cash from operating activities were lower than the same prior year period by $49.7 million. The decrease mainly relates to lower gold revenue, which resulted mostly from lower gold sales volume.

### Investing Activities

Net cash used in investing activities are mainly the result of capital expenditures related to mining assets, which were higher than the same prior year period given the spending related to the Essakane expansion project in the current quarter.

### Financing Activities

Net cash used in financing activities was consistent with the same prior year period and was mainly for dividends paid.

## 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 of December 31, 2012 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 the end of the period covered by this report 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, 2012 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 annual or interim financial statements.

An evaluation of the effectiveness of the Company’s internal control over financial reporting including an evaluation of material changes that may have materially affected or are reasonably likely to have materially affected the internal controls over financial reporting, was conducted as of December 31, 2012 by the Company’s management, including the Chief Executive Officer and Chief Financial Officer. Based on this evaluation, management has concluded that there are no material changes to the Company’s internal control over financial reporting and that the internal controls were effective as of December 31, 2012.

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 2013.

### 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 and Estimates

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 and estimates applied in the preparation of the Company's consolidated interim financial statements are consistent with those applied and disclosed in the Company's consolidated financial statements for the year ended December 31, 2012.

## Future Accounting Policies

For a discussion of future accounting policies that may impact the Company, please refer to 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 risks. 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 level.

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

For a comprehensive discussion of the risks faced by the Company, please refer to the Company's latest Annual Information Form, filed with 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.html. The Annual Information Form, which, in addition to being filed and viewable on www.sedar.com and www.sec.gov/edgar.html, is available upon request from the Company, and is incorporated by reference into this MD&A.

## Non-GAAP[1] Performance Measures

### 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. Management believes that these measures better reflect the Company's performance for the current period and are a better indication 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 do not have any standardized meaning prescribed by IFRS, are 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. Adjusted net earnings attributable to equity holders of IAMGOLD represent net earnings attributable to equity holders excluding certain impacts, net of tax, such as changes in estimates of asset retirement obligations at closed sites, unrealized derivative gains or losses, gains or losses on sale of marketable securities and assets, interest expensed that is unrelated to financing working capital, impairments of investments in associates and marketable securities, foreign exchange gains or losses and the impact of significant changes in tax laws for mining taxes. These measures are not necessarily indicative of net earnings or cash flows as determined under IFRS.

[1] GAAP – Generally accepted accounting principles.

The following table provides a reconciliation of net earnings attributable to equity holders of IAMGOLD as per the consolidated interim statements of earnings, to adjusted net earnings attributable to equity holders of IAMGOLD.

| | Three months ended March 31, | |
|---|---|---|
| **($ millions, except where noted)** | **2013** | 2012 |
| Earnings before income taxes and non-controlling interests | **$ 53.3** | $178.8 |
| Adjusted items: | | |
| • Impairment of investments | **27.4** | 4.6 |
| • Interest expense on senior unsecured notes | **7.7** | — |
| • Foreign exchange losses (gains) | **1.6** | (11.1) |
| • Unrealized derivative losses (gains) | **12.0** | (9.6) |
| • Gains on sale of marketable securities | **—** | (5.6) |
| • Losses (gains) on sale of assets | **0.3** | (2.3) |
| • Changes in estimates of asset retirement obligations at closed sites | **(2.3)** | (3.1) |
| | **46.7** | (27.1) |
| Adjusted earnings before income taxes and non-controlling interests | **100.0** | 151.7 |
| • Income tax expenses | **(36.0)** | (49.8) |
| • Tax impact of adjusted items | **0.1** | (0.5) |
| • Non-controlling interests | **(6.4)** | (9.8) |
| Adjusted net earnings attributable to equity holders of IAMGOLD | **$ 57.7** | $ 91.6 |
| Basic weighted average number of common shares outstanding (millions) | **376.6** | 376.0 |
| Basic adjusted net earnings attributable to equity holders of IAMGOLD per share ($/share) | **$ 0.15** | $ 0.24 |
| Effective adjusted tax rate (%) | **36%** | 33% |

## OPERATING CASH FLOW BEFORE CHANGES IN WORKING CAPITAL

The Company makes reference to a non-GAAP measure for operating cash flow before changes in working capital and operating cash flow before changes in working capital per share. This measure is defined as cash generated excluding changes in working capital. Working capital can be volatile due to numerous factors including build-up 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 operating cash flow before changes in working capital:

| ($ millions, except where noted) | Three months ended March 31, 2013 | Three months ended March 31, 2012 [1] |
|---|---|---|
| Cash flow generated from operating activities per consolidated interim financial statements | **$ 99.5** | $149.2 |
| Adjusting items from non-cash working capital items and non-current ore stockpiles | | |
| • Receivables and other current assets | **(7.5)** | (16.1) |
| • Inventories and non-current ore stockpiles | **27.1** | 26.4 |
| • Accounts payable and accrued liabilities | **(3.9)** | 21.3 |
| Operating cash flow before changes in working capital | **$115.2** | $180.8 |
| Basic weighted average number of common shares outstanding (millions) | **376.6** | 376.0 |
| Basic operating cash flow before changes in working capital per share ($/share) | **$ 0.31** | $ 0.48 |

1 Balances related to 2012 have been reclassified as per note 2(c)(ii) of the consolidated interim financial statements.

## Cash Costs

The Company's MD&A often refers to cash costs per ounce, a non-GAAP performance measure, in order to provide investors with information about the 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 the overall effectiveness and efficiency of gold mining operations. Cash cost figures are calculated in accordance with a standard developed by the Gold Institute, which was a worldwide association of suppliers of gold and gold products and included leading North American gold producers. The Gold Institute ceased operations in 2002, but the standard is still an accepted standard 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 and production taxes, and attributable realized derivative gain or loss, but are exclusive of depreciation, reclamation, capital, and exploration and development costs. These costs are then divided by the Company's attributable ounces of gold produced to arrive at the total cash costs per ounce. The measure, along with sales, is considered to be a key indicator of a company's ability to generate operating earnings and cash flow from its mining operations.

These gold 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 operations as determined under IFRS.

The following tables provide a reconciliation of total cash costs per ounce produced for gold mines to the cost of sales, excluding depreciation as per the consolidated interim statements of earnings.

| | Three months ended March 31, | |
|---|---|---|
| **($ millions, except where noted)** | **2013** | 2012 |
| Cost of sales [1], excluding depreciation | **$146.0** | $141.4 |
| Less: Cost of sales for non-gold segments [2], excluding depreciation | **31.4** | 31.0 |
| Cost of sales for gold segments, excluding depreciation | **114.6** | 110.4 |
| Adjust for: | | |
| By-product credit (excluded from cost of sales) | **(0.3)** | (0.6) |
| Stock movement | **14.8** | 7.7 |
| Other mining costs | **(4.2)** | (4.7) |
| Cost attributed to non-controlling interests | **(8.6)** | (8.1) |
| | **1.7** | (5.7) |
| Cash costs – operating mines | **116.3** | 104.7 |
| Cash costs – Sadiola and Yatela (joint ventures) | **31.9** | 36.4 |
| Total cash costs | **$148.2** | $141.1 |
| Attributable gold production – operating mines (000s oz ) | **159** | 175 |
| Attributable gold production – Sadiola and Yatela (joint ventures) (000s oz ) | **29** | 32 |
| Total attributable gold production (000s oz) | **188** | 207 |
| **Total cash costs ($/oz)** | **$ 787** | $ 679 |

1 As per note 26 of the Company's consolidated interim financial statements.
2 Non-gold segments consist of Niobium, Corporate, and Exploration and Evaluation.

