UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13(a) OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2016

Commission file number: 001-31528

IAMGOLD Corporation
(Exact Name of Registrant as Specified in its Charter)

Canada	1040	Not Applicable
(Province or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code)	(I.R.S. Employer Identification No.)

401 Bay Street, Suite 3200
P.O. Box 153
Toronto, Ontario M5H 2Y4
(416) 360-4710
(Address and Telephone Number of Registrant's Principal Executive Offices)

DL Services, Inc.
Columbia Center
701 5th Avenue, Suite 6100
Seattle, WA 98104
(206) 903-8800
(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class:	Name of Each Exchange On Which Registered:
Common Shares, no par value	New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

For annual reports, indicate by check mark the information filed with this form:

☒ **Annual Information Form** ☒ **Audited Annual Financial Statements**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 453,734,361

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☐ Yes ☐ No

The Annual Information Form dated February 22, 2017, Management's Discussion and Analysis, and Audited Consolidated Financial Statements for the year ended December 31, 2016, in each case, of IAMGOLD Corporation (the "Company"), included as Exhibit 99.1, Exhibit 99.2, and Exhibit 99.3, respectively, to this annual report on Form 40-F of the Company (the "Annual Report"), are incorporated by reference into and as an exhibit to the Company's Registration Statement on Form F-10 (File No. 333-210437), and the Annual Report is incorporated by reference into the Company's Registration Statement on Form S-8 (File No. 333-142127).

INCORPORATED DOCUMENTS

Annual Information Form

The Company's Annual Information Form ("AIF") is filed as Exhibit 99.1 to this Annual Report.

Audited Annual Financial Statements

The Company's audited consolidated financial statements are filed as Exhibit 99.3 to this Annual Report.

Management's Discussion and Analysis

The Company's management's discussion and analysis ("MD&A") is filed as Exhibit 99.2 to this Annual Report.

DISCLOSURE CONTROLS AND PROCEDURES

At the end of the period covered by this report, an evaluation was carried out under the supervision of and with the participation of the Company's management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a – 15(e) and Rule 15d – 15(e) under the United States Securities Exchange Act (the "Exchange Act")). Based on that evaluation the CEO and the CFO have concluded that as of the end of the period covered by this report, the Company's disclosure controls and procedures were adequately designed and effective in ensuring that: (i) information required to be disclosed by the Company in reports that it files or submits to the Commission under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms and (ii) information required to be disclosed in the Company's reports filed under the Exchange Act is accumulated and communicated to management, including the CEO and CFO, as appropriate, to allow for accurate and timely decisions regarding required disclosure.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management conducted an evaluation of the design and operation of the Company's internal control over financial reporting as of the end of the Company's last fiscal year, based on the criteria set forth in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, management has concluded that the Company's internal control over financial reporting was effective as of the end of the Company's last fiscal year.

ATTESTATION REPORT OF THE REGISTERED PUBLIC ACCOUNTING FIRM

The Company's auditor has attested to internal controls over financial reporting for the past fiscal year. The auditor's attestation immediately precedes the audited consolidated financial statements of the Company in Exhibit 99.3 and is incorporated by reference in this Annual Report.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

During the period covered by this Annual Report, no change occurred in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

The Company's management, including the CEO and CFO, does not expect that its disclosure controls and procedures or internal controls and procedures will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, a control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

AUDIT COMMITTEE FINANCIAL EXPERT

The required disclosure is included under the heading "Audit and Finance Committee—Composition and Relevant Education and Experience of Members" in the AIF and is incorporated by reference in this Annual Report.

CODE OF ETHICS

The Board has adopted a written code of conduct by which it and all officers and employees of the Company abide.

All departures from, all amendments to the code, and all waivers of the code with respect to any of the senior officers covered by it, which waiver may be made only by the Board in respect of senior officers, will be disclosed as required. The Company's Code of Business Conduct and Ethics is located on its website at www.iamgold.com.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The required disclosure is included under the headings "Audit and Finance Committee—External Auditor Service Fees" and "Audit and Finance Committee—Pre-Approval Policies and Procedures" in the AIF and is incorporated by reference in this Annual Report.

OFF-BALANCE SHEET TRANSACTIONS

The Company does not have any off-balance sheet financing arrangements or relationships with unconsolidated special purpose entities.

CONTRACTUAL OBLIGATIONS

The required disclosure is included under the heading "Financial Condition—Contractual Obligations" in the MD&A and is incorporated by reference in this Annual Report.

IDENTIFICATION OF THE AUDIT COMMITTEE

The Company's Board of Directors (the "Board") has a separately designated standing Audit and Finance Committee established in accordance with section 3(a)(58)(A) of the Exchange Act. The members of the Company's Audit and Finance Committee are disclosed under the heading "Audit and Finance Committee—Composition and Relevant Education and Experience of Members" in the AIF and is incorporated by reference in this Annual Report.

CORPORATE GOVERNANCE

The Company's common shares are listed on the Toronto Stock Exchange ("TSX") and the New York Stock Exchange ("NYSE") and the Company complies with the corporate governance requirements of the TSX and NYSE, as they relate to the Company. As a foreign private issuer, the Company is permitted, by the NYSE, not to comply with certain of the NYSE's corporate governance rules. A description of the significant ways in which the Company's governance practices differ from those followed by domestic companies pursuant to NYSE standards can be found on the Company's website at www.iamgold.com.

UNDERTAKING

The Company undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an this Annual Report arises; or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

The Company filed an Appointment of Agent for Service of Process and Undertaking on Form F-X with respect to the class of securities in relation to which the obligation to file the Form 40-F arises.

Any change to the name or address of the agent for service of process of the Registrant shall be communicated promptly to the Commission by an amendment to the Form F-X referencing the file number of the Registrant.

EXHIBITS

99.1	Annual Information Form
99.2	Management's Discussion and Analysis
99.3	Annual Financial Statements
99.4	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14 or 15d-14 of the Securities Exchange Act of 1934
99.5	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.6	Consent of KPMG LLP
99.7	Consent of L. Chénard
99.8	Consent of G. Voicu
99.9	Consent of R. Leber
99.10	Consent of J. Girard
99.11	Consent of P. Gaultier
99.12	Consent of G. Ferlatte
99.13	Consent of B. Lemelin
99.14	Consent of E. Williams
99.15	Consent of C. MacDougall
99.16	Consent of AMEC FOSTER WHEELER
99.17	Consent of B. Wang
99.18	Consent of L. Elgert
99.19	Consent of I. Lipiec
99.20	Consent of S. Allard
99.21	Consent of A. Smith
99.22	Consent of M-F. Bugnon
99.23	Consent of V. Blanchet
99.24	Consent of R. Dutaut
99.25	Consent of LP. Gignac
99.26	Consent of R. Sirois
99.27	Consent of G Mining Services Inc.
99.28	Consent of L-B. Denoncourt
99.29	Consent of Snowden Mining Industry Consultants (Pty) Ltd.
99.30	Consent of M. Burnett
99.31	Consent of D. Dyck
99.32	Consent of D. Vallières

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

IAMGOLD CORPORATION

By:	/s/ Stephen J.J. Letwin
Name:	Stephen J. J. Letwin
Title:	President & Chief Executive Officer

Date: February 22, 2017

Exhibit 99.1

IAMGOLD®
CORPORATION

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED
DECEMBER 31, 2016

Dated: February 22, 2017

401 Bay Street; Suite 3200
Toronto, ON M5H 2Y4

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Explanatory Notes:

1. *All dollar amounts presented in this Annual Information Form are expressed in U.S. dollars, unless otherwise indicated.*
2. *Production results are in metric units, unless otherwise indicated.*
3. *IAMGOLD Corporation carries on business in Canada. The subsidiaries of IAMGOLD Corporation carry on business in Canada and elsewhere. In this Annual Information Form, the words "Company" and "IAMGOLD" are used interchangeably and in each case refer, as the context may require, to all or any of IAMGOLD Corporation and its subsidiaries.*
4. *The information in this Annual Information Form is complemented by the Company's Audited Consolidated Annual Financial Statements for the year ended December 31, 2016 and the related management's discussion and analysis.*
5. *The Company's Annual Financial Statements for the year ended December 31, 2016 and the related management's discussion and analysis, are available on SEDAR at www.sedar.com and the Company's website at www.iamgold.com . Our website and the information contained on our website is not part of or incorporated by reference into this Annual Information Form.*

Cautionary Note to U.S. Investors Regarding Disclosure of Mineral Reserve and Mineral Resource Estimates

The disclosure in this Annual Information Form has been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of U.S. securities laws. Disclosure, including scientific or technical information, has been made in accordance with *Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects* ("NI 43-101"). NI 43-101 is a rule developed by the CSA that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. As a result, information contained in this Annual Information Form containing descriptions of our mineral properties or estimates of mineral reserves or mineral resources is not comparable to similar information disclosed by U.S. companies in reports filed with the SEC. For example, the terms "measured mineral resources", "indicated mineral resources", "inferred mineral resources", "proven mineral reserves" and "probable mineral reserves" are used in this Annual Information Form to comply with the reporting standards in Canada. While those terms are recognized and required by Canadian regulations, the SEC does not currently recognize them. Under the rules and regulations of the SEC, as set forth in Industry Guide 7, a U.S. company generally may only disclose estimates of proven and probable mineral reserves, and may not disclose estimates of any classification of mineral resources. In addition, definitions of proven and probable mineral reserves used in NI 43-101 differ from the definitions in the SEC Industry Guide 7. Under U.S. standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. In addition, disclosure of "contained ounces" is permitted disclosure under Canadian regulations, whereas the SEC generally only permits U.S. companies to report mineralization that does not constitute reserves as in place tonnage and grade without reference to unit measures. Any estimate of mineral reserves or mineral resources has a great amount of uncertainty as to its existence, and great uncertainty as to its economic and legal feasibility with estimates of mineral resources have a greater degree of uncertainty. Further, in accordance with Canadian rules, estimates of inferred mineral resources cannot form the basis of pre-feasibility or feasibility studies or other economic studies, except that they may form the basis of preliminary economic assessments, which are sometime referred to as scoping studies, subject to compliance with certain disclosure requirements under NI 43-101. Accordingly, investors are cautioned not to assume that all or any part of measured mineral resources, indicated mineral resources or inferred mineral resources will ever be upgraded to a mineral reserve or that all or any part of measured mineral resources, indicated mineral resources or inferred mineral resources is economically or legally mineable or will ever be mined. ***U.S. investors are urged to consider closely the disclosure on technical terminology under the heading "Technical Information" in the Glossary below.***

Special Note Regarding Forward-Looking Statements

This Annual Information Form contains certain information that may constitute "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws and the United States Private Securities Litigation Reform Act of 1995, respectively. Forward-looking statements are necessarily based on a number of estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies. All statements, other than statements which are reporting results as well as statements of historical fact set forth or incorporated herein by reference, are forward-looking statements that may involve a number of known and unknown risks, uncertainties and other factors; many of which are beyond the Company's ability to control or predict. Forward-looking statements include, without limitation, statements regarding strategic plans, future production, cost estimates and anticipated financial results; potential mineralization and evaluation and evolution of mineral reserves and mineral resources (including, but not limited to, potential for further increases at the Essakane, Rosebel, Westwood and Sadiola mines) and expected mine life; expected exploration results, future work programs, capital expenditures and objectives, evolution and economic performance of development projects (including, but not limited to, the Côté Gold project) and exploration budgets and targets; construction and production targets and timetables, as well as the anticipated timing of grants of permits and governmental incentives; expected continuity of a favourable gold market; contractual commitments, royalty payments, litigation matters and measures for mitigating financial and operational risks; anticipated liabilities regarding site closure and employee benefits; continuous availability of required manpower; the integration or expansion of operations, technologies and personnel of acquired operations and properties; and, more generally, continuous access to capital markets; and the Company's global outlook and that of each of its mines. These statements relate to analysis and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements.

Statements concerning actual mineral reserves and mineral resources estimates are also deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the relevant project or property is developed and, in the case of mineral reserves, such statements reflect the conclusion based on certain assumptions that the mineral deposit can be economically exploited.

Forward-looking statements, which involve assumptions and describe the Company's future plans, strategies and expectations, 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. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. The following are some, but not all, of the important factors that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements: hazards normally encountered in the mining business including unusual or unexpected geological formations, rock bursts, cave-ins, seismic events, floods and other conditions; delays and repair costs resulting from equipment failure; changes to and differing interpretations of mining tax regimes in foreign jurisdictions; the market prices of gold and other minerals produced; past market events and conditions and the deterioration of general economic indicators; the ability of the Company to replace mineral reserves depleted by production; overestimation/underestimation of mineral reserve and mineral resource calculations; fluctuations in exchange rates of currencies; failure to obtain and renew financing as and when required to fund exploration, development and continuing operations; defaults under the Company's credit facility or senior unsecured notes due to a violation of covenants contained therein; failure to obtain financing to meet capital expenditure plans; risks associated with being a multinational company; differences between the assumption of fair value estimates with respect to the carrying amount of mineral interests and actual fair values; inherent risks related to the use of derivative instruments (including, but not limited to, for hedging purposes to stabilize input costs) accuracy of mineral reserve and mineral resource estimates; uncertainties in the validity of mining interests and the ability to acquire new properties and recruit and retain skilled and experienced employees; various risks and hazards beyond the Company's control, many of which are not economically insurable; risks and hazards inherent to the mining industry, most of which are beyond the Company's control; market prices and availability of commodities used by the Company in its operations; lack of infrastructure and other risks related to the geographical areas in which the Company carries out its operations; labour disruptions and other disruptions caused by mining accidents; health risks associated with the mining work force in West Africa, Canada and Suriname; disruptions created by surrounding communities; need to comply with the extensive laws and regulations governing the environment, health and safety at the Company's mining and processing operations and at the locations of its exploration activities; risks normally associated with any conduct of business in foreign countries (including, but not limited to, varying degrees of political and economic risk) which may include the possibility for political unrest and foreign military intervention; ability to obtain and renew the required licenses and permits from various governmental authorities in order to exploit the Company's properties; risks and expenses related to reclamation costs and related liabilities; continuously evolving legislation, such as the mining legislation in West Africa, Canada and Suriname, which may have unknown and negative impacts on operations; risks normally associated with the conduct of joint ventures; inability to control standards of non-controlled assets; risk and unknown costs of litigation; undetected failures in internal controls over financial reporting; risks related to making acquisitions, including the integration of operations; risks related to the construction, development and start-up of the Côté Gold project following a decision by the Company to proceed with it and potential further expansion activities at the Sadiola and Rosebel mines; dependence on key personnel; and other related matters.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from expectations, intentions, estimates or forecasts, there may be other factors that could cause results to differ from what is anticipated, estimated or intended. Those factors are described or referred to below, under the heading "Risk Factors" in this Annual Information Form. Market and commodity price volatility and uncertainty in credit markets stemming, in part, from events in financial and credit markets as well as from geo-political risks around the world, continue to cause volatility and uncertainty in the price of gold. These on-going events could impact forward-looking statements contained in this Annual Information Form in an unpredictable and possibly detrimental manner. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

Glossary

Mining Terms and Frequently Used Abbreviations

AC: aircore.

BLEG: bulk leach extractable gold.

BTW: BQ 2 Thin Wall is an industry standard drilling core size with a diameter of 42 mm.

By-product: a secondary metal or mineral product recovered in the milling process.

Carbon-in-leach ("CIL") process: a process used to recover dissolved gold inside a cyanide leach circuit. Coarse activated carbon particles are introduced in the leaching circuit and are moved counter-current to the slurry, absorbing dissolved gold in solution as they pass through the circuit. Loaded carbon is removed from the slurry by screening. Gold is recovered from the loaded carbon by stripping in a caustic cyanide solution followed by electrolysis. CIL is a process similar to CIP (carbon-in-pulp) except that the gold leaching and the gold absorption are done simultaneously in the same stage compared with CIP where the gold absorption stage follows the gold leaching stage.

Carbon-in-pulp ("CIP") process: a process used to recover dissolved gold from a cyanide leach slurry. Coarse activated carbon particles are moved counter-current to the slurry, absorbing gold as they pass through the circuit. Loaded carbon is removed from the slurry by screening. Gold is recovered from the loaded carbon by stripping in a caustic cyanide solution followed by electrolysis.

Concentrate: a product containing the valuable metal and from which most of the waste material in the ore has been eliminated.

Contained ounces: ounces in the mineralized rock without reduction due to mining loss or processing loss.

Cut-off grade: the lowest grade of mineralized material considered economic; used in the estimation of mineral reserves in a given deposit.

DD: diamond drilling or diamond drill.

Deferred development: development of surface and underground infrastructures to be used over an extended period. Costs related to this activity are capitalized.

Depletion: the decrease in quantity of mineral reserves in a deposit or property resulting from extraction or production.

Dilution: an estimate of the amount of waste or low-grade mineralized rock which will be mined with the ore as part of normal mining practices in extracting an ore body.

EMS: environmental management system.

g/t Ag : gram of silver per tonne.

g/t Au: gram of gold per tonne.

Grade: the relative quantity or percentage of metal or mineral content.

HQ: industry standard drilling core size with a diameter of 63.5 mm.

ISO 14001: a standard established by the International Organization for Standardization setting forth the guidelines for an EMS (environmental management system).

ISO 9001: a standard established by the International Organization for Standardization setting forth the guidelines for a quality management system.

Leach/heap leach: to dissolve minerals or metals out of ore with chemicals. Heap leaching gold involves the percolation of a cyanide solution through crushed ore heaped on an impervious pad or base.