## Gold Margin

The Company's MD&A refers to gold margin per ounce of gold, 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 an equal or even faster 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 cutoff grades, mine sequencing, and stockpiling practices, is designed to maximize the total value of the asset given conservatively derived assumptions for key economic parameters 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 of gold 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 gold margin per ounce of gold for the gold operating mine to realized gold price less total cash cost per ounce produced.

| | Three months ended March 31, | |
|---|---|---|
| **($/oz of gold)** | **2013** | 2012 |
| Realized gold price | **$1,631** | $1,702 |
| Total cash costs | **787** | 679 |
| **Gold margin** | **$ 844** | $1,023 |

## Unit Operating Margin per Kilogram of Niobium for the Niobec Mine

The Company's MD&A refers to operating margin per kilogram of niobium at the Niobec mine, a non-GAAP performance measure, in order to provide investors with information about the measure used by management to monitor the performance of its non-gold asset, the Niobec mine. The information allows management to assess how well the Niobec mine is performing relative to the plan and to prior periods, as well as assess the overall effectiveness and efficiency of the operation. The operating margin per kilogram of niobium 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 operating margin per kilogram of niobium at the Niobec mine to revenues and cost of sales as per the consolidated interim statements of earnings.

| | Three months ended March 31, | |
|---|---|---|
| **($ millions, except where noted)** | **2013** | 2012 |
| Revenues from the Niobec mine as per segmented information | **$ 49.7** | $ 48.4 |
| Cost of sales from the Niobec mine as per segmented information, excluding depreciation expenses | **(30.1)** | (29.8) |
| Other costs | **—** | (0.2) |
| Operating margin | **$ 19.6** | $ 18.4 |
| Sales volume (millions of kg Nb) | **1.2** | 1.2 |
| **Operating margin ($/kg Nb)** | **$ 16** | $ 16 |

IAMGOLD CORPORATION

## UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## AS AT MARCH 31, 2013

## CONSOLIDATED BALANCE SHEETS

| (Unaudited) (In millions of U.S. dollars) | Notes | March 31, 2013 | December 31, 2012 [1] | January 1, 2012 [1] |
|---|---|---|---|---|
| **Assets** | | | | |
| Current assets | | | | |
| Cash and cash equivalents | | **$ 648.0** | $ 797.3 | $1,046.7 |
| Gold bullion (market value $215.3; December 31, 2012 - $223.3) | 4 | **96.9** | 96.9 | 96.8 |
| Income tax receivable | | **25.2** | 25.0 | 26.3 |
| Receivables and other current assets | 5 | **168.9** | 185.1 | 111.6 |
| Inventories | 6 | **289.3** | 259.5 | 192.3 |
| | | **1,228.3** | 1,363.8 | 1,473.7 |
| Non-current assets | | | | |
| Deferred income tax assets | 7 | **59.2** | 55.4 | 41.4 |
| Investments in associates and joint ventures | 8 | **152.3** | 164.1 | 106.1 |
| Mining assets | 9 | **2,788.3** | 2,618.0 | 1,819.5 |
| Exploration and evaluation assets | | **533.3** | 533.3 | 356.5 |
| Goodwill | | **256.7** | 256.7 | 256.7 |
| Other assets | 10 | **264.4** | 304.3 | 247.7 |
| | | **4,054.2** | 3,931.8 | 2,827.9 |
| | | **$5,282.5** | $5,295.6 | $4,301.6 |
| **Liabilities and Equity** | | | | |
| Current liabilities | | | | |
| Accounts payable and accrued liabilities | | **$ 227.6** | $ 219.4 | $ 173.4 |
| Income tax payable | | **82.9** | 60.2 | 100.3 |
| Dividends payable | | **—** | 48.6 | 47.0 |
| Current portion of provisions | 15 | **6.0** | 5.9 | 3.7 |
| Other liabilities | | **1.4** | 1.1 | 6.6 |
| | | **317.9** | 335.2 | 331.0 |
| Non-current liabilities | | | | |
| Deferred income tax liabilities | 7 | **281.5** | 281.5 | 245.1 |
| Long-term debt | 11(a) | **639.2** | 638.8 | — |
| Provisions | 15 | **230.2** | 235.0 | 196.3 |
| Other liabilities | | **2.1** | 0.3 | 0.3 |
| | | **1,153.0** | 1,155.6 | 441.7 |
| | | **1,470.9** | 1,490.8 | 772.7 |
| **Equity** | | | | |
| Equity attributable to IAMGOLD Corporation shareholders | | | | |
| Common shares | 16 | **2,316.1** | 2,315.8 | 2,308.6 |
| Contributed surplus | | **29.2** | 26.7 | 19.9 |
| Retained earnings | | **1,354.1** | 1,343.2 | 1,104.9 |
| Accumulated other comprehensive income | | **29.1** | 42.4 | 41.1 |
| | | **3,728.5** | 3,728.1 | 3,474.5 |
| Non-controlling interests | | **83.1** | 76.7 | 54.4 |
| | | **3,811.6** | 3,804.8 | 3,528.9 |
| Contingencies and commitments | 15(b), 24 | | | |
| | | **$5,282.5** | $5,295.6 | $4,301.6 |

[1] Balances have been reclassified as per note 2(c)(ii).

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

## CONSOLIDATED STATEMENTS OF EARNINGS

| (Unaudited)<br>(In millions of U.S. dollars, except per share amounts) | Notes | Three months ended March 31, 2013 | 2012 [1] |
|---|---|---|---|
| **Revenues** | | **$ 305.3** | $ 354.1 |
| Cost of sales | 19 | **184.4** | 178.8 |
| General and administrative expenses | 20 | **12.7** | 12.7 |
| Exploration expenses | | **22.1** | 19.5 |
| Other | | **(2.1)** | (2.4) |
| **Operating costs** | | **217.1** | 208.6 |
| **Earnings from operations** | | **88.2** | 145.5 |
| Share of net earnings from investments in associates and joint ventures (net of income tax) | 8 | **6.8** | 10.2 |
| Finance costs | 21 | **(9.1)** | (2.6) |
| Foreign exchange gains (losses) | | **(1.6)** | 11.1 |
| Interest income and derivatives and other investment gains (losses) | 22 | **(31.0)** | 14.6 |
| **Earnings before income tax expense** | | **53.3** | 178.8 |
| Income taxes | 7 | **(36.0)** | (49.8) |
| **Net earnings** | | **$ 17.3** | $ 129.0 |
| **Net earnings attributable to** | | | |
| Equity holders of IAMGOLD Corporation | | **$ 10.9** | $ 119.2 |
| Non-controlling interests | | **6.4** | 9.8 |
| | | **$ 17.3** | $ 129.0 |
| **Attributable to equity holders of IAMGOLD Corporation** | | | |
| Weighted average number of common shares outstanding (in millions) | 17 | | |
| Basic | | **376.6** | 376.0 |
| Diluted | | **376.9** | 376.8 |
| Earnings per share ($ per share) | | | |
| Basic | | **$ 0.03** | $ 0.32 |
| Diluted | | **$ 0.03** | $ 0.32 |

[1] Balances have been reclassified as per note 2(c)(ii).

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

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

| (Unaudited)<br>(In millions of U.S. dollars) | Notes | Three months ended March 31,<br>**2013** | 2012 |
|---|---|---|---|
| **Net earnings** | | **$ 17.3** | $ 129.0 |
| **Other comprehensive income (loss), net of tax** | | | |
| Net unrealized change in fair value of available-for-sale financial assets, net of tax | 12(a)(i) | **(18.0)** | 9.2 |
| Net realized change in fair value and impairment of available-for-sale financial assets, net of tax | 12(a)(i) | **4.7** | (0.9) |
| **Total other comprehensive income (loss)** | | **(13.3)** | 8.3 |
| **Comprehensive income** | | **$ 4.0** | $ 137.3 |
| **Comprehensive income attributable to** | | | |
| Equity holders of IAMGOLD Corporation | | **$ (2.4)** | $ 127.5 |
| Non-controlling interests | | **6.4** | 9.8 |
| | | **$ 4.0** | $ 137.3 |

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

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| (Unaudited)<br>(In millions of U.S. dollars) | Notes | Three months ended March 31,<br>**2013** | 2012 |
|---|---|---|---|
| **Common shares** | | | |
| Balance, beginning of the period | | **$ 2,315.8** | $ 2,308.6 |
| Issued shares on exercise of share-based payments | | **0.3** | 1.9 |
| Balance, end of the period | | **2,316.1** | 2,310.5 |
| **Contributed surplus** | | | |
| Balance, beginning of the period | | **26.7** | 19.9 |
| Issued shares on exercise of share-based payments | | **(0.2)** | (0.4) |
| Share-based payments | 18 | **2.7** | 1.8 |
| Balance, end of the period | | **29.2** | 21.3 |
| **Retained earnings** | | | |
| Balance, beginning of the period | | **1,343.2** | 1,104.9 |
| Net earnings attributable to equity holders of IAMGOLD Corporation | | **10.9** | 119.2 |
| Balance, end of the period | | **1,354.1** | 1,224.1 |
| **Accumulated other comprehensive income** | | | |
| **Available-for-sale fair value reserve** | | | |
| Balance, beginning of the period | | **42.4** | 41.1 |
| Net change in fair value of available-for-sale financial assets, net of tax | | **(13.3)** | 8.3 |
| Balance, end of the period | | **29.1** | 49.4 |
| **Equity attributable to IAMGOLD Corporation shareholders** | | **3,728.5** | 3,605.3 |
| **Non-controlling interests** | | | |
| Balance, beginning of the period | | **76.7** | 54.4 |
| Net earnings attributable to non-controlling interests | | **6.4** | 9.8 |
| Dividends | | **—** | (8.6) |
| Balance, end of the period | | **83.1** | 55.6 |
| | | **$ 3,811.6** | $ 3,660.9 |

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

## Consolidated Statements of Cash Flows

| (Unaudited)<br>(In millions of U.S. dollars) | Notes | Three months ended March 31, 2013 | 2012 [1] |
|---|---|---|---|
| **Operating activities** | | | |
| Net earnings | | **$ 17.3** | $ 129.0 |
| Adjustments for | | | |
| Finance costs | 21 | **9.1** | 2.6 |
| Depreciation expense | | **39.0** | 38.0 |
| Changes in estimates of asset retirement obligations at closed sites | | **(2.3)** | (3.1) |
| Income tax | | **36.0** | 49.8 |
| Impact of unrealized foreign exchange gains on cash and cash equivalents | | **(1.7)** | (5.8) |
| Other non-cash items | 23(a) | **29.0** | (19.9) |
| Adjustments for cash items | 23(b) | **3.1** | 0.2 |
| Movements in non-cash working capital items and non-current ore stockpiles | 23(c) | **(15.7)** | (31.6) |
| Cash generated from operating activities | | **113.8** | 159.2 |
| Income tax paid | | **(14.3)** | (10.0) |
| **Net cash from operating activities** | | **99.5** | 149.2 |
| **Investing activities** | | | |
| Mining assets | | | |
| Capital expenditures | | **(194.7)** | (118.2) |
| Sales proceeds | | **0.4** | 0.4 |
| Additions to exploration and evaluation assets | | **—** | (0.7) |
| Other investing activities | 23(d) | **(4.9)** | (10.1) |
| **Net cash used in investing activities** | | **(199.2)** | (128.6) |
| **Financing activities** | | | |
| Proceeds from issue of share capital | | **0.1** | 1.5 |
| Dividends paid | | **(48.6)** | (48.8) |
| Loans to related parties | | **(2.0)** | — |
| Interest paid | | **(0.8)** | (0.8) |
| Other | | **—** | (4.3) |
| **Net cash used in financing activities** | | **(51.3)** | (52.4) |
| **Unrealized impact of foreign exchange on cash and cash equivalents** | | **1.7** | 5.8 |
| **Decrease in cash and cash equivalents** | | **(149.3)** | (26.0) |
| Cash and cash equivalents, beginning of the period | | **797.3** | 1,046.7 |
| **Cash and cash equivalents, end of the period** | | **$ 648.0** | $ 1,020.7 |

[1] Balances have been reclassified as per note 2(c)(ii).

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

## 1. CORPORATE INFORMATION

IAMGOLD Corporation ("IAMGOLD" or "the Company") is a corporation incorporated under 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.

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

## 2. BASIS OF PREPARATION

### (a) Statement of compliance

The unaudited condensed consolidated interim financial statements ("consolidated interim financial statements") of IAMGOLD and all its subsidiaries, joint ventures and associates, as at and for the three months ended March 31, 2013, have been prepared in accordance with IAS 34, Interim Financial Reporting, and do not include all of the information required for full 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 of IAMGOLD were authorized for issue in accordance with a resolution of the Board of Directors on May 7, 2013.

Certain 2012 comparative figures have been reclassified to conform to the consolidated financial statement presentation adopted in 2013. Refer to note 2(c)(ii).

### (b) 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 reporting period. 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.

### (c) Significant accounting policies

These consolidated interim financial statements have been prepared following the same accounting policies and methods of computation as the annual audited consolidated financial statements for the year ended December 31, 2012, except for the following new accounting standards and amendment to standards and interpretations, which were effective January 1, 2013, and applied in preparing these consolidated interim financial statements. The Company evaluated the impact to its consolidated interim financial statements as a result of the new standards. These are summarized as follows:

#### (i) IFRS 10 – Consolidated Financial Statements

As a result of the adoption of IFRS 10, the Company has changed its accounting policy with respect to determining whether it has control over and consequently whether it consolidates its investees. IFRS 10 superseded IAS 27, Consolidated and Separate Financial Statements, and SIC 12, Consolidation – Special Purpose Entities. IFRS 10 retains the concept that a company should consolidate all entities that it controls, and provides for a new definition of control. Accordingly, an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IFRS 10 did not have a material impact on the Company's consolidated financial statements upon its adoption on January 1, 2013.

IAS 27, Separate Financial Statements, now only contains accounting and disclosure requirements for the preparation of separate financial statements, as consolidation guidance is now contained within IFRS 10. There was no material impact on the Company's consolidated financial statements upon adoption of the amended IAS 27 on January 1, 2013.

**(ii) IFRS 11 – Joint Arrangements**

As a result of the adoption of IFRS 11, the Company has changed its accounting with respect to its interests in joint arrangements. Under IFRS 11, joint arrangements are now classified as either joint operations or joint ventures, depending upon the rights and obligations of the parties to the arrangement. When making this assessment, the Company considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances.

Under IFRS 11, joint ventures are accounted for using the equity method and joint operations are accounted for in a manner similar to proportionate consolidation.

The Company reviewed its joint arrangements under IFRS 11, and concluded that Sadiola and Yatela are considered joint ventures for accounting purposes. Consequently, effective January 1, 2013, IAMGOLD began accounting for its interests in Sadiola and Yatela using the equity method instead of proportionate consolidation. Retrospective adjustments were applied as at the beginning of the earliest period presented, January 1, 2012. On transition, the initial investment was measured as the aggregate of the carrying amounts of the assets and liabilities that had previously been consolidated. On transition, the Company assessed the investments for indications of impairment and concluded no impairment existed.

The following tables summarize the adjustments made to the Company's consolidated balance sheets at January 1, 2012 and December 31, 2012, and its consolidated statements of earnings and cash flows for the three months ended March 31, 2012 as a result of accounting for its investments in Sadiola and Yatela using the equity method instead of proportionate consolidation.

**Consolidated Balance Sheet**

| | January 1, 2012 | | |
|---|---|---|---|
| | As previously reported | Adjustments | As restated |
| **Assets** | | | |
| Cash and cash equivalents | $ 1,051.6 | $ (4.9) | $ 1,046.7 |
| Receivables and other current assets | 132.3 | (20.7) | 111.6 |
| Inventories | 239.1 | (46.8) | 192.3 |
| Investments in associates and joint ventures | 16.3 | 89.8 | 106.1 |
| Mining assets | 1,881.6 | (62.1) | 1,819.5 |
| Other non-current assets | 295.2 | (47.5) | 247.7 |
| **Impact on total assets** | | $ (92.2) | |
| **Liabilities** | | | |
| Accounts payable and accrued liabilities | $ 205.6 | $ (32.2) | $ 173.4 |
| Income tax payable | 109.2 | (8.9) | 100.3 |
| Current portion of provisions | 6.7 | (3.0) | 3.7 |
| Deferred income tax liabilities | 256.4 | (11.3) | 245.1 |
| Provisions | 233.1 | (36.8) | 196.3 |
| **Impact on total liabilities** | | $ (92.2) | |

**Consolidated Balance Sheet**

| | December 31, 2012 | | |
|---|---|---|---|
| | As previously reported | Adjustments | As restated |
| **Assets** | | | |
| Cash and cash equivalents | $ 813.5 | $ (16.2) | $ 797.3 |
| Receivables and other current assets | 160.6 | 24.5 | 185.1 |
| Inventories | 305.1 | (45.6) | 259.5 |
| Investments in associates and joint ventures | 56.1 | 108.0 | 164.1 |
| Mining assets | 2,713.3 | (95.3) | 2,618.0 |
| Other non-current assets | 360.3 | (56.0) | 304.3 |
| **Impact on total assets** | | $ (80.6) | |
| **Liabilities** | | | |
| Accounts payable and accrued liabilities | $ 252.3 | $ (32.9) | $ 219.4 |
| Income tax payable | 62.2 | (2.0) | 60.2 |
| Current portion of provisions | 8.9 | (3.0) | 5.9 |
| Deferred income tax liabilities | 285.6 | (4.1) | 281.5 |
| Provisions | 273.6 | (38.6) | 235.0 |
| **Impact on total liabilities** | | $ (80.6) | |

**Consolidated Statement of Earnings**

| | Three months ended March 31, 2012 | | |
|---|---|---|---|
| | As previously reported | Adjustments | As restated |
| Share of net earnings from investments in associates and joint ventures (net of income tax) | $ 2.8 | $ 7.4 | $ 10.2 |
| Revenues | 404.2 | (50.1) | 354.1 |
| Cost of sales | (218.7) | 39.9 | (178.8) |
| Exploration expenses | (20.2) | 0.7 | (19.5) |
| Other operating costs | 2.5 | (0.1) | 2.4 |
| Foreign exchange gains | 10.3 | 0.8 | 11.1 |
| Income taxes | (51.2) | 1.4 | (49.8) |
| **Impact on net earnings and total comprehensive income** | | $ — | |

**Consolidated Statement of Cash Flows**

| | Three months ended March 31, 2012 | | |
|---|---|---|---|
| | As previously reported | Adjustments | As restated |
| Net cash from operating activities | $ 171.1 | $ (21.9) | $ 149.2 |
| Net cash used in investing activities | (142.8) | 14.2 | (128.6) |
| **Impact on change in cash and cash equivalents** | | $ (7.7) | |

### (iii) IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12 replaces the existing disclosure requirements for entities that have interests in subsidiaries, joint arrangements and associates, and also contains disclosure requirements for entities that have interests in unconsolidated structured entities. The Company will expand disclosure regarding its interest in other entities, such as information to enable users to evaluate the nature of, and risks associated with, the Company's interests in other entities, and the effects of those interests on its consolidated balance sheet, financial performance and cash flows in the annual consolidated financial statements. There was no material impact on the Company's financial position or net earnings upon adoption of IFRS 12 on January 1, 2013.