MTY: million tonnes per year

MW: megawatts.

Mineral reserves: mineral reserves are divided into two categories; proven and probable mineral reserves, which are more particularly defined herein under Section 4 of Item III below.

Mineral resources: mineral resources are divided into three categories; measured, indicated and inferred, which are more particularly defined herein under Section 4 of Item III below.

NQ: industry standard drilling core size with a diameter of 47.6 mm.

Ounce: refers to one troy ounce, which is equal to 31.1035 grams.

PQ: industry standard drilling core size with a diameter of 85.0 mm.

QA/QC: quality-assurance/quality control.

Qualified person: an individual who is an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geosciences, or engineering, relating to mineral exploration or mining who has at least five years of experience in mineral exploration, mine development or operation, or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice, and who has experience relevant to the subject matter of the mineral project or technical report, and who is in good standing with a professional association, as more fully referenced in NI 43-101.

RAB: rotary air blast.

RC: reversed circulation (drilling).

Recovery: the proportion of valuable material obtained during mining or processing. Generally expressed as a percentage of the material recovered compared to the total material present.

Restoration: operation consisting of restoring a mining site to a satisfactory condition.

RQD: rock quality designation.

SAG: semi-autogenous grinding.

Stoping: the process of mining an underground ore body.

Stripping: in mining, the process of removing overburden or waste rock to expose ore.

Tailings: the material that remains after metals or minerals considered economic have been removed from ore during milling.

Tailings pond or Tailings Storage Facility or TSF: a containment area used to deposit tailings from milling.

Tonne: by common convention refers to one Metric ton, equivalent to 1,000 kilograms.

TPD or tpd: refers to Tonnes per day

TSM: Towards Sustainable Mining

Financial Terms

2012 Senior Unsecured Notes: means the senior unsecured notes bearing interest at 6.75 per cent which mature on October 1, 2020 and which were issued by the Company on September 21, 2012 in an original aggregate principal amount of $650 million.

2016 Credit Facility: means the refinanced, secured revolving credit facility of $250 million with $100 million of committed and $150 million of uncommitted capital. The facility was entered into by the Company and a syndicate of financial institutions led by the National Bank of Canada and Deutsche Bank on February 1, 2016. This facility replaced the 2012 Amended Credit Facility and matures on February 1, 2020.

CSA: refers to the Canadian Securities Administrators.

Hedge: a risk management technique used to manage commodity price, interest rate, foreign currency exchange or other exposures arising from regular business transactions.

Hedging: a future transaction made to protect the price of a commodity as revenue or cost and secure cash flows.

IFRS : International Financial Reporting Standards.

Margin: money or securities deposited with a broker as security against possible negative price fluctuations.

NSR : net smelter returns.

NYSE : refers to the New York Stock Exchange.

Royalty: cash payment or physical payment (in-kind) generally expressed as a percentage of NSR or mine production.

SEC: the U.S. Securities and Exchange Commission.

Spot price: the current price of a metal for immediate delivery.

TSX: the Toronto Stock Exchange.

Volatility: propensity for variability. A market or share is volatile when it records rapid variations.

Technical Information

For the Sadiola mine, refer to the definitions of the JORC Code (defined below) under the heading " *Australasian Code for Reporting of Mineral Resources and Ore Reserves"* below.

Canadian Standards for Mineral Resources and Mineral Reserves

Unless otherwise indicated, in this Annual Information Form, the following terms have the meanings set forth below. **Reference is made to the "Cautionary Note to U.S. Investors Regarding Disclosure of Mineral Reserve and Mineral Resource Estimates" at the beginning of this Annual Information Form.**

Mineral Reserves

Mineral Reserves are sub-divided in order of decreasing confidence into Proven Mineral Reserves and Probable Mineral Reserves. A Proven Mineral Reserve has a higher level of confidence than a Probable Mineral Reserve.

A Mineral Reserve is the economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A Mineral Reserve includes diluting materials and allowances for losses that may occur when the material is mined.

Proven Mineral Reserve

A Proven Mineral Reserve is the economically mineable part of a Measured Mineral Resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified.

Probable Mineral Reserve

A Probable Mineral Reserve is the economically mineable part of an Indicated and, in some circumstances, a Measured Mineral Resource, demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.

Mineral Resources

Mineral Resources are sub-divided, in order of decreasing geological confidence, into Measured, Indicated and Inferred categories. A Measured Mineral Resource has a higher level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource.

A Mineral Resource is a concentration or occurrence of natural, solid, inorganic material or natural, solid, fossilized, organic material including base and precious metals, coal and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.

Measured Mineral Resource

A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

Indicated Mineral Resource

An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

Inferred Mineral Resource

An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

Metallurgical Recovery, Mining Dilution, Mining Losses and Cut-off Grade

In calculating Mineral Reserves, cut-off grades are established using the Company’s long-term metal or mineral prices, foreign exchange assumptions, metallurgical recovery, mining dilution, mining losses and estimated production costs over the life of the related operation. For an underground operation, a cut-off grade is calculated for each mining method, as production costs vary from one method to another. For a surface operation, production costs are determined for each block included in the block model of the relevant operation.

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Australasian Code for Reporting of Mineral Resources and Ore Reserves

The estimates of ore reserves and mineral resources for the Sadiola mine, as set out in this Annual Information Form, have been calculated in accordance with the Australasian Code for Reporting of Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and Minerals Council of Australia (the “JORC Code”). NI 43-101 provides that companies may make disclosures using the reserve and resource categories of the JORC Code subject to the satisfaction of certain requirements.

The definitions of **ore reserves** (under the JORC Code) are as follows.

Ore reserve (under the JORC Code) is the economically mineable part of a measured or indicated mineral resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of, and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate, at the time of reporting, that extraction could reasonably be justified. Ore reserves are subdivided in order of decreasing confidence into proved ore reserves and probable ore reserves.

Proved ore reserve (under the JORC Code) is the economically mineable part of a measured mineral resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of, and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate, at the time of reporting, that extraction could reasonably be justified.

Probable ore reserve (under the JORC Code) is the economically mineable part of an indicated, and in some circumstances measured, mineral resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, and include consideration of, and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified.

The definitions of **mineral resources** under the JORC Code are as follows:

Mineral resource is a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral resources are subdivided, in order of decreasing geological confidence, into measured, indicated and inferred categories.

Measured mineral resource is that part of a mineral resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and/or grade continuity.

Indicated mineral resource is that part of a mineral resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

Inferred mineral resource is that part of a mineral resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and is assumed, but not verified, geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.

Mineral resources, which are not ore reserves, do not have demonstrated economic viability.

The foregoing definitions of ore reserves and mineral resources as set forth in the JORC Code have been reconciled to the definitions in the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves Definitions and Guidelines (the "CIM Standards") adopted under NI 43-101. If ore reserves and mineral resources for the Sadiola mine were estimated in accordance with the definitions in the CIM Standards, there would be no substantive differences in the reserve and resource estimates for this mine as set forth herein.

Symbols Used

Ag	=	Silver
Au	=	Gold
Cu	=	Copper

Item I Name and Incorporation

The Company was incorporated under the *Canada Business Corporations Act* with the name "IAMGOLD International African Mining Gold Corporation" by articles of incorporation effective March 27, 1990. By articles of amendment effective June 23, 1995, the outstanding common shares of the Company ("Common Shares") were consolidated on a one-for-4.45 basis. By articles of amendment effective July 19, 1995, the authorized capital of the Company was increased by the creation of an unlimited number of first preference shares ("First Preference Shares"), issuable in series, and an unlimited number of second preference shares ("Second Preference Shares"), issuable in series, and the "private company" restrictions were deleted. By articles of amendment effective June 27, 1997, the name of the Company was changed to "IAMGOLD Corporation". By articles of amalgamation effective April 11, 2000, the Company amalgamated with its then wholly-owned subsidiary, 3740781 Canada Ltd. (formerly 635931 Alberta Ltd.). By articles of amalgamation effective January 1, 2004, the Company amalgamated with its then wholly-owned subsidiary, Repadre Capital Corporation ("Repadre"). Effective March 22, 2006, the Company completed a business combination transaction with Gallery Gold Limited ("Gallery Gold") and effective November 8, 2006, the Company acquired Cambior Inc. ("Cambior") by amalgamating a wholly-owned subsidiary, IAMGOLD-Québec Management Inc. ("IMG-QC"), with Cambior pursuant to the terms of a court-sanctioned arrangement ("Cambior Arrangement"). By articles of amalgamation effective January 1, 2011, the Company amalgamated with its then wholly-owned subsidiary, IAMGOLD Burkina Faso Inc. ("IMG-BF"). By articles of amalgamation effective March 1, 2011, the Company amalgamated with its then wholly-owned subsidiary, IMG-QC. Further to a plan of arrangement, the Company completed the acquisition, through a wholly-owned subsidiary, of Trelawney Mining and Exploration Inc. ("Trelawney") on June 21, 2012.

The registered and principal office of the Company is located at 401 Bay Street, Suite 3200, PO Box 153, Toronto, Ontario, Canada M5H 2Y4. The Company's telephone number is (416) 360-4710 and its website address is www.iamgold.com .

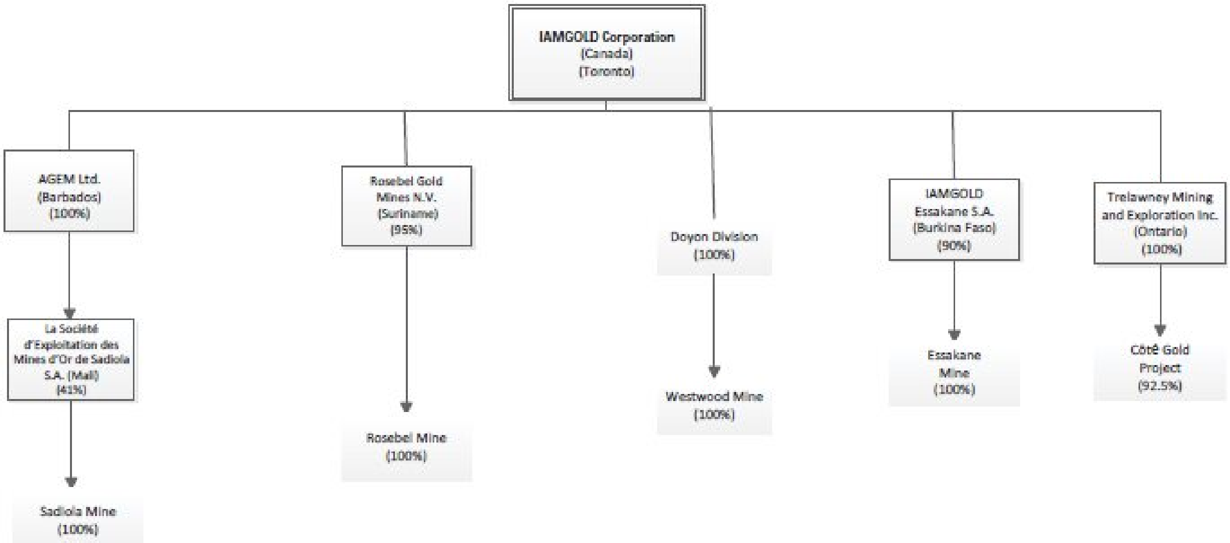
Item II General Development of the Business

1. Three-Year History

IAMGOLD is engaged primarily in the exploration for, and the development and production of, mineral resource properties throughout the world. Through its holdings, IAMGOLD has interests in various operations, exploration and development properties.

The following chart illustrates certain subsidiaries of IAMGOLD, together with the jurisdiction of incorporation of each such subsidiary and the percentage of voting securities beneficially owned or over which control or direction is exercised by IAMGOLD, and the material mineral projects of IAMGOLD held through such subsidiaries and the percentage of ownership interest that the relevant subsidiary of IAMGOLD has in such material mineral projects.

IAMGOLD's Corporate Structure



On January 15, 2014, the Company obtained a receipt for a final short form base shelf prospectus further to its filing of a preliminary short form base shelf prospectus previously announced on July 22, 2013 for the renewal of an existing facility with the securities regulators in each province and territory of Canada (except for Québec) and a corresponding shelf registration statement with the SEC in the United States. These filings allowed the Company to make offerings of shares, warrants, debt securities, subscription receipts or any combination thereof of up to $1 billion during the 25-month period following this filing in Canada, except for Quebec, and the United States. These filings expired in February 2016.

On March 6, 2014, the Company announced that it had finalized a five-year option agreement with Sarafina N.V. ("Sarafina") to acquire a 100 per cent interest in Sarafina's 10,000-hectare mining concession in Suriname, located 25 kilometres south-west from the Rosebel mine. The concession lies within the area of interest of the new joint venture with the Republic of Suriname established under the Second Amendment (as defined in Section 2.3 i) of Item III below). Any material processed at the Rosebel mine which originates from the Sarafina property will be eligible for a lower power rate under the terms of the Second Amendment. At any time during the five-year term of the option agreement, the Company may terminate the option or exercise the right to acquire the concession by paying $1 million to Sarafina. Sarafina is entitled under the option agreement to receive option payments totalling $575,000 over the five-year term. Sarafina has also been granted an NSR royalty of 1.6 per cent for any future mineral production from the property. In March 2015 and March 2016, the Rosebel mine made a second and third annual payment under the option agreement to Sarafina. The Company expects to make the 2017 annual payment under the option agreement on or before March 6, 2017.

On July 31, 2014, the Company announced that mining and milling operations at the Mouska mine ceased as the mine reached its end of life. All ore stockpiles were depleted, the balance of the gold doré inventory was sold and the assets derecognized in the third quarter of 2014.

On July 31, 2014, the Company declared commercial production at the Westwood mine in the Abitibi region of Québec. The Westwood mine hoisted ore at an average of 1,075 tonnes per day for the first 30 days of July. While the gold processing plant at the Westwood mine began processing in March 2013, the Westwood mine hoisted ore at a sustained level to sufficiently feed the processing plant to enable profitable production.

On August 3, 2014, the Company completed commissioning of a solar power plant in Suriname at the Rosebel mine. The solar plant has an installed capacity of 5 MW and is interconnected to Suriname's electric power grid system. All power generated from the solar plant is used by the Rosebel mine.

On October 3, 2014, the Company announced that it had reached a definitive agreement to sell its Niobec niobium mine to a group of companies led by Magris Resources Inc. for cash proceeds of $500 million after tax upon closing. The sale of the Niobec niobium mine included the adjacent rare earth elements deposit. The total consideration of $530 million for the transaction was comprised of a cash payment of $500 million payable on closing, as well as an additional $30 million when the adjacent rare earth elements deposit goes into commercial production. A two per cent gross proceeds royalty will be payable to the Company on any rare earth elements production.

On November 10, 2014, the Company announced that, in its continuing efforts to maximize economic returns, the Company has transformed its corporate structure with the primary objective of creating a more efficient and effective organization that embeds agility and scalability through the adoption of leading practices. Concurrent with these changes, the Company took further cost cutting initiatives and targeted a 10 per cent overall reduction of corporate general and administrative costs in the 2015 budget as well as productivity and cost reduction initiatives at the Rosebel and Essakane mines. The Company also decided to reduce a number of its corporate memberships, including withdrawal from the World Gold Council. On January 16, 2015, the Company announced that it received regulatory approvals to complete the sale of the Niobec niobium mine to the group of companies led by Magris Resources Inc. Such sale was completed on January 22, 2015. On closing, the Company received $500 million in cash after tax for the niobium business.

On January 22, 2015, the Company reported that a seismic event of rock bursts occurred in the confined area of the Westwood mine, which caused a localized underground ground fall. The Company reported that no employees were injured and all employees in the mine were evacuated. For both this event and the subsequent May 26, 2015 event reported below, gold production in the mill was not interrupted as the Westwood mine had sufficient stockpiles and had advanced underground development to the extent that it had many operating underground stopes from which to mine. However, mining in the specific area affected by the rock bursts was suspended until a situation analysis was completed, as worker safety remained a priority.

On February 2, 2015 and February 13, 2015, the Company issued 5,317,716 and 8,452,365 flow-through Common Shares for proceeds of C$20 million and C$30 million, respectively. The Company will apply all of the flow-through share proceeds raised to fund qualified exploration and development expenditures.

On March 23, 2015, the Company completed an agreement with Sandstorm Gold Ltd. to sell the Company's gross proceeds royalty over property in Lac de Gras in the Northwest Territories, Canada, including property constituting the Diavik diamond mine (the "Diavik Diamond Royalty"). The Diavik diamond mine is owned under an unincorporated joint venture structure whereby 60 per cent is owned by Diavik Diamond Mines Inc. ("DDMI"), a subsidiary of Rio Tinto plc, and 40 per cent is owned by Dominion Diamond Diavik Limited Partnership, a subsidiary of Dominion Diamond Corporation, and the mine is operated by DDMI. The Diavik Diamond Royalty was sold for total proceeds of $56.8 million, comprised of $52.5 million in cash on closing and three million five-year warrants for shares of Sandstorm Gold Ltd. exercisable after initial production from the Diavik Diamond Mine's A21 pipe at an exercise price of $4.50 and valued at $4.3 million based on the Company's internal valuation methodology.

On March 25, 2015, the Company announced the retirement of three of its directors who had been scheduled for re-election at the Company's annual meeting of shareholders on May 11, 2015. The board of directors appointed existing director Donald Charter as the new Chairman following the annual meeting of shareholders.