### (iv) IFRS 13 – Fair Value Measurement

IFRS 13 replaces the fair value measurement guidance contained in individual IFRS with a single source of fair value measurement guidance, and defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. There was no material impact on the Company's consolidated financial statements upon adoption of IFRS 13 on January 1, 2013. The Company provides IFRS 13 disclosure requirements in note 13, which helps users of its consolidated financial statements assess both of the following:

- For assets and liabilities that are measured at fair value on a recurring or non-recurring basis in the balance sheet after initial recognition, the valuation techniques and inputs used to develop those measurements.
- For recurring fair value measurements using significant unobservable inputs (Level 3), the effect of the measurements on profit or loss or other comprehensive income for the period.

### (v) IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine

IFRIC 20 provides guidance on the accounting for the costs of stripping activity in the production phase of surface mining in situations where the following benefits accrue to the entity from the stripping activity: usable ore that can be used to produce inventory and improved access to further quantities of material that will be mined in future periods. Based on its review, there was no material impact on the Company's consolidated financial statements upon the adoption of IFRIC 20 on January 1, 2013.

## (d) Basis of consolidation

Subsidiaries, joint ventures 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, 2013** | December 31, 2012 | 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 project [1] | Doyon division – Canada | **100%** | 100% | Division | Consolidation |
| Niobec Inc. | Niobec mine – Canada | **100%** | 100% | Subsidiary | 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 [3] |
| Société d'Exploitation des Mines d'Or de Yatela S.A. | Yatela mine – Mali | **40%** | 40% | Joint venture | Equity accounting [3] |
| Galane Gold Ltd. | Mupane mine – Botswana | **45.2%** | 45.3% | Associate | Equity accounting |
| INV Metals Inc. | Loma Larga project – Ecuador | **47%** | 47% | Associate | Equity accounting |

[1] Division of IAMGOLD Corporation.

[2] Trelawney Mining and Exploration Inc., which owns a 92.5% interest in the Côté Gold project located adjacent to the Swayze Greenstone Belt in northern Ontario, Canada.

[3] Effective with the adoption of IFRS 11 on January 1, 2013, IAMGOLD accounts for its interests in Sadiola and Yatela using the equity method instead of proportionate consolidation.

## 3. FUTURE ACCOUNTING POLICIES

The following new standard was not yet effective for the three months ended March 31, 2013, and has not been applied in preparing these consolidated interim financial statements. The Company will evaluate the impact of the change to its consolidated financial statements as a result of the new standard. The new standard is summarized as follows:

**IFRS 9 – Financial Instruments**

The IASB has issued IFRS 9, Financial Instruments, which will replace IAS 39, Financial Instruments: Recognition and Measurement, and some of the requirements of IFRS 7, Financial Instruments: Disclosures. IFRS 9 is planned to be effective on January 1, 2015. The objective of IFRS 9 is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.

## 4. GOLD BULLION

| | | March 31, 2013 | December 31, 2012 |
|---|---|---|---|
| Ounces held | (oz) | **134,737** | 134,737 |
| Weighted average acquisition cost | ($ /oz) | **$ 720** | $ 720 |
| Acquisition cost | ($millions) | **$ 96.9** | $ 96 .9 |
| End of period spot price for gold | ($ /oz) | **$ 1,598** | $ 1,658 |
| End of period market value | ($millions) | **$ 215.3** | $ 223.3 |

## 5. RECEIVABLES AND OTHER CURRENT ASSETS

| | March 31, 2013 | December 31, 2012 |
|---|---|---|
| Gold receivables | **$ 1.8** | $ 2.4 |
| Settlement receivables from sales of niobium | **20.3** | 16.8 |
| Receivables from governments [1] | **28.3** | 40.4 |
| Receivables from related parties | **58.9** | 53.8 |
| Other receivables | **13.7** | 17.0 |
| Total receivables | **123.0** | 130.4 |
| Marketable securities and warrants held as investments | **17.7** | 19.0 |
| Prepaid expenses | **20.2** | 18.9 |
| Derivatives | **7.8** | 16.8 |
| Other current assets | **0.2** | — |
| | **$ 168.9** | $ 185.1 |

1 Receivables from governments relate primarily to value added tax.

## 6. INVENTORIES

| | March 31, 2013 | December 31, 2012 |
|---|---|---|
| Finished goods | | |
| Gold production inventories | **$ 53.7** | $ 38.9 |
| Niobium production inventories | **14.1** | 14.5 |
| Ore stockpiles | **49.8** | 42.8 |
| Mine supplies | **171.7** | 163.3 |
| | **289.3** | 259.5 |
| Ore stockpiles included in other non-current assets | **82.4** | 82.6 |
| | **$ 371.7** | $ 342.1 |

## 7. INCOME TAXES

The Company estimates the effective income tax rate, including the impact of changes in exchange rates for foreign currency, expected to be applicable for the full fiscal year and uses that rate to calculate the income tax expense for interim reporting periods. The Company recognizes the tax impact of changes in the non-recognition of losses, enacted tax rates and other items as discrete items in the interim period in which they occur.

The effective income tax rate varies from the combined Canadian federal and provincial statutory income tax rate and mining duty rate. The differences between the effective income tax rate and combined statutory rate are due to fluctuations in exchange rates for foreign currency, the non-recognition of losses and other discrete items.

## 8. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

A joint venture is an arrangement whereby the parties (joint venturers) that have joint control of the arrangement have rights to the net assets of the arrangement. This is an arrangement that involves the use of a separate vehicle, where the individual assets and liabilities of the arrangement reside with the vehicle, in both form and substance.

Investments in associates are those entities in which the Company has significant influence, but no control or joint control.

Joint ventures

Upon the adoption of IFRS 11, Joint Arrangements, the Company’s interests in gold mines Sadiola (41%) and Yatela (40%) in Mali were considered joint ventures for accounting purposes. Both entities are structured as a separate vehicle and provide the Company rights to the net assets of the entity. Consequently, effective January 1, 2013, with retrospective adjustments applied at the beginning of the earliest period presented, January 1, 2012, IAMGOLD accounts for its interests in Sadiola and Yatela using the equity method instead of proportionate consolidation.

Associates

IAMGOLD owns 45.2% of outstanding shares in Galane Gold Ltd. (“Galane”) as at March 31, 2013. The ownership percentage in Galane as of December 31, 2012 was 45.3%. The share purchase agreement does not have any reference to other rights that would give power to IAMGOLD.

IAMGOLD owns 47% of outstanding shares in INV Metals Inc. (“INV Metals”). The share purchase agreement restricts IAMGOLD from changing the board of directors of INV Metals for the first 24-months commencing June 20, 2012, except to nominate one board member.