On May 26, 2015, the Company reported that a seismic event of rock bursts occurred in the confined area of the Westwood mine, which caused a localized underground ground fall. No employees were injured and all employees in the mine were evacuated.

On October 8, 2015, the Company announced that it had started a process to reduce by 10 per cent the number of employees at the Rosebel mine. During the two-year period preceding that date, the Company reduced its overall costs by approximately $175 million and improved productivity at all of its gold mines, resulting in a drop of the Company's all-in sustaining costs at its gold mines by $120 per ounce since the second quarter of 2013. The existing gold price environment required the Rosebel mine to initiate further action and adjust the size of its employee base accordingly.

On November 10, 2015, the Company announced that it acquired 21,473,838 common shares of Merrex Gold Inc. in settlement of debt owned by Merrex Gold Inc. pursuant to the Siribaya Joint Venture between the Company and Merrex Gold Inc.

On November 16, 2015, the Company announced that it had received regulatory approval from the French Financial Market Authority (*Autorité des Marchés Financiers* ("AMF")) of its simplified public tender offer, a draft of which had been filed on October 26, 2015, to acquire all of the outstanding common shares of EURO Ressources S.A. ("EURO") that the Company did not already own for cash consideration of €2.84 per share. The offer was open for a period of 20 trading days from November 16, 2015 until December 11, 2015. On November 25, 2015, the Company confirmed that following the conclusions of expert assessments of the seismic event that occurred in the Westwood mine on May 26, 2015, the Commission des normes, de l'équité, de la santé et de la sécurité du travail ("CNESST") authorized the start of remediation and recovery work in the level 104 mining block at the Westwood mine. Detailed and methodical planning will be carried out in compliance with the experts' recommendations and with the approval of the CNESST at each step.

On December 2, 2015, the Company announced that employees at the Rosebel mine in Suriname went on strike over the Company's process of laying off approximately 10 per cent of the mine's employees. The Company maintains that it followed the process required by law and offered a fair severance package, which over 50 per cent of the affected employees accepted.

On December 14, 2015, the Company reported that the employees had ended their illegal strike and that the Rosebel mine had resumed production.

On December 10, 2015, the Company announced the appointment of Sybil Veenman to its board of directors.

On December 17, 2015, the Company announced the closing of its simplified public tender offer for EURO which commenced on November 16, 2015. In conjunction with the conclusion of the offer, the Company acquired an additional 3.7 per cent interest in EURO for $7.2 million. As of December 31, 2015, the Company beneficially owns and controls approximately 90 per cent of the outstanding common shares of EURO.

On February 1, 2016, the Company announced the termination of its unsecured 2012 Amended Credit Facility and the closing of its secured revolving 2016 Credit Facility with the bank syndicate led and arranged by National Bank of Canada and Deutsche Bank. The secured 2016 Credit Facility consists of a fully committed $100 million with an option to potentially add a further $150 million. The secured 2016 Credit Facility will expire in February 2020 and the accordion is available under the same terms and conditions.

On March 16, 2016, the Company sold all 21,875,000 common shares of Galane Gold Ltd. ("Galane") held pursuant to an agreement by which Galane, indirectly, acquired ownership of the Mupane gold mine in Botswana, Africa from the Company, as originally announced by the Company on August 31, 2011. The Company no longer holds any common shares of, or warrants to purchase common shares of, Galane and thus holds a zero per cent interest in Galane's outstanding common shares.

During the first quarter of 2016, the Company issued 12 million flow-through Common Shares for proceeds of C$41 million to fund the development of the Westwood mine and sold approximately 135 thousand ounces of gold bullion for proceeds of approximately $170 million.

On April 6, 2016, the Company announced it has obtained a receipt for a final short form base shelf prospectus further to its filing of a renewed preliminary short form base shelf prospectus. Both the preliminary and final short form base shelf prospectuses were filed with securities regulators in each province and territory in Canada, except for the Province of Quebec and a corresponding registration statement was filed with the United States Securities Exchange Commission. These filings allow the Company to make offerings of common shares, first preference shares, second preference shares, debt securities, warrants, subscription receipts and any combination thereof of up to US$1 billion during the next 25 months in the United States and Canada, expect for the Province of Quebec.

On April 26, 2016, the Company announced that Ressources Québec Inc., a subsidiary of Investissement Québec Inc., joined IAMGOLD's revolving credit facility (the "2016 Credit Facility"), bringing an additional commitment of $38 million, effective April 25, 2016. On May 9, 2016, the 2016 Credit Facility was increased by a further US$2 million. The 2016 Credit Facility currently totals US$140 million and matures in February 2020. IAMGOLD maintains the potential to increase the total of the 2016 Credit Facility to US$250 million on the same terms as already agreed to with the existing lenders. On June 15, 2016, the Company reported final assay results from the 2016 winter DD program completed in April 2016 at the Monster Lake project in Québec, Canada, for which IAMGOLD has an option. The winter DD program totalled 8,105 metres from 21 DD holes.

On July 5, 2016, the Company reported for the Malikoundi deposit as part of IAMGOLD's Boto Project in Senegal additional drilling results from four deep DD holes totalling 2,341 metres completed to date during the 2016 drilling program.

On August 8, 2016, the Company commenced a tender offer to purchase for cash up to US$150 million of the principal amount of its 6.75% senior notes due 2020. On September 6, 2016, the Company announced the final results of the tender offer. As of the expiration date of the tender offer, US$145,863,000 aggregate principal amount of the senior notes, or approximately 23.0% of the senior notes outstanding, were validly tendered and not withdrawn pursuant to the tender offer, all of which tendered senior notes were purchased and cancelled by the Company.

On August 16, 2016, the Company announced that it completed a bought deal offering at a price of $5.15 per Share. A total of 44,677,500 Shares (including 5,827,500 Common Shares sold pursuant to the exercise in full by the underwriters of their over-allotment option) were sold in the offering for aggregate gross proceeds of US$230 million.

On August 29, 2016, Morgan Stanley Senior Funding, Inc., joined the 2016 Credit Facility, bringing an additional commitment of $30 million.

On August 31, 2016, the Company announced that it signed an agreement with the Republic of Suriname to acquire an interest in the Saramacca property with the intent of defining a NI 43-101 compliant mineral resource within the next 24 months. The Saramacca property, also known as Anomaly M, is located in the Republic of Suriname approximately 30 kilometres southwest of the Rosebel mill and immediately southeast of the Sarafina property optioned to IAMGOLD. The terms of the acquisition include an initial payment of US$200,000, which would enable immediate access to the property for the Rosebel mine's exploration team as well as access to data from previous exploration activity at Saramacca to conduct a due diligence review of the property. On December 19, 2016, the Saramacca property was transferred to the Rosebel mine in exchange for a payment of US$10 million to a corporation controlled by the Republic of Suriname. IAMGOLD will also issue an aggregate of 3,125,000 Common Shares in equal installments to a corporation controlled by the Republic of Suriname on each of the following three anniversaries of the Saramacca property transfer date. Adjustments to the purchase price will be calculated depending on the success of the drill program carried out by the Rosebel mine over the first 24 months, but will be capped at US$10 million.

On September 15, 2016, the Company announced additional drilling results from its 100 per cent owned Boto gold project in eastern Senegal, West Africa. The Company reported assay results from twenty-three DD holes at the Malikoundi deposit totaling 2,217 metres, completed prior to the commencement of the rainy season, including five DD holes that were deepened to target footwall mineralization and provide additional geotechnical information.

On December 22, 2016, the Company announced that it signed a definitive agreement with Merrex Gold Inc. to acquire, in an all-share transaction, all of the issued and outstanding shares of Merrex Gold Inc. not already owned by the Company. The transaction will proceed by way of a court-approved plan of arrangement under the BCBCA and is expected to close in the first quarter of 2017.

On December 30, 2016, the Company acquired some additional properties around the Côté Gold project from GoldON Resouces Ltd.

On January 26, 2017, the Company announced the positive results of a preliminary economic assessment for its Côté Gold project. The Company also received approval of the project's provincial environmental assessment from the Provincial Minister of the Environment and Climate Change on January 25, 2017, which follows the positive decision on the federal environmental assessment issued by the Federal Minister of the Environment and Climate Change in April 2016. Positive decisions on the federal and provincial environmental assessments for the project enable the Company to initiate applications on permits to support development following the completion of a pre-feasibility study.

On February 7, 2017, the Company announced the amendment of the 2016 Credit Facility, adding $80 million of additional commitments resulting in total commitments under the 2016 Credit Facility of $250 million, with similar terms and conditions.

On February 13, 2017, the Company provided an update from its initial exploration program at the Saramacca project in Suriname. The Company reported final assay results from the 2016 drilling program comprising of approximately 14,600 metres from 67 DD holes and 4,500 metres from 37 RC drill holes.

2. Other Disclosure Relating to Ontario Securities Commission Requirements for Companies Operating in Emerging Markets

Controls Relating to Corporate Structure Risk

IAMGOLD has implemented a system of corporate governance, internal controls over financial reporting, and disclosure controls and procedures that apply at all levels of the Company and its subsidiaries. These systems are overseen by the Company's board of directors, and implemented by the Company's senior management. The relevant features of these systems include:

(a) IAMGOLD's Control Over Subsidiaries. IAMGOLD's corporate structure has been designed to ensure that the Company controls, or has a measure of direct oversight over the operations of its subsidiaries. A substantial number of IAMGOLD's subsidiaries are either wholly-owned or controlled to a large extent by the Company. Accordingly, the Company directly controls the appointments of either all of the directors or such number of directors reflecting the Company's proportional ownership interest of its subsidiaries. The directors of IAMGOLD's subsidiaries are ultimately accountable to IAMGOLD as the shareholder appointing him or her, and IAMGOLD's board of directors and senior management. As well, the annual budget, capital investment and exploration program in respect of the Company's mineral properties are established by the Company.

Further, signing officers for subsidiary foreign bank accounts are either employees of IAMGOLD or employees of the subsidiaries. In accordance with the Company's internal policies, all subsidiaries must notify the Company's corporate treasury department of any changes in their local bank accounts including requests for changes to authority over the subsidiaries' foreign bank accounts. Monetary limits are established internally by the Company as well as with the respective banking institution. Annually, authorizations over bank accounts are reviewed and revised as necessary. Changes are communicated to the banking institution by the Company and the applicable subsidiary to ensure appropriate individuals are identified as having authority over the bank accounts.

(b) Strategic Direction. IAMGOLD's board of directors is responsible for the overall stewardship of the Company and, as such, supervises the management of the business and affairs of the Company. More specifically, the board is responsible for reviewing the strategic business plans and corporate objectives, and approving acquisitions, dispositions, investments, capital expenditures and other transactions and matters that are material to the Company including those of its material subsidiaries.

(c) Internal Control Over Financial Reporting. The Company prepares its consolidated financial statements and Management Disclosure & Analysis ("MD&A") on a quarterly and annual basis, using IFRS as issued by the International Accounting Standards Board, which require financial information and disclosures from its subsidiaries. The Company implements internal controls over the preparation of its financial statements and other financial disclosures to provide reasonable assurance that its financial reporting is reliable and that the quarterly and annual financial statements and MD&A are being prepared in accordancewith IFRS and relevant securities laws. These internal controls include the following:

(i) The Company has established a quarterly reporting package relating to its subsidiaries that standardizes the information required from the subsidiaries in order to complete the consolidated financial statements and MD&A. Management of the Company has direct access to relevant financial management of its subsidiaries in order to verify and clarify all information required.

(ii) All public documents and statements relating to the Company and its subsidiaries containing material information (including financial information) are reviewed by senior management, particularly, a Disclosure Committee, including the Chief Executive Officer, the Chief Financial Officer and internal legal counsel before such material information is disclosed, to make sure that all material information has been considered by management of the Company and properly disclosed.

(iii) As more fully described in paragraph (e), the Company's Audit Committee obtains confirmation from the Chief Executive Officer and Chief Financial Officer as to the matters addressed in the quarterly and annual certifications required under National Instrument 52-109— Certification of Disclosure in the Company's Annual and Interim Filings ("NI 52-109").

(iv) The Company's Audit Committee reviews and approves the Company's quarterly and annual financial statements and MD&A and recommends to the Company's board of directors for the board's approval of the Company's quarterly and annual financial statements and MD&A, and any other financial information requiring board approval, prior to their publication or release.

(v) The Company's Audit Committee assesses and evaluates the adequacy of the procedures in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements by way of reports from management and its internal and external auditor.

(vi) Although not specifically a management control, the Company engages its external auditor to perform reviews of the Company's quarterly financial statements and an audit of the annual consolidated financial statements in accordance with Canadian generally accepted auditing standards.

(d) Disclosure Controls and Procedures. The responsibilities of the Company's Audit Committee include oversight of the Company's internal control systems including those systems to identify, monitor and mitigate business risks as well as compliance with legal, ethical and regulatory requirements.

(e) CEO and CFO Certifications. In order for the Company's Chief Executive Officer and Chief Financial Officer to be in a position to attest to the matters addressed in the quarterly and annual certifications required by NI 52-109, the Company has developed internal procedures and responsibilities throughout the organization for its regular periodic and special situation reporting in order to provide assurances that information that may constitute material information will reach the appropriate individuals who review public documents and statements relating to the Company and its subsidiaries containing material information, is prepared with input from the responsible officers and employees, and is available for review by the Chief Executive Officer and Chief Financial Officer in a timely manner. These systems of corporate governance, internal control over financial reporting and disclosure controls and procedures are designed to ensure that, among other things, the Company has access to all material information about its subsidiaries.

Procedures of the Board of Directors of the Company

Fund Transfers from the Company's Subsidiaries to IAMGOLD

Funds are transferred by the Company's subsidiaries to the Company by way of wire transfer and/or cheque pursuant to a variety of methods which include the following: collection of monthly management fees; chargeback of costs undertaken on behalf of the subsidiaries via intercompany invoices by the Company; repayment of loans related to project funding; and dividend declaration/payment by the subsidiaries. The method of transfer is dependent on the funding arrangement established between the Company and the subsidiary. In some cases, loan agreements are established with corresponding terms and conditions. In other cases, dividends are declared and paid based on the profitability and available liquidity of the applicable subsidiary. Where regulatory conditions exist in the form of exchange controls, authority to return capital is obtained in advance of the funding of the subsidiary, from the appropriate government ministry by the Company and the applicable subsidiary.

Removal of Directors of Subsidiaries

Pursuant to joint venture agreements governing the operation of its Malian operations, the Company has the right at any time to appoint or remove directors of its Malian subsidiaries and has an effective veto over decisions concerning its Malian subsidiaries.

In respect of its wholly-owned subsidiaries, subject to applicable local corporate laws and the respective constating documents of each of the Company's wholly-owned subsidiaries, the Company may remove directors of these subsidiaries from office either by way of a resolution duly passed by the Company at a shareholders' meeting or by way of a written resolution.

Records Management of the Company's Subsidiaries

The original minute books, corporate seal and corporate records of each of the Company's subsidiaries are kept at each subsidiary's respective registered office. The Company maintains at its head office a duplicate set of such corporate records for all of its subsidiaries.

3. Risk Factors

The Company is subject to various risks arising from factors within or outside of its control. Such risks are broadly classified into two categories: financial and operational risks. Any occurrence could materially adversely affect among other things results from operations, profitability, cash flow and asset valuations. Any one risk factor could cause actual results to differ materially from those described in forward-looking statements relating to the Company. Additionally, should two or more adverse events occur simultaneously or within a relatively short period of time, there could be a compounding effect on results from operations, profitability, cash flow and asset valuations.

Financial Risks

Gold price fluctuations

The Company's revenues depend in part on the market gold prices for mine production from the Company's producing properties. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control including central bank lending, sales and purchases of gold, producer hedging activities, expectations of inflation, the level of demand for gold as an investment, speculative trading, the relative exchange rate of the U.S. dollar with other major currencies, interest rates, global and regional demand, political and economic conditions and uncertainties, industrial and jewellery demand, production costs in major gold producing regions and worldwide production levels. The aggregate effect of these factors is impossible to predict with accuracy. Fluctuations in gold prices may materially and adversely affect the Company's financial performance or results of operations and may result in adjustments to reserve estimates and life of mine plans. Continuous declining gold prices may result in a declining production profile and adverse financial performance. The Company does not currently hedge its gold sales.

Insufficient financing

To fund growth, the Company may need to secure necessary capital through loans or other forms of permanent capital. The availability of this capital is subject to general economic conditions and lender and investor interest in the Company and its projects. The future construction of mining facilities and the commencement of mining operations, such as at the Côté Gold project in Canada, as well as the exploration and development of the Company's properties, such as Boto, Diahka and Pitangui, including continuing exploration projects around the world require substantial capital expenditures. In addition, a portion of the Company's activities may be directed to the search and exploration for new mineral deposits and their development.

The Company may be required to seek additional financing and continuation of the current financial arrangements with its lenders to maintain its capital expenditures at planned levels. Financing may not be available when needed or, if available, may not be available on terms acceptable to the Company or the Company may be unable to find a partner for financing. Failure to obtain any financing necessary for the Company's capital expenditure plans may result in a delay or indefinite postponement of exploration, development or production on any or all of the Company's properties.

In addition, there can be no certainty that the Company may be able to renew or replace its current credit facility on similar or favourable terms to the Company prior to or upon its maturity.

Shareholder dilution

The adequacy of the Company's capital structure is assessed on an ongoing basis and adjusted as necessary after taking into consideration the Company's strategic plans, market and forecasted gold prices, the mining industry, general economic conditions and associated risks. In order to maintain or adjust its capital structure, the Company may adjust its capital spending, issue new Common Shares, purchase Common Shares for cancellation pursuant to normal course issuer bids, issue new debt, reimburse existing debt, amend or renew the 2016 Credit Facility or purchase or sell gold bullion.

The constating documents of the Company allow it to issue, among other things, an unlimited number of Common Shares for such consideration and on such terms and conditions as may be established by the board of directors of the Company, in many cases, without the approval of shareholders. The Company cannot predict the size of future issues of Common Shares or the issue of securities convertible into Common Shares of IAMGOLD or the effect, if any, that future issues and sales of the Company's Common Shares will have on the market price of its Common Shares. Any transaction involving the issue of previously authorized but unissued Common Shares or securities convertible into Common Shares would result in dilution, possibly substantial, to present and prospective holders of Common Shares.

Volatility of the Company's securities

The Common Shares of the Company are listed on the TSX and the NYSE. The price of the Common Shares has been and may continue to be subject to large fluctuations which may result in losses to investors. The price of the Common Shares is highly affected by short-term changes in the price of gold, in the Company's financial condition, results of operations and global economic conditions. The Company has a concentration of earnings and cash flow generated from a single commodity and the outlook for the gold price is uncertain. This may impair the Company's reputation and ability to raise capital. Given the current volatility in the gold price, the Company cannot predict its impact on its market capitalization.

Cost reduction initiatives

The Company's ongoing cost reduction initiatives may be compromised by external factors which, when combined, could cause potentially declining margins and an escalation of other costs at the Company. The Company's revenues are affected by the volatility in gold price. The combined effect of a sustained decline in the gold price with any escalation of operating costs that are tied to labour, energy, fuel, other consumables and increasing rock hardness, or any increase in royalties, negatively impacts the Company's earnings. Additionally, certain cost reduction initiatives may not be sustainable over a longer period of time or aligned with declining revenues and the Company may face the risk of having to pursue other measures to achieve margin protection and efficiency improvements.

Capital allocation

The Company's cash flows and cash balances are materially impacted by changes to the price of gold. Lower gold prices in the future may result in limiting the amount of operating and free cash flow available to the Company. Declining cash flow limits capital allocation to sustain operations and new investment in growth opportunities internally and externally which could result in lower production output.

Project risks

The ability of the Company 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, but are not limited to, the accuracy of reserve estimates; metallurgical recoveries; geotechnical and other technical assumptions; capital and operating costs of such projects; and the future prices of the relevant minerals. The significant capital expenditures and long time period required to develop new mines or other projects are considerable and changes in costs and market conditions or unplanned events or construction schedules can affect project economics. Actual costs and economic returns may differ materially from the Company's estimates or the Company could fail to obtain the governmental approvals necessary for the operation of a project, in which case, the project may not proceed either on its original timing or at all. The Company may be unable to develop projects that demonstrate attractive economic feasibility at low gold prices.

Indebtedness and restrictive covenants of the Company's debt instruments

The Company's level of indebtedness could adversely affect the Company, including making it more difficult to satisfy obligations with respect to the 2012 Senior Unsecured Notes and other debt; limiting the ability of the Company to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements; requiring the Company to divest assets; requiring a substantial portion of cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions and other general corporate purposes; increasing the vulnerability to general adverse economic and industry conditions; exposing the Company to the risk of increased interest rates as borrowings under the 2016 Credit Facility are at variable rates of interest; limiting the flexibility in planning for and reacting to changes in the industry in which the Company competes; placing the Company at a disadvantage compared to other, less leveraged competitors who may be able to take advantage of opportunities that the Company's indebtedness would prevent it from pursuing; and increasing the cost of borrowing. Additionally, the indenture governing the 2012 Senior Unsecured Notes and the 2016 Credit Facility agreement contain restrictive covenants that limit the Company's ability to engage in activities that may be in its long-term best interest.

In addition, the amount of the Company's debt/leverage may exceed its ability to service or repay the 2012 Senior Unsecured Notes. The Company expects to obtain the funds to pay its expenses and to pay the principal and interest on its debt by utilizing cash flow from operations. The Company's ability to make scheduled payments on the 2012 Senior Unsecured Notes also depends on its financial condition and operating performance, which are subject to prevailing economic and competitive conditions beyond its control, including fluctuations in the gold price. Sustained falling gold prices may result in the deterioration of free cash flow generation. The Company cannot be certain that its future cash flow from operations will be sufficient to allow it to pay principal and interest on its debt and meet other obligations, including under the 2012 Senior Unsecured Notes.

Credit facility defaults

The 2016 Credit Facility places certain limits on the Company, such as, on the Company's ability to incur additional indebtedness, enter into derivative transactions, make investments in a business, or carry on business unrelated to mining, dispose of the Company's material assets or, in certain circumstances, pay dividends. Further, the 2016 Credit Facility requires the Company to maintain specified financial ratios and meet financial condition covenants. Events beyond the Company's control, including changes in general economic and business conditions, may affect the Company's ability to satisfy these covenants, which could result in a default under the 2016 Credit Facility. As at February 17, 2017, approximately $3 million in the form of letters of credit, were drawn against the 2016 Credit Facility. Depending on its cash position and cash requirements, the Company may draw on the 2016 Credit Facility to fund, among other things, part of the capital expenditures required in connection with its current development projects. If an event of default under the 2016 Credit Facility occurs, the Company would be unable to draw down further on the 2016 Credit Facility and the lenders could elect to declare all principal amounts outstanding thereunder at such time, together with accrued interest, to be immediately due. An event of default under the 2016 Credit Facility may also give rise to an event of default under existing and future debt agreements and, in such event, the Company may not have sufficient funds to repay amounts owing under such agreements. Such a default may allow the creditors to accelerate repayment of the related debt and may result in the acceleration of any other debt containing a cross-acceleration or cross-default provision which applies. In addition, an event of default under the 2016 Credit Facility would permit the lenders thereunder to terminate all commitments to extend further credit under that facility. Furthermore, if the Company were unable to repay any amounts due and payable under the 2016 Credit Facility, those lenders could proceed against the security securing such indebtedness. In the event the Company's lenders or noteholders accelerate the repayment of the Company's borrowings, the Company may not have sufficient assets to repay that indebtedness. Furthermore, creditors could enforce or foreclose against the collateral securing its obligations and the Company could be forced into bankruptcy, receivership or liquidation.

As a result of these restrictions, the Company may be:

- limited in how it conducts its business;
- unable to raise additional debt or equity financing to operate during general economic or business downturns; or
- unable to compete effectively or to take advantage of new business opportunities

These restrictions may affect the Company's ability to grow in accordance with its strategy.

Credit rating downgrade

The Company and the 2012 Senior Unsecured Notes have non-investment grade ratings, and any rating assigned could be lowered or withdrawn entirely by a rating agency if, in that rating agency's judgment, future circumstances relating to the basis of the rating, such as adverse changes, so warrant.

Any future lowering of the Company's ratings likely would make it more difficult or more expensive for the Company to obtain additional debt financing.

Inadequate controls over financial reporting

The Company assessed and tested, for its 2016 fiscal year, its internal control procedures in order to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act ("SOX"). SOX requires an annual assessment by management of the effectiveness of the Company's internal control over financial reporting and an attestation report by the Company's independent auditors addressing the effectiveness of the Company's internal control over financial reporting. The Company's failure to satisfy the requirements of Section 404 of SOX on an ongoing and timely basis could result in the loss of investor confidence in the reliability of its financial statements, which in turn could harm the Company's business and negatively impact the trading price of its Common Shares or market value of its other securities. In addition, any failure to implement required new or improved control, or difficulties encountered in their implementation could harm the Company's operating results or cause it to fail to meet its reporting obligations.

No evaluation can provide complete assurance that the Company's internal control over financial reporting will detect or uncover all failures of persons within the Company to disclose material information required to be reported. Accordingly, the Company's management does not expect that its internal control over financial reporting will prevent or detect all errors and all fraud. In addition, the challenges involved in implementing appropriate internal control over financial reporting will increase and will require that the Company continue to improve its internal control over financial reporting.

Public company obligations

As a publicly traded company, listed on senior stock exchanges in Canada and the United States, the Company is subject to numerous laws, including, without limitation, corporate, securities and environmental laws, compliance with which is both very time consuming and costly. The failure to comply with any of these laws, individually or in the aggregate, could have a material adverse effect on the Company, which could cause a significant decline in the Company's stock price. The number of laws that the Company and its local operations must comply within a number of continents and jurisdictions increases the risks of non-compliance.

Furthermore, laws applicable to the Company constantly change and the Company's continued compliance with changing requirements is both very time consuming and costly. Adding to the significant costs of compliance with laws is the Company's desire to meet a high standard of corporate governance. The Company's continued efforts to comply with numerous changing laws and adhere to a high standard of corporate governance have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

Asset valuations

The Company tests the valuation of its property, plant and equipment and exploration and evaluation assets when indications of potential impairment or reversal of a previously recognized impairment are identified. As at December 31, 2016, no indicators of impairment or reversal of impairment were identified and the Company did not test the valuation of these assets.

Management's assumptions and estimates of future cash flows are subject to risk and uncertainties, particularly in market conditions where higher volatility exists, and may be partially or totally outside of the Company's control. Therefore, it is reasonably possible that changes could occur with evolving economic conditions, which may affect the fair value of the Company's property, plant and equipment and exploration and evaluation assets resulting in either an impairment charge or reversal of impairment.

If the Company fails to achieve its valuation assumptions or if any of its property, plant and equipment, exploration and evaluation assets or cash generating units have experienced a decline in fair value, an impairment charge may be required to be recorded, causing a reduction in the Company's earnings.

Conversely, if there are observable indicators that any of its property, plant and equipment, exploration and evaluation assets or cash generating units have experienced an increase in fair value, a reversal of a prior impairment may be required to be recorded, causing an increase in the Company's earnings.

A pre-feasibility study for the Cote Gold project is underway and expected to be completed in mid-2017.

The results of this study may or may not be an indication that a reversal of the $400 million impairment charge recognized in 2015 is required or that a further impairment is required.

Interest rates

The Company's financial results are affected by movements in interest rates. Interest payments under the 2016 Credit Facility are subject to fluctuation based on changes to specified interest rates. A copy of the credit agreement in connection with the 2016 Credit Facility is available under the Company's profile on SEDAR at www.sedar.com.

Taxes and tax audits

To provide a reasonable measure of protection against unforeseen changes to tax laws that apply to mining projects, stability agreements are in place with the governments of Burkina Faso, Mali and Suriname. The Company's interpretations of the stability agreement and the tax laws may not be the same as the regulatory authorities. Consequently, challenges to the Company's interpretations of the stability agreement and the tax laws by regulatory authorities could result in significant additional taxes, penalties and interest.

The Company is subject to routine tax audits by various tax authorities. Tax audits may result in additional tax, interest and penalties, which would negatively affect the Company's financial condition and operating results. Changes in tax rules and regulations or the interpretation of tax rules and regulations by the courts or the tax authorities may also have a substantial negative impact on the Company's business.

The Company periodically issues flow-through shares in respect of development and exploration expenditures. To be effective, such flow-through share issuances must comply with Canadian legislated tax requirements within specified time frames. In the event that the Company fails to comply with such legislated requirements, the Company may be subject to tax penalties and also may be obligated to compensate the purchasers of such flow-through shares for foregone tax benefits related to those shares.

Currency fluctuations

Currency fluctuations may affect the earnings and cash flows from the Company's operations since gold is sold in the world market in U.S. dollars but the costs of the Company are incurred principally in non-U.S. dollars (Canadian dollars, Euros, CFA francs and Surinamese dollars). The appreciation of currencies against the U.S. dollar increases the cost of gold production in U.S. dollar terms. While CFA francs currently have a fixed exchange rate to the Euro and the currency is currently convertible into Canadian and U.S. dollars, it may not always have a fixed exchange rate which may be changed to a floating rate and the fixed exchange rate may be reset by the governing bodies. The Surinamese dollar was changed from a fixed currency, pegged to the US dollar, to a floating currency. As a result, the Surinamese dollar is subject to changes that could impact the financial results of the Company's operations in Suriname.

Derivatives

The Company regularly employs derivative financial instruments to hedge in respect of input costs such as fuel oil, interest rates and/or currencies. Hedge products are generally used to manage the risks associated with, among other things, changes in fuel oil prices, interest rates and foreign currency exchange rates. Where the Company holds such derivative positions, the Company will deliver into such arrangements in the prescribed manner. The use of derivative instruments involves certain inherent risks including:

a) credit risk – the risk of default on amounts owing to the Company by the counterparties with which the Company has entered into such transactions;

b) market liquidity risk – the risk that the Company has entered into a derivative position that cannot be closed out quickly, by either liquidating such derivative instrument or by establishing an offsetting position; and

c) price/valuation risk – the risk that, in respect of certain derivative products, an adverse change in market prices for commodities, currencies or interest rates will result in the Company incurring a realized or unrealized (mark-to-market) loss in respect of such derivative products.

Litigation

The Company is subject to litigation arising in the normal course of business and may be involved in disputes with other parties, including governments and its workforce, in the future which may result in litigation. The causes of potential future litigation cannot be known and may arise from, among other things, business activities, environmental laws, volatility in stock price, failure to comply with disclosure obligations or the presence of illegal miners or labour disruptions at its mine sites. The results and costs of litigation cannot be predicted with certainty. If the Company is unable to resolve these disputes favourably, it may have a material adverse impact on the Company's financial performance, cash flow and results of operations.

In the event of a dispute involving the foreign operations of the Company, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. The Company's ability to enforce its rights or its potential exposure to the enforcement in Canada or locally of judgments from foreign courts could have an adverse effect on its future cash flows, earnings, results of operations and financial condition.

Cash management in foreign subsidiaries

The Company conducts its operations through subsidiaries, including foreign subsidiaries. Accordingly, any limitation on the transfer of cash or other assets between the parent corporation and subsidiary entities as well as requirements by local governments to sell gold bullion to local central banks could restrict the Company's ability to fund its operations effectively. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and stock price.

Operational Risks

Mineral Reserves and Mineral Resources

Mineral reserves and mineral resources are based on estimates of mineral content and quantity derived from limited information acquired through drilling and other sampling methods and requires judgmental interpretations of geology, structure, grade distributions and trends, and other factors. These estimates may change as more information is obtained. No assurance can be given that the estimates are accurate or that the indicated level of metal will be produced. Actual mineralization or formations may be different from those predicted. Further, it may take many years from the initial phase of drilling before production is possible, and during that time the economic feasibility of exploiting a discovery may change.

The SEC does not permit mining companies to disclose estimates other than mineral reserves in their filings with the SEC. However, because the Company prepares its Annual Information Form, and other continuous disclosure documents, in accordance with Canadian disclosure requirements, it contains resource estimates, which are required by NI 43-101. Mineral resources that are not mineral reserves do not have demonstrated economic viability. It cannot be assumed that all or any part of the Company's mineral resources will be converted into reserves.

Market price fluctuations of gold as well as increased production and capital costs, reduced recovery rates or technical, economic, regulatory or other factors may render the Company's proven and probable reserves unprofitable to develop or continue to exploit at a particular site or sites for periods of time or may render mineral reserves containing relatively lower grade mineralization uneconomic. Successful extraction requires safe and efficient mining and processing. Moreover, short-term operating factors relating to the mineral reserves, such as the need for the orderly development of ore bodies or the processing of new or different ore types, may cause mineral reserves to become uneconomical or the Company to be unprofitable in any particular reporting period. Estimated reserves may have to be recalculated based on actual production experience. Any of these factors may require the Company to reduce its mineral reserves and resources, which could have a negative impact on the Company's financial results. Failure to obtain or maintain necessary permits or government approvals, or revocation of or regulatory changes affecting necessary permits or government approvals, or environmental concerns could also cause the Company to reduce its mineral reserves. There is also no assurance that the Company will achieve indicated levels of gold recovery or obtain the prices for gold production assumed in determining the amount of such reserves. Anticipated levels of production may be impacted by numerous factors, including mining conditions, labour availability and relations, weather, seismic events and supply shortages.

Life of mine plans

The life of mine estimates for each of the material properties of the Company are based on a number of factors and assumptions and may prove to be incorrect. In addition, life of mine plans, by design, may have declining grade profiles and increasing rock hardness and mine life could be shortened if the Company increases production, experiences increased production costs or if the price of gold declines significantly. Reserves can be replaced by upgrading existing resources to mineral reserves generally by the completion of additional drilling and/or development to improve the estimate confidence and by demonstrating their economic viability, by expanding known ore bodies, by locating new deposits or by making acquisitions. Exploration is highly speculative in nature. The Company's exploration projects involve many risks and are frequently unsuccessful. Substantial expenditures are required to establish proven and probable reserves and to construct mining and processing facilities. As a result, there is no assurance that current or future exploration programs will be successful. There is a risk that depletion of reserves will not be offset by resource conversions, expansions, discoveries or acquisitions. The Westwood mine, in particular, has a relatively low quantity of proven and probable reserves compared to a relatively large quantity of inferred resources. Due to the nature and depth of the deposit, it will take many years to effectively access various sections of the ore body in order to carry out sufficient drilling to convert inferred resources to indicated and measured resources and, after economic assessment, into proven and probable reserves. The current life of mine business plan for the Westwood mine assumes that the inferred resources will be converted into proven or probable reserves on an ongoing basis and be mined and processed. For the reasons outlined above, there is a risk that some or all of the inferred resources at the Westwood mine may not be converted to proven or probable reserves to be mined and processed.