Equity accounting

Joint ventures and associates are included in the consolidated balance sheets as investments in associates and joint ventures. The Company’s share of net earnings (losses) is included in the consolidated statements of earnings as share of net earnings (losses) from investments in associates and joint ventures (net of income tax).

| | Joint Ventures | | Associates | | |
|---|---|---|---|---|---|
| | Sadiola | Yatela | Galane | INV Metals | Total |
| **Balance, January 1, 2012** | $ 84.2 | $ 5.6 | $16.3 | $ — | $106.1 |
| Acquisition | — | — | — | 27.8 | 27.8 |
| Dividends | (16.5) | — | — | — | (16.5) |
| Share of net earnings (losses) (net of income tax) | 38.7 | (4.0) | 12.0 | — | 46.7 |
| **Balance, December 31, 2012** | **106.4** | **1.6** | **28.3** | **27.8** | **164.1** |
| Impairment [1] | **—** | **—** | **—** | **(18.6)** | **(18.6)** |
| Share of net earnings (losses) (net of income tax) | **7.6** | **0.3** | **(1.0)** | **(0.1)** | **6.8** |
| **Balance, March 31, 2013** | **$114.0** | **$ 1.9** | **$27.3** | **$ 9.1** | **$152.3** |

1 Refer to note 13(b).

The breakdown of the assets and liabilities that have been aggregated into the single line investment balance as at the January 1, 2012 is as follows:

| | Sadiola | Yatela | Total |
|---|---|---|---|
| Cash and cash equivalents | $ 1.5 | $ 3.4 | $ 4.9 |
| Other current assets | 44.4 | 23.1 | 67.5 |
| Non-current assets | 103.6 | 6.0 | 109.6 |
| Current liabilities | (32.7) | (11.4) | (44.1) |
| Non-current liabilities | (32.6) | (15.5) | (48.1) |
| Net assets | $ 84.2 | $ 5.6 | 89.8 |
| Investments in associates prior to the adoption of IFRS 11 | | | 16.3 |
| Balance, January 1, 2012 upon adoption of IFRS 11 | | | $106.1 |

## 9. Mining Assets

| | Construction in progress | Mining properties and deferred costs | Plant and equipment | Total |
|---|---|---|---|---|
| **Cost** | | | | |
| **Balance, January 1, 2012** | $ 95.9 | $ 1,634.6 | $1,059.1 | $2,789.6 |
| Additions | 379.2 | 105.8 | 115.6 | 600.6 |
| Changes in asset retirement obligations | — | 29.4 | — | 29.4 |
| Disposals | — | — | (11.4) | (11.4) |
| Transfer [1] | 329.6 | — | — | 329.6 |
| Transfers within mining assets | (103.0) | 25.1 | 77.9 | — |
| Other | — | — | 9.0 | 9.0 |
| **Balance, December 31, 2012** | **701.7** | **1,794.9** | **1,250.2** | **3,746.8** |
| Additions | **136.7** | **37.8** | **41.7** | **216.2** |
| Changes in asset retirement obligations | **—** | **(1.7)** | **—** | **(1.7)** |
| Disposals | **—** | **—** | **(3.3)** | **(3.3)** |
| Transfers within mining assets | **(19.8)** | **—** | **19.8** | **—** |
| **Balance, March 31, 2013** | **$ 818.6** | **$ 1,831.0** | **$1,308.4** | **$3,958.0** |
| **Accumulated Depreciation** | | | | |
| **Balance, January 1, 2012** | $ — | $ 629.4 | $ 340.7 | $ 970.1 |
| Depreciation expense [2] | — | 73.5 | 92.0 | 165.5 |
| Disposals | — | — | (7.3) | (7.3) |
| Other | — | — | 0.5 | 0.5 |
| **Balance, December 31, 2012** | **—** | **702.9** | **425.9** | **1,128.8** |
| Depreciation expense [2] | **—** | **21.1** | **22.5** | **43.6** |
| Disposals | **—** | **—** | **(2.7)** | **(2.7)** |
| **Balance, March 31, 2013** | **$ —** | **$ 724.0** | **$ 445.7** | **$1,169.7** |
| Net book value, December 31, 2012 | $ 701.7 | $ 1,092.0 | $ 824.3 | $2,618.0 |
| **Net book value, March 31, 2013** | **$ 818.6** | **$ 1,107.0** | **$ 862.7** | **$2,788.3** |

1 Upon determination of technical feasibility and commercial viability of a project, the related exploration and evaluation assets are transferred to construction in progress. During the year ended December 31, 2012, capitalized costs related to the Westwood project were transferred from exploration and evaluation assets to mining assets.

2 Excludes depreciation expense relating to corporate assets.

## 10. OTHER NON-CURRENT ASSETS

| | March 31, 2013 | December 31, 2012 |
|---|---|---|
| Ore stockpiles | **$ 82.4** | $ 82.6 |
| Marketable securities and warrants held as investments | **56.3** | 76.3 |
| Deposits on non-current assets | **53.5** | 77.3 |
| Receivables from governments [1] | **26.6** | 25.3 |
| Royalty interests | **18.2** | 18.8 |
| Other | **27.4** | 24.0 |
| | **$ 264.4** | $ 304.3 |

1 Receivables from governments relate primarily to federal exploration credits.

## 11. 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 of each year commencing in 2013.

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

| | | | Payments due by period | | | |
|---|---|---|---|---|---|---|
| Balance, March 31, 2013 | Carrying amount [1] | Contractual cash flows | Remainder of 2013 | 2014 - 2015 | 2016 - 2017 | Thereafter |
| Notes | **$ 650.0** | **$ 1,007.3** | **$ 45.7** | **$ 89.0** | **$ 89.0** | **$ 783.6** |

1 The carrying amount of the long-term debt excludes transaction costs of $10.8 million.

### (b) Credit facilities

The Company has a four-year $500.0 million unsecured revolving credit facility and a four-year $250.0 million unsecured revolving credit facility at Niobec Inc., a wholly-owned subsidiary of the Company. The maturity date of both credit facilities 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 facilities at March 31, 2013 and December 31, 2012. The Company has complied with its credit facility covenants as at March 31, 2013.

The Company has a $75.0 million revolving facility for the issuance of letters of credit. The maturity date of this credit facility was April 22, 2013 with a provision to extend the maturity date for a period of one year. The Company has executed its option to extend the term of the facility for one year so the facility now matures on April 22, 2014. At March 31, 2013, the Company had letters of credit in the amount of $68.0 million to guarantee certain asset retirement obligations compared to $69.5 million at December 31, 2012.

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 facilities issue costs (net of amortization) at March 31, 2013 was $ 3.4 million (December 31, 2012 - $3.7 million).

## 12. FINANCIAL INSTRUMENTS

| Financial assets (liabilities) | March 31, 2013 Carrying Amount | March 31, 2013 Fair Value | December 31, 2012 Carrying Amount | December 31, 2012 Fair Value |
|---|---|---|---|---|
| Cash and cash equivalents | **$ 648.0** | **$ 648.0** | $ 797.3 | $ 797.3 |
| Total receivables | **123.0** | **123.0** | 130.4 | 130.4 |
| Marketable securities and warrants held as investments | **74.0** | **74.0** | 95.3 | 95.3 |
| Fixed rate investments | **4.8** | **4.8** | — | — |
| Derivatives | **5.0** | **5.0** | 16.6 | 16.6 |
| Accounts payable and accrued liabilities | **(227.6)** | **(227.6)** | (219.4) | (219.4) |
| Long-term debt [1] | **(650.0)** | **(646.8)** | (650.0) | (651.6) |

[1] The carrying amount and the fair values of the long-term debt exclude transaction costs of $10.8 million at March 31, 2013.

### (a) Available-for-sale financial assets and derivatives

#### (i) Marketable securities and warrants held as investments, and market price risk

Share market price exposure risk is related to the fluctuation in the market price of marketable securities and warrants held as investments. During the quarter, the Company reviewed the value of its marketable securities for objective evidence of impairment based on both quantitative and qualitative criteria and determined that an impairment charge of $8.8 million was required, of which $5.3 million was transferred from other comprehensive income to interest income, derivatives and other investment gains (losses).

| Movement in available-for-sale fair value reserve | Three months ended March 31, 2013 | Three months ended March 31, 2012 |
|---|---|---|
| Net unrealized change in fair value of available-for-sale financial assets: | | |
| Unrealized gains (losses) | **$ (20.7)** | $ 10.5 |
| Income tax impact | **2.7** | (1.3) |
| | **(18.0)** | 9.2 |
| Net realized change in fair value and impairment of available-for-sale financial assets: | | |
| Gain on sale of marketable securities | — | (5.6) |
| Impairment losses | **5.3** | 4.6 |
| Income tax impact | **(0.6)** | 0.1 |
| | **4.7** | (0.9) |
| | **$ (13.3)** | $ 8.3 |

The Company has share purchase warrants held as investments. Unrealized losses of $0.4 million related to the change in the fair value of these warrants held as investments were recorded in the consolidated statements of earnings for the three months ended March 31, 2013 compared to unrealized gains of $1.3 million for the three months ended March 31, 2012.

**(ii) Currency exchange rate risk**

At March 31, 2013, the Company had outstanding contracts which did not qualify for hedge accounting for:

- Canadian dollar forward and option contracts for the remainder of 2013 of C$300 million ($294 million) hedging approximately 61% of its planned exposure. Contract rates range from C$1.00/$ to C$1.07/$.
- Canadian dollar forward and option contracts for 2014 of C$305 million ($288 million) hedging approximately 45% of its planned exposure. Contract rates range from C$1.02/$ to C$1.10/$.
- Euro forward and option contracts for the remainder of 2013 of €114 million ($140 million) hedging approximately 51% of its planned exposure. Contract rates range from $1.18/€ to $1.28/€.
- Euro forward and option contracts for 2014 of €96 million ($120 million) hedging approximately 37% of its planned exposure. Contract rates were $1.25/€.

The fair value at March 31, 2013 was included in other current and non-current assets (liabilities).

| | **March 31, 2013** | December 31, 2012 |
|---|---|---|
| Canadian dollar (C$) | **$ 2.6** | $ 9.2 |
| Euro (€ ) | **0.4** | 4.8 |
| | **$ 3.0** | $ 14.0 |

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

At March 31, 2013, the Company had outstanding option contracts for the remainder of 2013 of 441,000 barrels, which did not qualify for hedge accounting, covering approximately 50% of its estimated fuel exposure. Contract prices range from $75 to $95 per barrel. Planned fuel requirements are for the Rosebel, Essakane, Westwood and Niobec operations.

The fair value at March 31, 2013 was included in other current assets.

| | **March 31, 2013** | December 31, 2012 |
|---|---|---|
| Crude oil option contracts | **$ 2.4** | $ 2.7 |

**(iv) Aluminum contracts and market price risk**

At March 31, 2013, the Company had outstanding contracts at the Niobec mine, which did not qualify for hedge accounting for:

- Swap contracts for the remainder of 2013 of 2,325 metric tonnes, hedging approximately 66% of its planned exposure. Contract rates range from $1,955 per metric tonne to $2,146 per metric tonne.
- Swap and option contracts for 2014 of 2,400 metric tonnes, hedging approximately 49% of its planned exposure. Contract rates range from $1,900 per metric tonne to $2,150 per metric tonne.

The fair value at March 31, 2013 was included in other current and non-current liabilities.

| | **March 31, 2013** | December 31, 2012 |
|---|---|---|
| Aluminum contracts | **$ (0.4)** | $ (0.1) |

**(b) Derivative gains (losses)**

Derivative gains (losses) are included in interest income, derivatives and other investment gains (losses) in the consolidated statements of earnings.

| | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Unrealized gains (losses) on: | | |
| Derivatives - currency contracts | **$ (11.0)** | $ 6.6 |
| Derivatives - oil contracts | **(0.3)** | 0.9 |
| Derivatives - aluminum contracts | **(0.3)** | 0.7 |
| Other | **(0.4)** | 1.4 |
| | **(12.0)** | 9.6 |
| Realized gains (losses) on: | | |
| Derivatives - currency contracts | **4.0** | (0.2) |
| Derivatives - oil contracts | **0.1** | 0.5 |
| Derivatives - aluminum contracts | **—** | (0.2) |
| | **4.1** | 0.1 |
| | **$ (7.9)** | $ 9.7 |

## 13. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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 derived from prices.
- Level 3 inputs are unobservable inputs for the asset or liability.

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

At March 31, 2013, the Company's assets and liabilities recorded at fair value were as follows:

| Balance, March 31, 2013 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Financial assets | | | | |
| Cash and cash equivalents | **$ 648.0** | **$ —** | **$ —** | **$ 648.0** |
| Marketable securities | **59.7** | **—** | **14.0** | **73.7** |
| Warrants held as investments | **—** | **0.3** | **—** | **0.3** |
| Fixed rate investments | **4.8** | **—** | **—** | **4.8** |
| Derivatives | | | | |
| Currency contracts | **—** | **5.7** | **—** | **5.7** |
| Oil contracts | **—** | **2.4** | **—** | **2.4** |
| | **$ 712.5** | **$ 8.4** | **$14.0** | **$ 734.9** |
| Financial liabilities | | | | |
| Long-term debt | **$(646.8)** | **$ —** | **$ —** | **$(646.8)** |
| Derivatives | | | | |
| Currency contracts | **—** | **(2.7)** | **—** | **(2.7)** |
| Aluminum contracts | **—** | **(0.4)** | **—** | **(0.4)** |
| | **$(646.8)** | **$ (3.1)** | **$ —** | **$(649.9)** |

### (b) Assets and liabilities measured at fair value on a non-recurring basis

| Balance, March 31, 2013 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Investments in associates - INV Metals [1] | $ 9.1 | $ — | $ — | $9.1 |

[1] The investment in INV Metals included in investments in associates accounted for using the equity method was impaired $18.6 million to its fair value as at March 31, 2013.

### (c) Valuation techniques

*Marketable securities*

The fair value of available-for-sale 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. Investments in equity instruments that are available-for-sale financial assets and are not actively traded use 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.

| Available-for-sale financial assets included in Level 3 | |
|---|---|
| Balance, January 1, 2013 | $21.7 |
| Change in fair value reported in other comprehensive income | (7.7) |
| Balance, March 31, 2013 | $14.0 |

*Warrants held as investments*

The fair value of warrants held as investments, classified as financial assets at fair value through profit and loss, is obtained through the use of the Black-Scholes pricing model, which uses share price inputs and volatility measurements, and is therefore classified within Level 2 of the fair value hierarchy.

*Derivatives*

For derivative contracts, the Company obtains a valuation of the contracts from counterparties of those contracts. The Company assess the reasonableness of these valuations through internal methods and third party valuations. Valuations are based on forward rates considering the market price, rate of interest and volatility, and take into account the credit risk of the financial instrument, and 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 measured using quoted prices (unadjusted) in active markets, and is therefore classified within Level 1 of the fair value hierarchy.

*Investments in associates*

After application of the equity method, if the fair value of an investment in associate declines below its carrying amount, the Company performs qualitative and quantitative assessments of whether the decline is either significant or prolonged. For publicly traded companies, IAMGOLD measures fair value of its investment in associate based on a market approach reflecting the closing price of the investment in 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.

## 14. CAPITAL MANAGEMENT

| | March 31, 2013 | December 31, 2012 |
|---|---|---|
| Cash and cash equivalents | **$ 648.0** | $ 797.3 |
| Gold bullion at market value | **215.3** | 223.3 |
| Credit facilities available for use | **750.0** | 750.0 |
| Long-term debt [1] | **650.0** | 650.0 |
| Common shares | **2,316.1** | 2,315.8 |

[1] Long-term debt excludes transaction costs of $10.8 million at March 31, 2013.

The Company's cash and cash equivalents, and gold bullion position valued at the March 31, 2013 gold market price, was $863.3 million (December 31, 2012 – $1,020.6 million).

The Company continues to have available a short-form base shelf prospectus until July 2013 qualifying the distribution of securities of up to $1.0 billion, that was filed in July 2011.

On January 7, 2013, the Company paid the semi-annual dividend declared on December 10, 2012 of $0.125 per share totaling $47.1 million and paid dividends to the non-controlling interests for the three months ended March 31, 2013 of $1.5 million.

## 15. PROVISIONS

| | March 31, 2013 | December 31, 2012 |
|---|---|---|
| Asset retirement obligations | **$ 213.8** | $ 218.5 |
| Other | **22.4** | 22 .4 |
| | **$ 236.2** | $ 240.9 |
| Provisions | **$ 230.2** | $ 235.0 |
| Current portion of provisions | **6.0** | 5.9 |
| | **$ 236.2** | $ 240.9 |

### (a) Asset retirement obligations

As at March 31, 2013, the Company had letters of credit in the amount of $68.0 million to guarantee asset retirement obligations compared to $69.5 million at December 31, 2012. The Company also had legally restricted cash of $2.5 million at March 31, 2013 (December 31, 2012 – $3.1 million) included in other non-current assets for the purposes of settling asset retirement obligations.

### (b) Provisions for litigation claims and regulatory assessments

By their nature, contingencies will only be determined when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment 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 judgment 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.

At March 31, 2013, 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.

## 16. SHARE CAPITAL

### (a) Authorized

- Unlimited first preference shares, issuable in series
- Unlimited second preference shares, issuable in series
- Unlimited common shares

### (b) Issued and outstanding common shares

| Number of shares (in millions) | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Outstanding, beginning of the year | **376.5** | 375.9 |
| Issuance of share capital | **0.1** | 0.2 |
| Outstanding, end of the period | **376.6** | 376.1 |

## 17. EARNINGS PER SHARE

### Basic earnings per share computation

| | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Numerator: | | |
| Net earnings attributable to equity holders of IAMGOLD | **$ 10.9** | $ 119.2 |
| Denominator: | | |
| Weighted average number of common shares (basic) (in millions) | **376.6** | 376.0 |
| Basic earnings attributable to equity holders of IAMGOLD per share ($/share) | **$ 0.03** | $ 0.32 |

### Diluted earnings per share computation

| | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Denominator (in millions): | | |
| Weighted average number of common shares (basic) | **376.6** | 376.0 |
| Dilutive effect of employee share options | **0.1** | 0.7 |
| Dilutive effect of employee restricted share units | **0.2** | 0.1 |
| Weighted average number of common shares (diluted) | **376.9** | 376.8 |
| Diluted earnings attributable to equity holders of IAMGOLD per share ($/share) | **$ 0.03** | $ 0.32 |

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

| | Three months ended March 31, | |
|---|---|---|
| (in millions) | **2013** | 2012 |
| Share options | **5.7** | 2.4 |
| Performance share units | **0.4** | 0.2 |
| | **6.1** | 2.6 |

## 18. SHARE-BASED PAYMENTS

| | Three months ended March 31, | |
|---|---|---|
| | **2013** | 2012 |
| Share option plan | **$ 1.3** | $ 1.1 |
| Share bonus plan | **0.4** | 0.2 |
| Deferred share plan | **1.0** | 0.5 |
| | **$ 2.7** | $ 1.8 |

### (a) Share option plan

The Company has a comprehensive share option plan for its full-time employees, directors and officers. The options vest over three to five years and expire no later than 7 years from the grant date.