Mine closure

In the event of a sustained decline of the gold price and declining revenues, the Company may consider putting operation(s) on temporary care and maintenance whereby the Company would cease production, but keep the site in a condition to possibly reopen it at a later date. Additionally, closure plans may materialize earlier than planned to reflect market conditions. An unplanned catastrophic event such as an underground seismic activity or a major tailings breach could occur and cause a temporary or permanent mine closure. The closure costs may not be fully known for a period of time. The closure plan and site rehabilitation plan may be incomplete and not fully documented.

Coarse gold

Mineral reserve and mineral resource calculations for the gold operations may be over/under estimated as a result of coarse gold.

Some of the ore bodies at the Company's gold mines contain coarse gold with particles up to five millimetres in diameter. Attempts have been made to ensure that the grade samples used to determine mineral reserves and mineral resources are representative by using appropriate sample preparation and analytical techniques as part of comprehensive QA/QC programs. Additionally, the grade estimation methods used are designed to reduce and/or limit the impact of localized high grade assays. The actual grade of the deposits could be lower or higher than predicted by the grade models developed.

Consumables

The profitability of the Company's business is affected by the market prices and availability or shortages of commodities which are consumed or otherwise used in connection with the Company's operations and projects, such as diesel fuel and heavy fuel oil at the Essakane, Rosebel and Sadiola mines; electricity at the Sadiola, Rosebel and Westwood mines and steel, concrete, grinding media, equipment spare parts, explosives and cyanide at all operations. Prices of such commodities also can be subject to volatile price movements, which can be material and can occur over short periods of time, and are affected by factors that are beyond the Company's control. Operations consume significant amounts of energy and are dependent on suppliers or governments to meet these energy needs and to allow declines in oil prices to filter through to the Company. In some cases, no alternative source of energy is available. An increase in the cost, or decrease in the availability, of construction materials such as steel and concrete may affect the timing and cost of the Company's projects. If the costs of certain commodities consumed or otherwise used in connection with the Company's operations and projects were to increase significantly, and remain at such levels for a sustained period of time, the Company may determine that it is not economically feasible to continue commercial production at some or all of the Company's operations or the development of some or all of the Company's current projects, which could have a material adverse impact on the Company. Costs at any particular mining location are also subject to variation due to a number of factors, such as changing ore grade, changing metallurgy and revisions to mine plans in response to changes in the estimated physical shape and location of the ore body or due to operational or processing changes. Reported costs may also be affected by changes in accounting standards. A material increase in costs at any significant location could have a significant effect on the Company's capital expenditures, production schedules, profitability and operating cash flow.

Production costs

The Company's production and cost estimates depend on many factors outside the Company's control and may vary from actual production and costs, which could have an adverse impact on the Company's financial results.

Actual production and costs may vary from estimates for a variety of reasons, including actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; revisions to mine plans; risks and hazards associated with mining; natural phenomena, such as inclement weather conditions, and unexpected labour shortages or strikes. Costs of production may also be affected by a variety of factors such as changing strip ratios, ore grade metallurgy, labour costs, the cost of supplies and services, general inflationary pressures and currency exchange rates.

Equipment malfunctions

The Company's various operations may encounter delays in or losses of production due to the delay in the delivery of equipment, key equipment or component malfunctions or breakdowns, damage to equipment through accident or misuse, including potential complete write-off of damaged units, or delay in the delivery or the lack of availability of spare parts, which may impede maintenance activities on equipment. In addition, equipment may be subject to aging if not replaced, or through inappropriate use or misuse may become obsolete. Any one of these factors could adversely impact the Company's operations, profitability and financial results.

Legislative changes

The Company is subject to continuously evolving legislation, including, but not limited to, in the areas of labour, environment, land titles, mining practices and taxation. Any amendment to current laws and regulations, for example, as they pertain to the environment, the rights of leaseholders or the payment of royalties, net profits interests or similar amounts, or an overly strict enforcement thereof in countries where the Company has operations could have a material adverse impact on the Company's financial condition and/or results of operations. The Company participates in a number of industry associations to monitor changing legislation and quantify the impact of the changes in legislation and maintains a good dialogue with governmental authorities in that respect. However, the Company is unable to predict what legislation or revisions may be proposed that might affect its business or when any such proposals, if enacted, might become effective. Such changes, however, could require increased capital and operating expenditures or result in reduced revenues and could prevent, delay or prohibit certain operations of the Company.

Strategic plans

The Company operates in an environment with constantly changing variables that directly impact its business both in the short and long term. In order to keep abreast of current market conditions and fundamentals affecting the Company's business, the Company has a strategic planning process in place which regularly reviews its strategic plan to ensure that the Company is on track to meet its production and growth objectives efficiently. Given that unforeseen changes can occur at any time and that strategic plans are based upon certain conditions and assumptions that may not be valid, there can be no assurance that the Company's strategic planning process will be completely effective in developing a strategic plan that keeps pace with changing market conditions and is both appropriate for the Company and relevant, at all times, possibly resulting in a material adverse effect on the Company's business, financial condition and/or results of operations. The Company may also not be able to execute its strategic plan in a timely and efficient way.

Key employees

The Company's ability to effectively manage its corporate, exploration and operations teams depends in large part on the Company's ability to attract and retain key individuals in management positions and as senior leaders within the organization. This may be challenging especially in locations experiencing political or civil unrest and increasing levels of security threat. The success of the Company also depends on the technical expertise of its professional employees. The Company faces competition for qualified management, professionals, executives and skilled personnel from other companies. There can be no assurance that the Company will continue to be able to compete successfully with its competitors in attracting and retaining senior leaders, qualified management and technical talent with the necessary skills and experience to manage its current needs. The length of time required to recruit key personnel and fill a position may be longer than anticipated.

The failure to attract and retain capable leaders and key management professionals as well as qualified talent to manage the existing operations and projects effectively could have a material adverse effect on the Company's business, financial condition and/or operational results.

The Company faces an ageing workforce which may impact productivity and operational experience.

The Company is dependent on a relatively small number of key management personnel. Accordingly, the loss of one or more management staff could have an adverse effect on the Company. While the Company has succession plans in place for the board of directors and senior leadership organization including the chief executive officer, in the event of a loss of one or more individuals, there can be no assurance that key personnel may be replaced in a timely manner.

Labour disruptions

The Company is dependent on its workforce to extract and process minerals. Relations between the Company and its employees may be impacted by changes in labour relations which may be introduced by, among other things, employee groups, unions and the relevant governmental authorities in whose jurisdictions the Company carries on business. Labour disruptions at any of the Company's material properties could have a material adverse impact on its business, results of operations and financial condition. A number of the Company's employees are represented by labour unions under various collective labour agreements. In addition, existing labour agreements may not prevent a strike or work stoppage at the Company's facilities in the future, and any such work stoppage could have a material adverse effect on the Company's earnings and financial condition.

Political and legal risks

Mining investments are subject to the risks normally associated with any conduct of business in foreign and/or emerging countries including political; civil disturbance risks; changes in laws or policies of particular countries, including those relating to royalties, duties, imports, exports and currency; the cancellation or renegotiation of contracts; the imposition of royalties, net profits payments, tax increases or other claims by government entities, including retroactive claims; a disregard for due process and the rule of law by local courts; the risk of expropriation and nationalization; delays in obtaining or the inability to obtain necessary governmental permits or the reimbursement of refundable tax from fiscal authorities.

Threats or instability in a country caused by political events including elections, change in government, changes in personnel or legislative bodies, foreign relations or military control present serious political and social risk and instability causing interruptions to the flow of business negotiations and influencing relationships with government officials. Changes in policy or law may negatively impact operations and revenues. The risks include increased “unpaid” state participation, higher energy costs, higher taxation levels and potential expropriation. There is increasing regional and external pressure for higher levels of taxation.

Other risks include the potential for fraud and corruption by suppliers or personnel or government officials which may implicate the Company, compliance with applicable anti-corruption laws, including the *U.S. Foreign Corrupt Practices Act* and the *Canadian Corruption of Foreign Public Officials Act* by virtue of the Company operating in jurisdictions that may be vulnerable to the possibility of bribery, collusion, kickbacks, theft, improper commissions, facilitation payments, conflicts of interest and related party transactions and the Company’s possible failure to identify, manage and mitigate instances of fraud, corruption, or violations of its code of conduct and applicable regulatory requirements.

There is also the risk of increased disclosure requirements, including those pursuant to the *Dodd-Frank Wall Street Reform and Consumer Protection Act* ; currency fluctuations; restrictions on the ability of local operating companies to sell gold offshore for U.S. dollars, and on the ability of such companies to hold U.S. dollars or other foreign currencies in offshore bank accounts; import and export regulations, including restrictions on the export of gold or on the import, for further gold processing, of by-products from the gold extraction process having residual gold content; limitations on the repatriation of earnings or on the Company’s ability to assist in minimizing its expatriate workforce’s exposure to double taxation in both the home and host jurisdictions; and increased financing costs.

These risks may limit or disrupt operating mines or projects, restrict the movement of funds, cause the Company to have to expend more funds than previously expected or required, or result in the deprivation of contract rights or the taking of property by nationalization or expropriation without fair compensation, and may materially adversely affect the Company’s financial position and/or results of operations. In addition, the enforcement by the Company of its legal rights in foreign countries, including rights to exploit its properties or utilize its permits and licenses and contractual rights may not be recognized by the court systems in such foreign countries or enforced in accordance with the rule of law.

The Company also currently conducts mining, development and exploration activities in countries with developing economies. It is difficult to predict the future political, social and economic direction of the countries in which the Company operates, and the impact government decisions may have on its business. Any political or economic instability in the countries in which the Company currently operates could have a material and adverse effect on its business and results of operations.

Operations in Burkina Faso, Mali and Suriname are governed by mineral agreements with local governments that establish the terms and conditions under which the Company’s affairs are conducted. These agreements are subject to international arbitration and cover a number of items, including the duration and renewal terms of exploration permits and mining licenses/operating permits; supply and repayment of funds for capital investments; the right to export production; distribution of dividends; shareholder rights and obligations for the Company, joint venture partners, and the government in respect of their ownership; labour matters; the right to hold funds in foreign bank accounts and in foreign currencies; taxation rates; and the right to repatriate capital and profits.

While the governments of most of the countries the Company operates in have modernized or are in the process of modernizing their mining regimes and are generally considered by the Company to be mining friendly, no assurances can be provided that this will continue in the future. The economy and political systems of Suriname, Burkina Faso and Mali should be considered to be less predictable than in countries such as Canada and the United States.

It is possible that a current or future government may adopt substantially different policies or take arbitrary action which might halt exploration or production, nationalize assets or cancel contracts and/or mining and exploration rights and/or make changes in taxation treatment any of which could have a material and adverse effect on the Company’s future cash flows, earnings, results of operations and/or financial condition.

Security risks

The Company has operations in foreign countries which may present security risks such as civil unrest, war or terrorism. The Company may be exposed to situations or persons that may pose security threats to personnel and facilities. Loss of life, intellectual property, physical assets and reputation can have a devastating impact on the business.

There has been an increase of terrorist incidents and activities around the world, including in the Sahel area in Africa, in which the Company’s Essakane mine is located. Jihadist activity in Mali and Burkina Faso has increased, presenting a serious security risk to the Company’s Burkinabe and Malian operations and its employees.

Acquisitions and divestitures

The Company may pursue the acquisition or disposition of producing, development or advanced or early stage exploration properties and companies. The search for attractive acquisition opportunities and dispositions of existing assets and the completion of suitable transactions are time consuming and expensive, and may be unsuccessful. The Company’s success in its acquisition and disposition activities depends on its ability to identify suitable candidates, negotiate acceptable terms for any such transaction, obtain necessary regulatory approvals and integrate the acquired operations successfully with those of the Company. Any acquisition or disposition that the Company may choose to complete may be of a significant size, may change the scale of the Company’s business and operations and may expose the Company to new geographic, political, operational, financial and geological risks. For example, there may be a significant change in commodity prices after the Company has committed to complete an acquisition and established the purchase price or share exchange ratio; a material ore body may prove to be below expectations; the Company may have difficulty integrating and assimilating the operations and personnel of any acquired companies, realizing anticipated synergies, maximizing the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls across the organization; the integration of the acquired business or assets may disrupt the Company’s ongoing business and its relationships with employees, suppliers and contractors; and the acquired business or assets may have unknown liabilities which may be significant. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions or dispositions.

Health risks

The Company is exposed to pandemics like malaria and other diseases, such as dengue, chikungunya, Zika and other flu like viruses (e.g. avian, swine). Such pandemics and diseases represent a serious threat to maintaining a skilled workforce in the mining industry in Africa and in South America and is a major healthcare challenge for the Company.

In addition, unsafe work conditions or equipment, transportation of personnel or insufficient worker training may expose personnel to potentially serious occupational and workplace accidents causing injuries and or potential fatalities while working at, or travelling to or from, an operating mine. Defective electrical wires or the short circuit of equipment may cause a major fire at the Westwood mine. In addition, with the development of the Westwood mine, personnel are exposed to heat stress due to the increase in temperature at deeper levels which may result in heatstroke and loss of productivity. The Company’s employees are also exposed to chemical, biological and physical agents that may result in occupational illnesses like, but not limited to, Raynaud's disease, cancers and hearing loss.

There can be no assurance that the Company will not lose members of its workforce or see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks, which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

Environmental and health and safety issues

The Company's mining and processing operations and exploration activities are subject to extensive laws and regulations, including, but not limited to, those governing the protection and rehabilitation or remediation of the environment, exploration, mine development, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, mine and worker safety, relations with neighbouring communities, protection of endangered and other special status species and other matters.

A major spill or failure of the tailings facilities may cause damage to the environment and the communities. Poor design or poor maintenance of the tailings dam structures or improper management of site water may contribute to dam failure or tailings release and could also result in damage or injury. Failure to comply with applicable environmental, health and safety laws and regulations may result in injunctions, fines, suspension or revocation of permits and other penalties. The costs and delays associated with compliance with these laws, regulations and permits could prevent the Company from proceeding with the development of a project or the operation or further development of a mine or increase the costs of development or production and may materially adversely affect the Company's business, results of operations or financial condition. The Company may also be held responsible for the costs of investigating and addressing contamination (including claims for natural resource damages) or for fines or penalties to governmental authorities relating to contamination issues at current or former sites, either owned directly or by third parties. The Company could also be held liable for claims relating to exposure to hazardous and toxic substances and major spills or failure of the tailing facilities, which could include a breach of a tailings dam. The costs associated with such responsibilities and liabilities may be significant, be higher than estimated and involve a lengthy clean-up.

Despite all measures undertaken by the Company on its own accord and/or implementing recommendations from external reviews, the Company may be liable to third parties for exposure through contamination, emissions and hazardous materials. The costs associated from such liabilities can be substantial and the payment of such liabilities could have a material adverse effect on the Company's ongoing operations. Should the Company be unable to fully fund the cost of remedying such environmental concerns, the Company may be required to suspend operations temporarily or permanently. The Company mitigates the likelihood and potential severity of these environmental risks through the application of high operating standards and proactive governance and oversight measures including engagement of third party specialists.

The Company has undertaken a review of its long-term tailings disposition plan, which included an assessment of the benefits of operating the plant as part of the Essakane mine's long-term tailings strategy and the development of a regional hydrology model.

Cyanide is used in the gold leaching process, which makes emissions, effluents and waste a key issue for the Company. Such measures, including corrective action taken to address the detection of cyanide and other metals in the groundwater near the Essakane mine, and any additional measures required to address effluent compliance, fines and costs and/or the effluent quality at any location may have a negative impact on the Company's financial condition and/or results of operations.

In certain countries in which the Company has operations, it is required to submit, for government approval, a reclamation plan for each of its mining sites that establishes the Company's obligation to reclaim property after minerals have been mined from the site. In some jurisdictions, bonds, letters of credit or other forms of financial assurances are required as security for these reclamation activities. The Company may incur significant costs in connection with these reclamation activities, which may materially exceed the provisions the Company has made for such reclamation. In addition, the unknown nature of possible future additional regulatory requirements and the potential for additional reclamation activities create further uncertainties related to future reclamation costs, which may have a material adverse effect on the Company's financial condition, liquidity or results of operations.

Failure of the hydrostatic plug at the Westwood mine

With the closure of the Doyon mine, a hydrostatic plug was built and installed to separate the underground workings of the Doyon and Westwood mines permanently and completely and allow disposal of the Westwood mine tailings in the Doyon pit. It is possible that over time, the plug might deteriorate or there might be some fracture of the rock mass which may damage the hydrostatic plug and cause it to fail resulting in flooding of the Westwood mine and unwanted discharge and contamination. If such an event were to occur, or if extraordinary mitigation activities are required to prevent such an occurrence, it may have a material adverse effect on the Company's financial condition, liquidity or results of operations.

Permitting

The operations and exploration and development projects of the Company require licenses and permits from various governmental authorities to exploit and expand its properties, and the process for obtaining and renewing licenses and permits from governmental authorities often takes an extended period of time and is subject to numerous delays, costs and uncertainties. Any unexpected delays or costs or failure to obtain such licenses or permits associated with the permitting process could delay or prevent the development of the Côté Gold or other development project or impede the operation of a mine or the expansion of the Sadiola mine, which could adversely impact the Company's operations, profitability and financial results. In the case of the Sadiola Sulphide Project ("SSP") at the Sadiola mine, the current mining convention agreement with the Government of Mali will expire in 2020 and the Company may be unable to obtain an extension of it under favourable terms or appropriate permit and power agreement approvals and fiscal terms from the Government of Mali in which case the SSP may not proceed.