At March 31, 2013, the total number of shares reserved for the grants of share options was 20,257,401. At March 31, 2013, the shares that remained in reserve were 6,508,601 of which 6,127,228 were outstanding and 381,373 were unallocated.

| | **Share options (in millions)** | **Weighted average exercise price (C$) [1]** |
|---|---|---|
| Outstanding, beginning of the year | **4.2** | **$ 13.92** |
| Granted | **2.0** | **7.71** |
| Exercised | **—** | **6.40** |
| Forfeited | **(0.1)** | **12.97** |
| Outstanding, end of the period | **6.1** | **$ 11.89** |
| Exercisable, end of the period | **2.2** | **$ 12.96** |

1. Exercise prices are denominated in Canadian dollars. The exchange rate at March 31, 2013, between the U.S. dollar and Canadian dollar was C$1.0160 /U.S.$.

The following are the weighted average inputs to the Black-Scholes model used in determining fair value of options granted for the three months ended March 31, 2013. The estimated fair value of the options is expensed over its expected life.

| **Three months ended March 31, 2013** | **Share options** |
|---|---|
| Weighted average risk-free interest rate | **1.00%** |
| Weighted average expected volatility [1] | **46.00%** |
| Weighted expected dividend yield | **3.35%** |
| Weighted average expected life of options issued (years) | **5.0** |
| Weighted average grant-date fair value (C$ per share) | **$ 2.35** |
| Weighted average share price at grant date (C$ per share) | **$ 7.68** |
| Weighted average exercise price (C$ per share) | **$ 7.71** |

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

## (b) Other share-based payment plans

### (i) Share bonus plan

The Company has a share bonus plan for employees and directors with a maximum allotment of 740,511 common shares. As at March 31, 2013, the shares that remained in reserve were 431,210 of which 160,438 were outstanding and 270,772 were unallocated.

A summary of the status of the Company's restricted share units issued to employees and directors under the share bonus plan reserve and changes during the three months ended March 31, 2013 is presented below.

| (in millions) | Restricted share units |
|---|---|
| Outstanding, beginning of the year | **0.2** |
| Issued | **—** |
| Outstanding, end of the period | **0.2** |

### (ii) Deferred share plan

The Company has a deferred share plan for employees and directors whereby a maximum of 2,359,489 common shares may be awarded. At March 31, 2013, the shares that remained in reserve were 2,241,291 of which 1,668,939 were outstanding and 572,352 were unallocated.

| (in millions) | Share units |
|---|---|
| Outstanding, beginning of the year | **0.8** |
| Granted | **0.9** |
| Forfeited | **—** |
| Outstanding, end of the period | **1.7** |

### Restricted share units ("RSU")

The following are the weighted average inputs to the model used in determining fair value for restricted share units granted in the three months ended March 31, 2013. The estimated fair value of the awards is expensed over their vesting period.

| Three months ended March 31, 2013 | Restricted share units |
|---|---|
| Risk-free interest rate | **1.00%** |
| Expected volatility [1] | **44.00%** |
| Dividend yield | **3.26%** |
| Weighted average expected life of RSUs issued (years) | **2.8** |
| Weighted average grant-date fair value (C$ per share) | **$ 7.22** |
| Weighted average share price at grant date (C$ per share) | **$ 7.88** |
| Model used | **Black-Scholes** |

[1] Expected volatility is estimated by considering historic average share price volatility adjusted for market fluctuations.

**Performance share units ("PSU")**

The following are the weighted average inputs to the model used in determining fair value for performance share units granted in the three months ended March 31, 2013. The estimated fair value of the awards is expensed over their vesting period.

| Three months ended March 31, 2013 | | Performance share units |
|---|---|---|
| Risk-free interest rate | | **1.00%** |
| Expected volatility [1] | | **44.00%** |
| Weighted average expected life of PSUs issued (years) | | **2.9** |
| Weighted average grant-date fair value (C$ per share) | **$** | **3.47** |
| Weighted average share price at grant date (C$ per share) | **$** | **7.57** |
| Model used | | **Monte Carlo** |

[1] Expected volatility is estimated by considering historic average share price volatility adjusted for market fluctuations.

## 19. COST OF SALES

Cost of sales includes mine production, transport and smelter processing costs, applicable site administrative costs, applicable stripping costs, other related costs, royalty expenses, and depreciation expense.

| | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Operating costs - mines | **$ 131.1** | $ 124.4 |
| Royalties | **14.9** | 17.0 |
| Depreciation expense [1] | **38.4** | 37.4 |
| | **$ 184.4** | $ 178.8 |

[1] Depreciation expense excludes depreciation relating to corporate assets, which is included in general and administrative expenses.

## 20. GENERAL AND ADMINISTRATIVE EXPENSES

| | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Salaries | **$ 5.6** | $ 4.7 |
| Director fees and expenses | **0.4** | 0.7 |
| Professional and consulting fees | **2.4** | 2.2 |
| Other administration costs | **1.0** | 2.7 |
| Share-based payments | **2.7** | 1.8 |
| Depreciation expense | **0.6** | 0.6 |
| | **$ 12.7** | $ 12.7 |

## 21. FINANCE COSTS

| | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Interest expense | **$ 7.7** | $ — |
| Credit facility fees | **1.1** | 1.0 |
| Accretion expense | **0.2** | 0.3 |
| Other | **0.1** | 1.3 |
| | **$ 9.1** | $ 2.6 |

## 22. INTEREST INCOME AND DERIVATIVES AND OTHER INVESTMENT GAINS (LOSSES)

| | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Interest income | **$ 0.9** | $ 1.1 |
| Impairment of investments | **(27.4)** | (4.6) |
| Derivative gains (losses) | **(7.9)** | 9.7 |
| Gains (losses) on sale of assets | **(0.3)** | 2.3 |
| Gains on sale of marketable securities | **—** | 5.6 |
| Other | **3.7** | 0.5 |
| | **$ (31.0)** | $ 14.6 |

## 23. CASH FLOW ITEMS

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

| | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Share-based payments | **$ 2.7** | $ 1.8 |
| Gains on sale of marketable securities | **—** | (5.6) |
| Impairment of investments | **27.4** | 4.6 |
| Losses (gains) on sale of assets | **0.3** | (2.3) |
| Derivative losses (gains) | **7.9** | (9.7) |
| Share of net earnings from investments in associates and joint ventures (net of income tax) | **(6.8)** | (10.2) |
| Other | **(2.5)** | 1.5 |
| | **$ 29.0** | $ (19.9) |

### (b) Adjustments for cash items within operating activities

| | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Disbursements related to asset retirement obligations | **$ (0.8)** | $ (0.4) |
| Settlement of derivatives | **4.1** | 0.8 |
| Other | **(0.2)** | (0.2) |
| | **$ 3.1** | $ 0.2 |

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

| | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Receivables and other current assets | **$ 7.5** | $ 16.1 |
| Inventories and non-current ore stockpiles | **(27.1)** | (26.4) |
| Accounts payable and accrued liabilities | **3.9** | (21.3) |
| | **$ (15.7)** | $ (31.6) |

### (d) Other investing activities

| | Three months ended March 31, 2013 | 2012 |
|---|---|---|
| Acquisition of investments | **$ (5.2)** | $ (15.5) |
| Proceeds from sale of investments | **—** | 7.4 |
| Restricted cash | **0.5** | (1.2) |
| Net acquisitions of other assets | **(1.4)** | (0.8) |
| Other | **1.2** | — |
| | **$ (4.9)** | $ (10.1) |

## 24. COMMITMENTS

### (a) Capital commitments

| | March 31, 2013 | December 31, 2012 |
|---|---|---|
| Purchase obligations | **$ 125.2** | $ 98.8 |
| Capital expenditures obligations | **76.4** | 100.7 |
| Leases | **7.8** | 8.6 |
| | **$ 209.4** | $ 208.1 |

### (b) Capital commitments – Payments due by period

| | | Payments due by period | | | |
|---|---|---|---|---|---|
| At March 31, 2013 | Total | Remainder of 2013 | 2014 - 2015 | 2016 - 2017 | Thereafter |
| Purchase obligations | **$125.2** | **$ 112.2** | **$ 8.0** | **$ 4.7** | **$ 0.3** |
| Capital expenditures obligations | **76.4** | **76.4** | **—** | **—** | **—** |
| Leases | **7.8** | **3.2** | **3.9** | **0.7** | **—** |
| | **$209.4** | **$ 191.8** | **$ 11.9** | **$ 5.4** | **$ 0.3** |

## 25. RELATED PARTY TRANSACTIONS

The Company had the following significant related party transactions included in receivables and other current assets in the consolidated balance sheets.