The licenses and permits described above are subject to change in various circumstances. Failure to comply with applicable laws and regulations may result in injunctions, fines, suspensions or revocation of permits and licenses, and other penalties. There can be no assurance that the Company has been or will be at all times in compliance with all such laws and regulations and with its licenses and permits or that the Company has all required licenses and permits in connection with its operations. The Company may be unable, on a timely basis, to obtain, renew or maintain in the future all necessary licenses and permits that may be required to explore and develop its properties, maintain the operation of mining facilities and properties under exploration or development or to maintain continued operations that economically justify the cost.

The Company's ability to obtain and maintain required permits and approvals and to successfully operate in particular communities may be adversely impacted by real or perceived detrimental events associated with the Company's activities or those of other resource companies affecting the environment, human health and safety of the surrounding communities. Delays in obtaining or failure to obtain, renew, or retain government permits and approvals may adversely affect the Company's operations, including its ability to explore or develop properties, commence production or continue operations.

Land title

The validity of exploration, development and mining interests and the underlying mineral claims, mining claims, mining leases, tenements and other forms of land and mineral tenure held by the Company, which fundamentally constitute the Company's property holdings, can be uncertain and may be contested and the Company's properties are subject to various encumbrances, including royalties. The loss of any such exploration, development, mining or property interests, individually or in the aggregate, could have a material adverse effect on the Company, which could cause a significant decline in the Company's stock price.

The acquisition of an interest in mineral properties is a very detailed and time consuming process, and the Company's interest in its properties may be affected by prior unregistered encumbrances, agreements or transfers, or undetected defects. Several of the Company's claims, leases, licenses, permits or authorizations will need to be renewed and on renewal, if renewed, the claim, lease, license, permit or authorization may cover a smaller area. There is a risk that the Company may not have free and clear or good and marketable title to all of its property interests, or that they may be subject to challenge or impugned in the future. Although the Company has attempted to acquire satisfactory interests in its properties, some risk exists that some interests, particularly interests to exploration and undeveloped properties, may be defective. A successful challenge to the Company's interests in its properties could result in the Company being unable to operate on its properties as anticipated or being unable to enforce its rights with respect to its properties which could have a material adverse effect on the Company. Assuming the Company has good and marketable title to its immediate operating interests, in order to operate efficiently, the Company may further need to acquire additional interests, such as surface rights, easements or rights of way, which may encroach on the title to property of third parties. There is no guarantee that such further interests, easements or rights of way necessary for the Company's operations may be acquired by the Company and the failure to acquire same, or to acquire the same in a timely fashion, may materially impede the Company's operations or development projects, which could have a material adverse effect on the Company and which could cause a significant decline in the Company's stock price.

Failure by the Company to meet its payment and other obligations pursuant to laws governing its mineral claims, mining claims, mining leases, tenements and other forms of land and mineral tenure could result in the loss of its material property interests which could have a material adverse effect on the Company and which could cause a significant decline in the Company's stock price.

Competitors

The Company competes with other mining companies and individuals, including competitors with greater financial, technical or other resources, for mining interests on attractive exploration properties and the acquisition of mining assets. This may increase the risk of higher costs when acquiring suitable claims, properties and assets or of even making such acquisitions on terms acceptable to the Company. There can be no assurance that the Company will be able to compete successfully with its competitors in acquiring such properties and assets.

Force majeure

The Company's business is subject to a number of risks and hazards generally, including, without limitation, adverse environmental conditions and hazards, unavailability of materials and equipment, adverse property ownership claims, unusual or unexpected geological conditions, ground or slope failures, pit wall failures, rock bursts, rock falls, landslides, cave-ins, deterioration of the surrounding ground, dam failures, floods, fire, seismic activity, earthquakes, changes in the regulatory environment, industrial accidents, including those involving personal injuries or fatalities, labour force disruptions or disputes, gold bullion losses due to natural disasters or theft and other natural or human-provoked incidents that could affect the mining of ore and the Company's mining operations and development projects, most of which are beyond the Company's control, and many of which are not economically insurable. In addition, the Company has encountered other natural phenomena such as severe weather conditions which include considerable rainfall at the Rosebel and Sadiola mines or drought, water shortages or sand storms at the Essakane mine. These risks and hazards could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, monetary losses and possible legal liability.

As a result, production could fall below historic or estimated levels and the Company may incur significant costs or experience significant delays that could have a material adverse effect on the Company's financial performance, liquidity and results of operations.

Geotechnical

Mining, by its very nature, involves the excavation of soils and rocks. The stability of the ground during and after excavation involves a complicated interaction of static and dynamic stresses (including induced stresses such as blasting), gravity, rock strength, rock structures (such as faults, joints, and bedding), groundwater pressures and other geomechanical factors. Underground workings, pit slopes, and other excavations may be subject to local or widespread geotechnical failure should the forces acting on the rock mass exceed the strength of that rock mass.

Additionally, excavated ore and waste may be deposited in dumps or stockpiles, or used in the construction of tailings dams and roads or other civil structures, which may be very large. These dumps, stockpiles, dams, etc. may also be subject to geotechnical failure due to over-steepening, seismically induced destabilization, water saturation, material degradation, settling, overtopping, foundation failure or other factors.

The Company employs internal geotechnical experts, external consultants and third party reviewers and auditors who use industry-standard engineering data gathering, analyses, techniques and processes to manage the geotechnical risks associated with the design and operation of a mine and the related civil structures. However, due to unforeseen situations and to the complexity of these rock masses and large rock and soil civil structures, geotechnical failures may still occur which could result in the temporary or permanent closure of all or part of a mining operation and/or damage to mine infrastructure, equipment or facilities, which materially impacts mineral production and/or results in additional costs to repair or recover from such geotechnical failures and the resulting damage.

In January and May of 2015, localized falls of ground occurred at the Westwood mine in Quebec caused by seismic events. In both instances, miners were temporarily trapped as a result and, once the fallen ground material was removed, were able to exit the mine safely. Subsequent to the May 2015 event, mining in the affected area was suspended until December 2015. In-house and external experts in rock mechanics rigorously investigated the causes of the seismic event and made recommendations for changes to mine designs, enhanced ground control measures and recovery of the damaged sections of the mine. These recommendations have been subsequently reviewed and accepted by both a group of independent geotechnical experts and by another independent geotechnical expert on behalf of the Quebec provincial health and safety authorities (Commission des normes, de l’équité, de la santé et de la sécurité du travail (“CNESST”)). During 2016, work has been undertaken to stabilize, re-access and rehabilitate the affected zone to permit future mining of the ore in that zone.

The Company cannot guarantee that another severe seismic event would not occur which could impact the production ramp-up due to deep mining, rock strength, variability of the rock mass and regional seismic activity.

Insurance and uninsured risks

Where economically feasible and based on availability of coverage, a number of operational, financial and political risks are transferred to insurance companies. The availability of such insurance is dependent on the Company’s past insurance losses and records and general market conditions. Available insurance does not cover all of the potential risks associated with a mining company’s operations. The Company may also be unable to maintain insurance to cover insurable risks at economically feasible premiums, insurance coverage may not be available in the future or may not be adequate to cover any resulting loss, and the ability to claim under existing policies may be contested. Moreover, insurance against risks such as the validity and ownership of unpatented mining claims and mill sites and environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. As a result, the Company might become subject to liability for environmental damage or other hazards for which it is completely or partially uninsured or for which it elects not to insure because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

Joint ventures

The Company operates certain of its properties through joint ventures and is subject to the risks normally associated with the conduct of joint ventures.

Risks relating to joint ventures include reduced ability to exert control over strategic, tactical and operational decisions made in respect of such properties; disagreement with partners on how to develop and operate mines efficiently; inability of partners to meet their obligations to the joint venture or third parties; and litigation between partners regarding joint venture matters. Any failure of such joint venture partners to meet their obligations to the Company or to third parties, or any disputes with respect to the parties' respective rights and obligations, could have a material adverse effect on the joint ventures or their respective properties, which could have a material adverse effect on the Company's financial condition and/or results of operations.

Non-controlled assets

Some of the Company's assets are controlled and managed by other companies or joint venture partners. Some of the Company's partners may have divergent business objectives and/or practices which may impact business and financial results. Management of the Company's joint venture assets may not comply with the Company's management and operating standards, controls and procedures (including with respect to health, safety and the environment). Failure to adopt equivalent standards, controls and procedures at these assets or improper management or ineffective policies, procedures or controls could not only adversely affect the value of the related non-managed assets and operations but could also lead to higher costs and reduced production and adversely impact the Company's results and reputation and future access to new assets.

The Sadiola mine has a limited number of options to continue operations, as oxide ore is being depleted and any delays or failure to develop the SSP will lead to an early closure of the mine or put the operation on temporary care and maintenance. The delay or lack of approval of the SSP by the Government of Mali and the failure to reach an agreement with the Company's joint venture partner has changed the economics of the SSP's development in light of the current life of mine for the SSP. In addition, there may be insufficient availability and reliability of the grid power to supply the SSP and the electricity costs might be higher than planned. The SSP may become uneconomic and mining may cease in 2018, or earlier, which will lead to an early closure of the mine. This will probably result in potential write-offs of assets and adjustment to the estimated restoration and closure costs for the Sadiola mine.

Infrastructure and water access

Certain operations of the Company are carried out in geographical areas both inside and outside Canada which lack adequate infrastructure and are subject to various other risk factors, including the availability of sufficient water supplies.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources, and water supply are important determinants which affect capital and operating costs. Lack of such infrastructure or unusual or infrequent weather phenomena, sabotage, terrorism, community constraints, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations, financial condition and/or results of operations.

The Company's failure to obtain needed water permits, the loss of some or all of the Company's water rights for any of its mines or shortages of water due to drought or loss of water permits could require the Company to curtail or close mining production and could prevent the Company from pursuing expansion opportunities.

Community risk

Surrounding communities may affect or threaten the security of the mining operations through the restriction of access of supplies and the workforce to the mine site or the conduct of artisanal and illegal mining at or near the mine sites. Certain of the material properties of the Company may be subject to the rights or asserted rights of various community stakeholders, including aboriginal and indigenous peoples, through legal challenges relating to ownership rights or rights to artisanal mining.

Threats to the security of the mines and its personnel due to artisanal mining, political unrest, civil wars or terrorist attacks may adversely impact the Company's mining operations. Artisanal miners may make use of some or all of the Company's properties. The Company is exposed to artisanal and illegal mining activities in close proximity to its operations that may cause environmental issues and disruptions to its operations and relationships with governments and local communities. Existing legislation in Suriname is outdated with respect to the management of illegal miners and this, when combined with lax enforcement of the current legislation, has a negative impact on the Company's operations. It is difficult for the Company to control access to concessions due to the size of the Rosebel mine's operations and the geographical characteristics and topography of the site.

Similarly, the unstable political environment in Burkina Faso has led to turmoil in the surrounding communities, protests and destabilization of the country. This has resulted in increased costs for securing the Essakane mine site and protecting its workers and facilities. In addition, there are artisanal miners operating in the vicinity of the Essakane mine, which also presents challenges for the Company.

Engagement with indigenous peoples in Canada has recently become more contested in the wake of several decisions by the Canadian Supreme Court that have expanded First Nations' rights and consultation requirements within the context of resource development. These decisions have heightened the risks for mining companies in Canada. Many First Nations communities have increased their advocacy with respect to claimed entitlements regarding resource development projects within their traditional territories. The Company is continuing its engagement activity with both First Nations and the Métis on the Côté Gold project in Ontario. In Québec, the Company has been approached by the Abitibiwinni First Nations regarding the Westwood mine and will be increasing its engagement with this First Nation community going forward.

Operations, development projects, or exploration activities could be impacted through access blockages, equipment or property damage, permitting delays or blockages, or other impediments as a result of community actions, actions by artisanal miners, or as a result of actions related to aboriginal or indigenous relationships, which may have a material negative impact on the Company.

Information systems security threats

The Company is reliant on the continuous and uninterrupted operation of its Information Technology ("IT") systems. The majority of the fixed and mobile major equipment at the mining operations is operated and controlled through extensive, integrated instrumentation systems which are linked to the Company's other IT networks. User access and security of all IT systems can be critical elements to the operations of the Company. Protection against cyber security incidents, cloud security and security of all of the Company's IT systems are critical to the operations of the Company. Any IT failure pertaining to availability, access or system security could result in disruption for personnel and could adversely affect the reputation, operations or financial performance of the Company.

The Company's IT systems could be compromised by unauthorized parties attempting to extract business sensitive, confidential or personal information, purposefully or inadvertently damaging operating equipment, interfering with normal equipment operation, corrupting information or disrupting business processes or by inadvertent or intentional actions by the Company's employees or vendors. A cyber security incident resulting in a security breach or failure to identify a security threat could disrupt business and could result in the loss of business sensitive, confidential or personal information or other assets, as well as litigation, regulatory enforcement, violation of privacy or securities laws and regulations, and remediation costs, which could materially impact the Company's business or reputation.

Climate change

The Company acknowledges climate change and that the increased regulation of greenhouse gas emissions (such as carbon taxes) may adversely affect the Company's operations, and related legislation is becoming more stringent. The effects of climate change or extreme weather events may cause prolonged disruption to operations and/or the delivery of essential commodities which could negatively affect production efficiency.

The Company makes efforts to mitigate climate risks by ensuring that extreme weather conditions are included in its emergency response plans. However, there is no assurance that the response will be effective or that the physical risks of climate change will not have an adverse effect on the Company's operations and profitability. Canada's federal and provincial legislation impose mandatory greenhouse gas emissions reporting requirements and the Company's Westwood mine in the Province of Quebec is subject to a cap-and-trade regulation.

Innovation

With volatility in the price of gold and the Company's focus on cost reduction initiatives, the Company has limited funds available for investment in innovation and new technology. The Company deals with particularly challenging environments both in the underground and open pit operations. While the Company has made progress in leveraging technology such as solar panels for energy and the use of electrical mobile equipment, the Company may not be able to keep pace with innovations affecting the mining industry and leverage technology that may further drive investment and growth.

Preliminary economic assessments of greenfield projects

The Company internally and/or along with third party specialists conducts preliminary economic assessment on greenfield projects such as Côté Gold to evaluate the economic viability of the project and to identify additional work necessary to complete more advanced mining studies. The results of the preliminary economic assessment represent forward-looking information that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such information. Such information speaks only as of the date of the assessment report, and is based on a number of assumptions which are believed to be true as of that date but which may prove to be incorrect in the future. The preliminary economic assessment is exploratory in nature and may include inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. A preliminary economic assessment may show a positive financial return and can be used to support a decision to proceed to more advanced mining studies, however, there is no certainty that the preliminary economic assessment may be realized. Further details on the Côté Gold Report is provided in Section 1.2 of Item III below, including the qualifications and assumptions made in connection with the preliminary economic assessment.

The analyses in preliminary economic assessments are based on, among other things, royalty rates, mineral resources included in the mine plan, ore treated in the process plant, support from the projected infrastructure requirements, doré marketing assumptions, permitting, social and environmental regime considerations and capital and operating cost estimates.

Item III Description of the Business

1. <u>Mining Activities—Canada</u>

In Canada, the Company owns the Westwood mine in Québec and the Côté Gold project, a development project located in Ontario.

1.1 Doyon Division—Westwood Mine

Unless stated otherwise, the information in this section is based upon the technical report (the ''Westwood Report'') entitled ''Westwood Mine NI 43-101 Technical Report" as of December 31, 2016 prepared by Ronald G. Leber, Emilie Williams, Jérôme Girard and Daniel Vallièrers dated February 16, 2017". The

Westwood Report has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. Portions of the following information are based on assumptions, qualifications and procedures which are not fully described herein. Reference should be made to the full text of the Westwood Report which is available for review on SEDAR at www.sedar.com.

i) Property Description, Location and Access

The Westwood mine covers an area of 2 square kilometres (196.2 Ha) in the municipality of Preissac, in Bousquet Township, approximately 40 km east of the town of Rouyn-Noranda, in the province of Quebec, Canada. The Westwood mine is located entirely within the limits of the Doyon division mining property, which covers an area of 28 square kilometres (2,875 ha).

The Doyon Division mining property and the Westwood mine are held 100 per cent by IAMGOLD. There are no agreements, joint venture partners, or third party obligations attached to the Westwood mine. All the necessary permits were obtained to build all the required surface infrastructures and the mine is completely located within the surface leases.

The Doyon division mining property consists of, among others, one mining lease for the Westwood mine. Three tailing surface leases (P.R. 999780, P.R. 999794 and P.R. 999803) are superimposed over parts of the property. The titleholder name of all the claims and leases is IAMGOLD Corporation at 100 per cent and all such claims are situated in Bousquet Township.

The property is located on Arthur Doyon Road, 4 kilometre east from the intersection of Mont-Brun Road and Arthur Doyon Road. There are presently two routes leading to this intersection:

- From the south, the intersection is accessible via the paved Provincial road no. 117 which connects Rouyn-Noranda and Val-d'Or, then 1 kilometre towards the North via the secondary paved road leading to Mont-Brun and Aiguebelle National Park (Mont-Brun Road); and
- From the north, the intersection is accessible via the Mont-Brun Road, which connects to the paved Provincial road no. 117 and the paved Regional road no. 101 though the municipalities of Mont Brun, Cléricy and D'Alembert.

A number of roads were developed on the property to access the Westwood shaft site and other infrastructure.