In 2012, the Company loaned its joint ventures a total of $32.0 million ($20.0 million to Sadiola and $12.0 million to Yatela) for operating expenses. The loans bear interest at LIBOR plus 2% and are to be repaid on the earlier of December 1, 2013 for Sadiola, and September 30, 2013 for Yatela, and, at such time as the borrower has sufficient free cash flow to do so. These loans had a balance of $32.6 million as at March 31, 2013 (December 31, 2012 – $32.3 million), including accrued interest income.

During 2012, Sadiola declared dividends of which $16.0 million was the Company’s share.

The Company has a non-interest bearing loan from Sadiola for certain services rendered which had a balance of $7.8 million as at March 31, 2013 (December 31, 2012 – $2.5 million).

On August 31, 2011, as consideration for the sale of its shares in Gallery Gold Pty Ltd., the Company received a promissory note from Galane in the amount of $3.8 million at an annual interest rate of 6% payable quarterly commencing November 30, 2011, and with principal payable over three years in equal installments on February 28, 2013, August 30, 2013 and February 28, 2014. The promissory note had an outstanding balance of $2.5 million as at March 31, 2013, including accrued interest income. As at December 31, 2012, of the $3.8 million outstanding, $1.3 million was included in other non-current assets with the remaining $2.5 million included in receivables and other current assets.

## 26. SEGMENTED INFORMATION

### Three months ended March 31, 2013

| | Revenues | Cost of sales [1] | Depreciation expense | General and administrative | Exploration | Other | Earnings (losses) from operations | Capital expenditures [2] |
|---|---|---|---|---|---|---|---|---|
| | Consolidated statement of earnings information | | | | | | | |
| **Gold mines** | | | | | | | | |
| Suriname | **$ 135.7** | **$ 59.6** | **$ 13.0** | **$ —** | **$ 1.3** | **$—** | **$ 61.8** | **$ 48.3** |
| Burkina Faso | **117.6** | **54.7** | **17.3** | **—** | **0.3** | **—** | **45.3** | **76.1** |
| Canada | **—** | **0.3** | **0.4** | **(0.1)** | **0.1** | **(2.1)** | **1.4** | **51.9** |
| Total gold mines excluding joint ventures | **253.3** | **114.6** | **30.7** | **(0.1)** | **1.7** | **(2.1)** | **108.5** | **176.3** |
| Niobium | **49.7** | **30.1** | **5.9** | **—** | **—** | **—** | **13.7** | **18.2** |
| Exploration and Evaluation | **—** | **0.1** | **0.3** | **0.4** | **19.2** | **—** | **(20.0)** | **0.2** |
| Corporate [3] | **2.3** | **1.2** | **1.5** | **12.4** | **1.2** | **—** | **(14.0)** | **—** |
| Total per consolidated financial statements | **305.3** | **146.0** | **38.4** | **12.7** | **22.1** | **(2.1)** | **88.2** | **194.7** |
| Joint ventures (Mali) [4] | **45.0** | **31.7** | **3.0** | **—** | **0.8** | **—** | **9.5** | **14.4** |
| | **$ 350.3** | **$177.7** | **$ 41.4** | **$ 12.7** | **$ 22.9** | **$(2.1)** | **$ 97.7** | **$ 209.1** |

### Three months ended March 31, 2012

| | Revenues | Cost of sales [1] | Depreciation expense | General and administrative | Exploration | Other | Earnings (losses) from operations | Capital expnditures [2] |
|---|---|---|---|---|---|---|---|---|
| | Consolidated statement of earnings information | | | | | | | |
| Gold mines | | | | | | | | |
| Suriname | $ 148.5 | $ 56.3 | $ 12.5 | $ — | $ 2.6 | $— | $ 77.1 | $ 22.1 |
| Burkina Faso | 149.6 | 51.0 | 18.2 | — | 0.7 | — | 79.7 | 41.1 |
| Canada | 6.2 | 3.1 | 0.1 | (0.4) | 1.2 | (2.8) | 5.0 | 39.3 |
| Total gold mines excluding joint ventures | 304.3 | 110.4 | 30.8 | (0.4) | 4.5 | (2.8) | 161.8 | 102.5 |
| Niobium | 48.4 | 29.8 | 4.7 | 0.1 | — | 0.1 | 13.7 | 15.0 |
| Exploration and Evaluation | — | 0.2 | — | 0.2 | 15.0 | — | (15.4) | 0.7 |
| Corporate [3] | 1.4 | 1.0 | 1.9 | 12.8 | — | 0.3 | (14.6) | 0.7 |
| Total per consolidated financial statements | 354.1 | 141.4 | 37.4 | 12.7 | 19.5 | (2.4) | 145.5 | 118.9 |
| Joint ventures (Mali) [4] | 50.1 | 37.4 | 2.5 | — | 0.7 | (0.1) | 9.6 | 14.2 |
| | $ 404.2 | $178.8 | $ 39.9 | $ 12.7 | $ 20.2 | $(2.5) | $ 155.1 | $ 133.1 |

1 Excludes depreciation expense.
2 Expenditures for mining assets and exploration and evaluation assets.
3 Includes earnings from royalty interests.
4 Net earnings 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.

| | March 31, 2013 | | | December 31, 2012 | | |
|---|---|---|---|---|---|---|
| | **Total non-current assets** | **Total assets** | **Total liabilities** | Total non-current assets | Total assets | Total liabilities |
| Gold mines | | | | | | |
| Suriname | **$ 767.4** | **$ 955.8** | **$ 282.5** | $ 731.3 | $ 876.3 | $ 249.4 |
| Burkina Faso | **1,036.2** | **1,229.9** | **165.2** | 976.0 | 1,187.9 | 158.5 |
| Canada | **801.1** | **862.2** | **146.5** | 768.1 | 823.8 | 158.0 |
| Total gold mines | **2,604.7** | **3,047.9** | **594.2** | 2,475.4 | 2,888.0 | 565.9 |
| Niobium | **493.0** | **555.5** | **164.1** | 481.1 | 538.4 | 162.6 |
| Exploration and Evaluation | **546.9** | **583.4** | **10.2** | 549.9 | 593.9 | 12.7 |
| Corporate [1] | **409.6** | **1,095.7** | **702.4** | 425.4 | 1,275.3 | 749.6 |
| Total per consolidated financial statements | **$4,054.2** | **$5,282.5** | **$1,470.9** | $3,931.8 | $5,295.6 | $1,490.8 |
| Joint ventures (Mali) [2] | **$ 166.0** | **$ 220.5** | **$ 104.6** | $ 151.3 | $ 207.6 | $ 99.6 |

[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 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.

**Exhibit 99.4**

**Form 52-109F2**
***Certification of Interim Filings***
***Full Certificate***

I, Stephen J. J. Letwin, President and Chief Executive Officer of IAMGOLD Corporation, certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of IAMGOLD Corporation (the "issuer") for the interim period ended March 31, 2013.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

   (A) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

      (I) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

      (II) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

   (B) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the *Internal Control—Integrated Framework* (COSO Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission.

5.2 N/A

5.3 N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on January 1, 2013 and ended on March 31, 2013 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: May 7, 2013

(Sign) ***"Stephen J. J. Letwin"***
Stephen J. J. Letwin
President and Chief Executive Officer

**Form 52-109F2**
***Certification of Interim Filings***
***Full Certificate***

I, Carol T. Banducci, Executive Vice President and Chief Financial Officer of IAMGOLD Corporation, certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of IAMGOLD Corporation (the "issuer") for the interim period ended March 31, 2013.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

   (A) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that

      (I) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and

      (II) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

   (B) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the *Internal Control—Integrated Framework* (COSO Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission.

5.2 N/A

5.3 N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on January 1, 2013 and ended on March 31, 2013 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: May 7, 2013

(Sign) ***"Carol Banducci"***
Carol T. Banducci
Executive Vice President and Chief Financial Officer