Work requirements per mineral claim vary from $1,000 to $2,500 per two year period in general depending of its size and any excess of work credits may be applied for subsequent renewals. To accumulate credits on mineral claims, a technical report explaining exploration activities (type, time, location, costs, results, responsible persons and utilized contractors, contractor) must be filed with the Ministère de l'Énergie et des Ressources Naturelles as statutory work. This report should be registered within two years after the expenditures have been incurred.

A key permit was issued in March 2013 by the Québec Ministry of Sustainable Development, Environment, and Climatic Changes ("MDDELCC"), a depollution attestation. This permit, which is renewable every five years, identifies the environmental conditions that must be met by the Westwood mine when carrying out its activities.

ii) History

Exploration in the area of the Westwood mine dates back to 1910. Since 1977 ownership changes resulted from privatization, take over or acquisition. In 1980, the Doyon mine was brought into production by Lac Minerals Ltd. ("Lac"), and Cambior subsequently acquired a 50 per cent interest in the Doyon mine. In 1999, Cambior became the sole owner of the Doyon mine when it acquired the remaining interest of Barrick Gold Corporation, which had acquired its interest pursuant to its acquisition of Lac. The Company acquired Cambior in November 2006.

In 2002, Cambior's exploration team initiated geological compilation work that led to target the favourable Bousquet Formation at depth. A five-year exploration program followed, targeting the favourable Westwood corridor at depth.

The first resource estimation for the Westwood mine/project was performed by the IAMGOLD exploration division based in Val-d'Or, Quebec in 2007. This triggered a scoping study in order to evaluate the economic potential of the project.

The first ingot from the Westwood mine was poured on March 27, 2013. The official commercial production of gold at the Westwood mine started in July 2014.

iii) Geological Setting, Mineralization and Deposit Types

The Westwood mine is part of the Doyon-Bousquet-LaRonde ("DBL") mining camp which is located within the Southern Volcanic Zone of the Abitibi subprovince.

The Westwood mine is located within the limits of the Doyon division mining property which covers the Blake River Group ("BRG") metavolcanic rocks and a part of the metasedimentary Cadillac ("CG") and Kewagama Groups which are localized respectively to the south and north of the BRG. The Westwood deposit is hosted in a volcano-plutonic sequence composed of felsic hypabyssal volcanic rocks (Zone 2 corridor), mafic to intermediate volcanic rocks (North Corridor) and intermediate to felsic volcanic rocks (Westwood Corridor) marked by a chlorite-biotite-carbonate-garnet-amphibole distal alteration and a pervasive quartz-muscovite-sericite-pyrite proximal alteration.

All lithologies of the DBL mining camp have been affected by a north-south compression event, which resulted in a subvertical to steeply south dipping homoclinal volcanic sequence with an east-west schistosity. High-strain anastomosing east-west corridors are observed throughout the property, mainly at geological contacts and in intense alteration zones. Outside of these narrow corridors, primary volcanic textures are typically well preserved.

The Westwood deposit mineralisation consists of gold-sulphide vein-type mineralisation similar to zones 1 and 2 of the former Doyon mine which is located 2 kilometres west (Zone 2 ore zones) as well as gold-rich volcanogenic massive sulphide type semi-massive to massive sulphide lenses, veins and disseminations (Westwood and North corridors ore zones) similar to the Bousquet 1, Bousquet 2-Dumagami and LaRonde Penna deposits in the eastern part of the mining camp. All mineralised zones are sub-parallel to parallel to the stratigraphy (sub-vertical to steeply south dipping).

Five deposit styles are recognized in this camp: 1) gold-rich base metal massive sulphide lenses (LaRonde Penna, Bousquet 2-Dumagami and Westwood Corridor), 2) gold-rich vein stockworks and sulphide disseminations (Bousquet 1, North and Westwood corridors, and Ellison); 3) intrusion-related Au-Cu sulphide-rich vein systems (Doyon, Mooshla A, Zone 2), 4) shear-hosted Au-Cu-sulphide-rich veins (Mouska and MicMac) and 5) syn-deformation auriferous quartz-pyrite-tourmaline veins (Mooshla B).

iv) Exploration

Exploration of the Westwood deposit was realized from both surface and sub-surface work since the 1930s.

In 2002, Cambior's exploration team initiated compilation work based mainly on geological models that identified the Bousquet Formation upper member as a favourable target at depth where anomalous alteration patterns had been recognized. An important surface exploration program on the Doyon property was then initiated in 2002 and was very successful.

An underground exploration program, including 2.6 kilometres of drift development towards the east from the Doyon mine, was initiated in 2004 and ended in 2013. Since the beginning of exploration activities in the Westwood and Warrenmac areas in the 1930s, more than 829,000 metres of exploration, valuation and definition DD contributed to resource and reserve estimation. A wealth of geological information has been gathered from the exploration and scientific activities and continues to this day.

This data is used for deposit modelling and in the calculation of ore and waste tonnage, grade distribution and resource and reserve estimates. The Westwood deposit block model is updated at least once a year, as new information is obtained from underground development and DD work.

Recent scientific work has confirmed geochemical similarities between the host rocks of the main sulphide lenses at the LaRonde Penna mine and the rocks hosting the Westwood mineralised corridor. Consequently, there is excellent potential for gold-rich volcanogenic massive sulphide mineralisation to occur on the property.

Exploration activities targeting areas of potential resource expansions that were originally planned have been deferred to a later undetermined date. No exploration work has been done since September 2013.

v) Drilling

Exploration and DD work began in the 1930s and 1940s in the Westwood areas.

By the fall of 2006, a definition/valuation drilling program was planned to target Zone 2 and North Corridor mineralisation (with a drilling pattern of 40 metre X 40 metre). By the end of 2007, the underground electrical capacity, on level 084, was increased to support more equipment. Current power installation is sufficient to feed more than ten drills.

In 2008, nine electric drills (6 from underground and 3 from surface) were running simultaneously most of the time on the project. The valuation drilling program on Zone 2 confirmed the results and the opening of the vein on 084 level showed a better continuity than expected. Also, a significant intercept was obtained at a depth of 2.5 kilometres. Taking into account the time required and associated costs to drill at these depths, the IAMGOLD board of directors approved a ramp access to the Warrenmac Zone and the exploration shaft sinking to allow drilling at depth.

In 2009, exploration and valuation drilling was carried out with eleven electric drills (eight from underground and three from surface). Since 2010, drilling in all categories has been exclusively conducted from underground development with seven to eleven electric drills. Underground drilling was performed from levels 036, 060, 084, 104, 132, 140, 156, 180 and 192 and from the Warrenmac ramp. All underground drill holes on the Westwood occurrence were performed by Orbit Garant Drilling until the end of August 2013, by Boreal Drilling from September 2013 to August 2016 and by Machine Roger International from September 2016 onwards.

79,359.2 metres were drilled in 2016 and 110,000 metres of drilling is planned for 2017. This new data will contribute to an increased understanding of the mine potential and to upgrade inferred resource to the indicated and measured categories.

The 2016 drilling programs, from new access points, increased the Company’s confidence in the mineralised zones in terms of continuity and grades. Good potential exists to find more resources on both sides of the Bousquet fault especially at depth and to the west of the three mineralised corridors (Zone 2, North Corridor and Westwood Corridor). On the eastern side, new mineralisation contours still require further definition and currently known zones remained open at depth.

The 2017 drilling program is based on valuation and definition work from existing and future drilling access platforms to validate the known structures in three mineralised corridors. No exploration work is expected in 2017. Approximately 110,000 metres of valuation and definition drilling is planned for 2017.

vi) Sampling, Analysis and Data Verification

Sample lengths vary from 0.5 to 1.5 metres and average about 1 metre. All drill holes assay values are grouped into composites of length equal to the mineralised zone width after three dimensional modelling of each lense has been completed. Zone width is generally constant and ranges between 2 and 3 metres.

Based on the log normal graphs, Zone 2 assays were capped to a grade X thickness value of 150 g m/thickness for one metre lengths, which translates to 100 g Au/t for 1.5 metre lengths and 300 g Au/t for 0.5 metre lengths. The North Corridor was capped to a grade X thickness value of 60 X g m/thickness for one metre lengths, which translates into 40 g Au/t for 1.5 metres length, 60 g Au/t for 1 metre and 120 g Au/t for 0.5 metre. The Westwood Corridor is mineralised over the entire width of the zone, compared to the previous horizons that consist of centimetre veins. Therefore, the assay grades were capped at 40 g Au/t in the Westwood Corridor, independent of the length of the assays.

Core samples are collected at the drill site and stored in closed wooden core boxes. They are delivered to the core shack facility on surface by the contractor and/or mine personnel where they are received by the mine geology core shack technicians.

The mine site is monitored by close-circuit video cameras and has a security guard posted at all times at the entrance. The core shack is in an area restricted to the geology department personnel and entry is controlled via a digital key.

All core logging and sampling takes place in the core-shack and drill holes are photographed prior to sampling.

While logging samples, the geologist selects and indicates sample intervals by marking the beginning and end of each sample interval on the core with coloured lines/arrows. The geologist places a sample tag at the end of each sample interval to be assayed for gold and indicates on the tag if assays for silver, copper, lead and zinc and/or a density test is being requested. The tags used for sampling consist of a unique numbered sequence of printed paper tags. The geologist also indicates if the interval should be sawn in half, in case half the core is to be kept for future reference or for acid generation and flotation tests. The rest of the core is discarded or kept for future reference depending on the density of drilling and the information required.

Following the logging of samples, technicians saw the core in half, if needed, and place half of the core and its sample tag in a plastic sample bag, or the whole core and its sample tag in a plastic sample bag identified with the sample number on the bag as the sample tag. The sample bag is put in a box, listed and then delivered to the laboratory along with a submittal sheet (both paper and email submittals which indicate the type of analysis to be done on each sample).

Since December 1, 2013, assaying of core samples is performed exclusively by the external laboratory Accurassay Laboratories (“Accurassay”), located in Rouyn-Noranda, Québec, which is situated 40 kilometres west of the property.

From time to time, samples are sent to Laboratoire Expert Inc. a laboratory located in Rouyn-Noranda, Québec when re-assays are required as per the QA/QC program.

For both laboratories, samples received are then validated against the submittal sheet so that laboratory technicians can verify that no sample is missing. The samples are then registered and stored as soon as possible.

Official written procedures are made available at Accurassay to ensure the consistency of sample preparation and assaying techniques. All assay results are manually recorded by a laboratory technician in a server database.

Samples are first sorted in numeric order and then placed in large pans and dried in an oven. Cooled samples are then submitted for gold and, when indicated, for base metals analyses.

The samples are first crushed in a jaw crusher to $1/4$ inch then crushed with a second jaw crusher to 85 per cent passing through 10 mesh. All crushers are cleaned with compressed air between each sample. Samples are then split in a Jones Divider. The divider is cleaned with compressed air between each sample.

The sample is pulverized using an automated Herzog pulveriser to 85 per cent—90 per cent passing 200 mesh (pulp). The pulveriser is cleaned with compressed air between each sample and also with silica between each sample. The first sample of each batch is screened for percentage passing 200 mesh. Results are recorded on a QA/QC worksheet.

All samples are analyzed using the fire assay method.

In addition, the Company has a data verification program in place. Quality control procedures are done at two levels, the internal laboratory quality control procedures and the geological department quality control program in order to maintain the highest possible standard controls.

Both laboratories have their own written quality control procedures that are implemented at the respective laboratory.

The Westwood mine QA/QC program includes the systematic addition of blind samples sent to the laboratories in order to validate their accuracy and precision. The Westwood mine QA/QC program also includes the systematic cross-validation of the primary laboratory results by a second external laboratory. This is done by submitting a whole batch of reject or pulp duplicates to the primary laboratory and then by submitting the same duplicates to the second laboratory. Blanks are also inserted in order to check for possible contamination.

vii) Mineral Processing and Metallurgical Testing

Metallurgical testing was performed prior to commissioning the Westwood mine. Testing was done on the three mineralized corridors; Zone 2, the North Corridor and the Westwood Corridor. The results were used to confirm the absence of obstacles to the project feasibility, to develop the process flowsheet of the plant and to estimate metallurgical operating parameters and costs.

There has been no additional metallurgical test work performed on the drill core since then. Following plant start-up, the metallurgical test work programs have focused on the optimization of plant performance.

viii) Mineral Reserves and Resources

The following table summarizes the resource and reserve estimation for the Westwood mine provided in the Westwood Report as of December 31, 2016:

Resource and Reserve Statement as of December 31, 2016 [1]
Resources : Cut-off of 6 g Au/t — Reserves : Cut-off of US$1 200

	Tonnes (x 1 000's)	Grade g Au/t	Ounces (x 1 000's)
PROVEN RESERVES [2]	971	8.1	254
PROBABLE RESERVES [2]	2 714	9.1	792
TOTAL RESERVES	3 685	8.8	1 046
MEASURED RESOURCES [3]	652	12.9	271
INDICATED RESOURCES [3]	2 079	13.7	915
TOTAL MEASURED + INDICATED	2 731	13.5	1 186
INFERRED RESOURCES [4]	6 343	10.9	2 223

(1) Westwood Mineral Resources and Reserves have been estimated as of December 31, 2016 in accordance with NI 43-101 regulation. Resources were estimated using a 6.0 grams per tonne gold cut-off over a minimum width of 2 metres, while reserves were estimated using a gold price of $1,200 per ounce.
CIM definitions were followed for Mineral Resources and Reserves Classification.

(2) The December 2016 Reserve estimates include a dilution of 40-65% @ 0.5 g Au/t applied on tonnes and a 90-95% mining recovery applied on both tonnes and ounces as defined by the engineering department to reflect the mining estimates.

(3) Measured and indicated resources are inclusive of proven and probable reserves (no dilution, 100% mining recovery)

(4) All blocks categorised as inferred and exceeding 15 g Au/t were capped at 15 g Au/t when the grade of the total inferred lens exceeded 15 g Au/t at a low cut-off of 6 g Au/t.

In the Westwood Report, a portion of the indicated resources were transferred into probable reserves and a portion of the measured resources were transferred into proven reserves at the end of December 2016. The mineral reserve was calculated using economic analyses for each zone according to the costs and parameters further specified in the Westwood Report. A minimum mining width of 2 metres is used. Mining dilution and mining recovery are included in the calculation; values for most blocks are 65 per cent and 95 per cent respectively. A mill recovery of 93 per cent to 96 per cent is also assumed.

The Westwood mine mineral reserve as of December 31, 2016, totals 3,685,000 tonnes grading 8.8 g Au/t for 1,046,000 ounces.

Further information on mineral reserves and resources is provided in Section 4 of Item III below.

ix) Mining Operations

Mine operations are scheduled on two 10-hour shifts per day, 7 days per week (development and production). Infrastructure currently allows mining to a depth of 2,000 metres, although mineralization continues at depth.

Development is classified as either deferred (infrastructure) development, including ramps, cross-cuts and ore passes, or current development. Most lateral development is mechanized, with jumbos, rockbolters, scissor-lifts and 3.5 yd^3 load, haul, dump ("LHD") units. Dimensions for waste drifts are generally 3.8 metre high x 3.7 metre wide. Drift dimensions in the ore zone may vary locally according to the dip of the vein and the mining method selected: planned drifts dimensions are 3.8 metre wide x 3.7 metre high for long hole drifts. Trolley drifts have been developed with wheeled long-tom teams: other than Level 840 (originally an exploration drift), dimensions are 3.4 metre high x 3.1 metre wide.

Arched backs are required to assist with stability. Ground support varies significantly by type and orientation of the excavation: typical support may include mechanical rock bolts, resin rebar, friction bolts as well as mesh screen and straps.

Vertical development is mainly related to infrastructure development, including ventilation raises and ore/waste passes. Dimensions are typically 2.4 metre x 2.4 metre, although the main ventilation raise is 6 metres in diameter. Raise development is performed by contractors, including IAMRock (internal contractor); Alimak and conventional raise methods are currently used. Raiseboring is currently being tested. Slot openings for long hole stopes are drilled with V-30 heads (0.76 m diameter) on Cubex production drills.

Long hole mining is the primary mining method used in the current mining panel. Forecasted dilution varies from 25 to 65 per cent according to the local thickness of the ore zone. A dilution database is used to estimate the dilution of similar areas. A dilution rate of 65 per cent is applied to the majority of the current production.

Long hole stopes are approximately 30 metres high and 13 metres in length. The minimum mining width is 2 metres wide. Depending on the thickness of the ore and geomechanical constraints, stope accesses may be either longitudinal, transverse, or hybrid. Sills of 4 metres are developed above and below each mining block (minimum width of 3.1 metres).

Stopes are generally drilled down from the upper level with 4 inch diameter holes. A drill pattern of 1.8 metre x 1.8 metre is planned. In the hole ("ITH") drills with V-30 heads are being used to open the slot raises. Stopes are being blasted with emulsion explosives and electronic detonators. LHD units (4 cubic yards) with remote capability will muck out the stope. Paste backfill is being poured in all stopes. A cure period of 10 days is required before mining any adjacent stope. Most stopes require cable bolts. A mobile equipment fleet of 200 units is required to support production.

The Company's outlook for 2017 for the Westwood mine is expected to range between 115,000 and 125,000 ounces of gold, with a ramp-up of the Westwood mine to full capacity over the next few years.

The following table indicates operating information for the Westwood mine for the last two years:

WESTWOOD MINE	**2016**	**2015**
Gold production (ounces)	65,000	60,000
Tonnage milled (tonnes)	347,000	375,000
Grade milled (g Au/t)	6.14	5.26
Recovery (%)	94	95

At the end of 2016, the Westwood mine employed 672 employees and 286 contractors.

After the Doyon mine ceased production at the end of 2009, the mills at the Doyon mine continued to process ore from the Mouska mine. The collective agreement originally negotiated for employees at the Doyon mine now covers employees at the Westwood mine. In December 2012, a new collective agreement was signed with the workforce retroactively in effect from December 2011 and running until November 2017.

x) Processing and Recovery Operations

Ore from the Westwood mine is processed on site. The original Doyon mill, constructed in the 1970s, was completely refurbished between 2011 and 2013 in order to efficiently treat ore from the Westwood mine. The existing grinding, leaching, adsorption and stripping circuits were upgraded to replace obsolete equipment. Cyanide destruction capacity was also increased to treat the generated tailings.

Preliminary assessments for the Westwood mine indicated a potential for economic recovery of the zinc, as well as gold, from the higher-grade zinc ore zones. This potential was not validated by subsequent drilling, and studies failed to justify the additional capital expenditure for the recovery of zinc by flotation. The operating plan retained includes processing of the higher-grade zinc ore zones by cyanidation only which will not give zinc credits but provide acceptable gold recovery. The mill design will be revised if additional zinc resources are identified. The mill refurbishment completed in early 2013 includes gold cyanidation and tailings cyanide destruction circuit upgrades.

xi) Infrastructure, Permitting and Compliance Activities

The Westwood mine was developed using infrastructure and accesses from the Doyon mine. Due to the close proximity of the two mines, a portion of the Doyon mine infrastructure will be used and maintained for the life of the Westwood mine, while other portions will be restored according to the Doyon mine closure plan. Infrastructure will thus be concentrated around either the Westwood mine shaft or the former Doyon mill or refurbished for processing at the Westwood mine. Access to regional infrastructure (roads, power, etc.) will remain through the Doyon mine site. The Westwood mine infrastructure includes access roads, potable water supply, fire protection systems, sewage disposal systems, electric supply, natural gas supply and an administrative services building. Development of the project required construction of a waste rock dump and a mine water pond. Environmental infrastructure on the Westwood mine site includes tailings and water management facilities.

Several certificates of authorizations are necessary and must be obtained from the MDDELCC on the quality of the environment, as well as authorizations for ore extraction, ore processing, and tailings management, among other things. A key permit was issued in March 2013 by the MDDELCC being a depollution attestation. This permit, which is renewable every five years, identifies the environmental conditions that must be met by the Westwood mine when carrying out its activities. The depollution attestation compiles all the environmental requirements regarding effluent discharge, noise, waste management, etc., related to the operation of the Westwood mine.

No significant issues are expected regarding the social acceptability of the Westwood mine. As the project infrastructure is located on or near the Doyon mine site, in operation since 1980, the community and social impact will be essentially unchanged.

Information on the estimated amount of restoration and closure costs for the property is provided in Section 5.2 of Item III below.

xii) Capital and Operating Costs

Capital expenditures for the Westwood mine include sustaining capital required for the extraction of the reserves only. The sustaining capital refers to the capital required to develop and sustain the mine through to production. Capital expenditures relating to new projects, improvements or expansions are treated on a case by case basis and are excluded from the following summary table of capital and operating cost estimates:

Expenditures (Sustaining)		$/t
Diamond Drilling	Exploration	-
	Valuation	5.35
	Total	5.35
Surface	Infrastructure	-
Underground	Shaft	-
	Deferred Development	34.46
	Infrastructure	4.89
	Construction	4.70
	Total	44.05
Mobile Equipment	Underground	2.57
Transfers		18.46
Credits		
Total		**70.43**

xiii) Taxation

The Company's Canadian operations are subject to a combined federal and provincial statutory income tax rate of approximately 27 per cent. The Company's operations in the Province of Quebec are also subject to a mining duty with statutory marginal tax rates ranging from 16 per cent to 28 per cent depending on profit margin.

1.2 Côté Gold Project

Unless stated otherwise, the information in this section is based upon the technical report (the ''Côté Gold Report'') entitled ''NI 43-101 Technical Report on the Preliminary Economic Assessment of the Côté Gold Project, Porcupine Mining Division, Ontario, Canada'', prepared by Bing Wang, Lawrence Elgert, Ignacy Lipiec, Simon Allard, Debbie Dyck, Alan Smith, Marie-France Bugnon, Vincent Blanchet and Raphaël Dutaut with an effective date of December 9, 2016. Portions of the following information are based on assumptions, qualifications and procedures which are not fully described herein. Reference should be made to the full text of the Côté Gold Report which is available for review on SEDAR at www.sedar.com . The Côté Gold Report has been filed with the securities regulatory authorities in each of the provinces and territories of Canada.

i) Property Description, Location and Access

The Côté Gold project consists of a collection of properties assembled through staking and various option agreements. IAMGOLD owns 92.5 per cent of the project. The properties, which cover an area of approximately 512 kilometres², are located approximately 175 kilometres north of Sudbury and 125 kilometres southwest of Timmins. This area is in the Porcupine Mining Division.

From Timmins, the site is accessed by Highway 101, Highway 144 and the Sultan Industrial Road, which runs east-west along and below the southern part of the project area.

The nearby town of Gogama is on a Canadian National Railway Company's (CN Rail) line and is connected to the regional power grid, but has few resources related to exploration and mining.

On April 27, 2012, the Company announced that it had entered into a definitive agreement with Trelawney to acquire, through a wholly-owned subsidiary, all of the issued and outstanding common shares of

Trelawney through a plan of arrangement. On June 21, 2012, IAMGOLD acquired all of the outstanding common shares of Trelawney. Under the terms of the transaction, former shareholders of Trelawney were entitled to $3.30 in cash for each Trelawney common share held. The total purchase price amounted to $542.6 million. The transaction costs were $6.2 million and cash and cash equivalents acquired were $57.9 million. The shares of Trelawney were subsequently delisted and Trelawney remains an indirect 100 per cent-owned subsidiary of the Company. All of the interests in the property groups are owned by the Company through Trelawney and its various subsidiaries and are subject to property agreements in effect at the time of acquisition, such agreements set out a number of options and royalties applicable to the project. Please see Section 4 of the Côté Gold Report for a detailed description of the terms of any royalties and other agreements to which the project is subject as well as the tenure and expiration dates of the claims, licenses and other property tenure rights, which section is incorporated by reference in this AIF.

Trelawney entered into an exploration agreement with the Mattagami First Nation. The agreement establishes a commitment to an ongoing relationship between the Mattagami First Nation and Trelawney with respect to Trelawney's exploration activities on its Chester Township properties, located in the traditional territory of the Mattagami First Nation. The exploration agreement establishes the foundation for a cooperative and mutually beneficial relationship between the Mattagami First Nation and Trelawney by setting out provisions which include training, ongoing communication, and opportunities for businesses within the community to participate in project exploration activities. In addition, Mattagami First Nation and IAMGOLD have agreed to negotiate an impact benefit agreement should the project proceed to production.

There are no known environmental liabilities associated with the project, other than those that may be expected from historical mining activities and limited mine workings.

ii) History

Prospecting and exploration activity in the project area began around 1900, and has continued sporadically to the present time.

Activity was fairly intense through to the early 1940s, with a significant amount of prospecting and trenching plus the sinking of a few, shallow shafts and some resultant, very minor production. Through to the late 1960s, there was little or no work performed.

From the early 1970s to about 1990, there was a great deal of surface work, along with some limited underground investigations. Since that time, fragmented property ownership has precluded any major programs. With Trelawney consolidating its control of the group of properties comprising the Chester Property in 2009, it became possible to reappraise the potential of several interesting gold prospects and Trelawney began the exploration work that led to the discovery of the Côté Gold deposit.

Dewatering of the Chester property underground workings began in February 2010 and portal and underground rehabilitation began in the second half of 2010. Through early 2011, Trelawney recovered an underground bulk sample consisting of approximately 10,000 tonnes of mineralized material. Later in 2011, the Chester property was placed on care and maintenance.

iii) Geological Setting, Mineralization and Deposit Types

The project area is in the Swayze greenstone belt in the southwestern extension of the Abitibi greenstone belt of the Superior Province.

The area within the pit shell hosts poor to fair rock exposure, with varying amounts of overburden with thicknesses averaging a few meters.

Geology within the pit consists of a series of irregular diorite domains trending ENE-WSW, 20 metre to 200 metre in width and 100 metre to 1,000 metre in length at surface, hosted within an encompassing tonalite body. The main magmatic-hydrothermal breccia body sits in the south central portion of the pit, and is poorly exposed at surface. It extends approximately 900 metre by 400 metre, trends NE-SW, and dips steeply to the NW. The deposit is characterized by trace to 1 per cent disseminated sulphide, representing a large low grade mineralized envelope upgraded by low to moderate grade mineralization carried by the cross-cutting hydrothermal system, and further enriched by later low to high-grade vein hosted mineralization.

The Côté Gold deposit is a new Archean low-grade, high-tonnage gold (± copper) discovery. It is described as a synvolcanic intrusion related and stockwork-disseminated gold deposit, and appears to correspond to the porphyry style.

Zones of mineralization are centered on a multiphase magmatic-hydrothermal breccia, including a mineralized Au-Cu±Mo±Ag hydrothermal breccia that intrudes tonalitic (transitional to calc-alkaline) and dioritic (tholeiitic) phases of the Chester Intrusive Complex (“CIC”). The magmatic-hydrothermal breccia is overprinted by several zones of hydrothermal alteration associated with mineralization. The age of this syn-volcanic- hydrothermal system is about 2.75 billion years.

iv) Exploration

Exploration activities by Trelawney, which identified the Côté Gold deposit that appears to correspond to a porphyry-type gold mineralizing system, have been appropriate for this type of deposit.

Once the deposit was discovered and after acquisition by IAMGOLD, efforts shifted to definition drilling on 50 metre centres, with a small portion on 25 metre centres. In addition, detailed geological mapping, core re-logging, an in-hole televiewer survey, and alteration studies were completed to gain a better understanding of deposit geology, and to support the mineral resource estimation.

Exploration activities on the South Swayze properties focused on areas generally outside the project; as part of a multi-year exploration program that begun in 2013. Numerous gold showings are documented both within the host CIC and in the enclosing volcanic/sedimentary units of the South Swayze greenstone belt. Regional exploration work has been completed to evaluate many of the highest-priority targets, and to test for higher-grade mineralization.

The South Swayze land holdings are subdivided into three geographic areas for exploration purposes, namely the Chester Area (central), South Swayze West (western area), and South Swayze East (eastern area).

Exploration work completed to date on Chester Area properties includes soil sampling, prospecting, geological mapping, mechanized stripping, and detailed prospect mapping and sampling. Exploration targets on Chester Area properties lie outside of the Côté Gold deposit and include Clam Lake to the west, Jack Rabbit to the north, Young-Shannon to the east, and South Côté to the south. The most significant exploration work completed to date has been on the HAVA Deformation Au Zone discovered in 2013 on the Clam Lake property. The 2015 exploration work culminated in the fall DD program aimed at testing high-priority targets at Clam Lake, Three Duck Lake, South Côté, and Weeduck Lake.

Exploration work completed by IAMGOLD on the South Swayze West properties has recently focused on exploring prospective geological contacts (Temiskaming sediment/felsic porphyry), gold-bearing shear zones, and second-order splay structures of the Ridout Deformation Zone. Soil and humus sampling, prospecting, geological mapping, mechanized stripping, and DD programs have been completed.

Surface exploration on the South Swayze East properties included line-cutting, soil and humus sampling, IP surveying, geological mapping, prospecting, outcrop sampling, and DD. In addition, claim geo-referencing was completed on one property. These programs were undertaken on the Trelawney East, Arimathaea East, King Errington, and Sheridan option properties.

v) Drilling

DD has been focused largely on exploration and delineation of the Côté Gold deposit, coupled with geotechnical, metallurgical, and condemnation drilling. From 2009 to 2015, a total of 273,485 metres has been drilled on the Côté Gold deposit. The Côté Gold Report concluded that the location, orientation, and spacing of the drillholes are sufficient to support Mineral Resource estimation and preliminary mine planning at the preliminary economic assessment level.

vi) Sampling, Analysis and Data Verification

The mineralized rocks at the Côté Gold project include diorite, granodiorite, and gabbro as well as variably altered and brecciated combinations of all three. The mineralized and barren core is very competent, except for very local, multiple metre length intervals of blocky core where minor faults are encountered. One larger fault has been encountered in the western portion of the Côté Gold deposit with true widths varying from 5 metre to 10 metre. Overall, IAMGOLD estimates 99 per cent core recovery.

Drill core is stored at the property in wooden core boxes under open sided roofed structures, arranged by year. A map of the core shack is available on site. Boxes are labelled with the hole number, box sequence number and the interval in metres. Almost all boxes are labelled with an aluminum tag. All rejects and pulps from the laboratory are also on site. Pulps are categorized by batch number and are inside carton box on shelves, inside sea containers. Rejects are stored inside plastic crates under temporary shelter.

Geologists check all core boxes at their arrival at the core shack and ensure that all required information is available. Technicians make meterage marks and log rock quality designation. For oriented core, technicians draw the bottom-of-hole line on the core. A full line is drawn when orientation marks are perfectly aligned. The geologist completes the core log with details of lithology, alteration, mineralization, and structure. Alpha and beta angles are measured for all veins and contacts when the bottom-of-hole line is defined.

Technicians and geologists on site follow a sample preparation protocol to ensure quality control before sending samples to the laboratory. Samples, standards, and blanks are tagged and sealed in plastic bags, which are then put into rice bags and sealed with security tags. The sealed rice bags are placed on pallets in a secure area of the camp. Gardewine Transport collects the bagged samples from the IAMGOLD camp twice a week and delivers them to an independent laboratory for sample preparation and analysis. Prior to 2015, the samples were sent to the Accurassay sample preparation facility in Sudbury, Ontario, from where they were forwarded by Accurassay to its analytical laboratory in Thunder Bay, Ontario. Accurassay is accredited to the ISO 17025 by the Standards Council of Canada, Scope of Accreditation 434. Starting with the 2015 drilling campaign, samples were sent for analysis to ActLabs, Ancaster, Ontario. ActLabs is accredited to the ISO 17025 by the Standards Council of Canada, Scope of Accreditation 266.

For QA/QC purposes, IAMGOLD inserts control samples after every twelfth sample interval. The control samples consist either of a Certified Reference Material ("CRM") or a blank sample. IAMGOLD inserts control samples as a standard procedure. Since 2012, 23 different CRMs and two blanks have been used. Before 2015, a total of 11,332 CRMs were inserted in the sample stream, with an overall percentage of CRM samples passing quality control of 86 per cent.

IAMGOLD's laboratory sets aside the pulp from one out of every 10 samples to be sent to a second laboratory as a check assay. Between 2012 and 2014, check assays were completed at ActLabs. During the 2015 drilling campaign, checks assays on pulps were completed by ALS Mineral, Val d'Or, Quebec. All of the samples were analyzed using the Fire Assay-Atomic Absorption method. Samples that produced over-ranges were also analyzed with the Fire Assay-Gravimetric method.

The split sample material sent for assay is, for the most part, an accurate reflection of one half of the core and should be free of bias because of the relatively competent nature of the core recovered. The mineralization is heterogeneous by nature however, and duplicate samples reflect that fact. Due to the high rate of core recovery within the mineralized zone, assays are considered to be reliable.

IAMGOLD determines the bulk density of samples by water immersion method. Bulk densities are determined for the mineralization and barren host rocks. Since 2014 approximately, a pycnometer density analysis was performed on 1 sample in 50.

From 2011 to 2013, RPA Consulting Inc. conducted independent checks of deposit logging and sampling procedures. In December 2014, InnovExplo independently validated the entire assay database against laboratory certificates. In addition, qualified persons from IAMGOLD and Amec Foster Wheeler made site visits and conducted reviews of existing testwork and sample databases.

Further studies are ongoing to identify corrective measures to improve analysis, especially at cut-off limits.

It is the qualified person's opinion that the logging, sampling procedures and data entries were completed to industry standards. It is the qualified person's opinion that the database is adequate to support a mineral resource estimate on the Côté Gold deposit.

vii) Mineral Processing and Metallurgical Testing

The main objectives of the metallurgical testing were to characterize the ores physically and chemically and to determine the amenability of the gold mineralization to gravity separation, flotation, and cyanidation.

Overall results indicate that the Côté Gold mineralization is free-milling (non-refractory). A portion of the gold liberates during grinding and is amenable to gravity concentration. Individual lithologies follow typical trends for grind size sensitivity and cyanide consumption. However, there is evidence of differences in free gold content. Silver content is consistently reported under 2 g/t. The testwork does not report on silver recovery.

The results indicate that high recoveries are attainable by cyanide leaching, and that gold recoveries are improved by finer grinding.

All Côté Gold project samples leached with relatively consistent kinetics, with an average gravity recovery of 36 per cent and overall extraction of 90.6 per cent after 30 hours and reached a plateau average extraction of 92.7 per cent at 48 hours. Overall results also indicated that gold leached well in the levels of oxygen provided in the standard bottle-roll procedure, which includes air sparging during conditioning.

The testwork results indicate that a high-pressure grinding roll ("HPGR") circuit should be the most capital-effective choice. In the next stage of study, it will be imperative to acquire sufficient material for HPGR pilot testing, and to evaluate variability across the deposit.

Overall metallurgical test results show that all the variability samples were readily amenable to gravity concentration and cyanide leach.

The potential exists to increase throughput from 29,000 tpd up to 34,000 tpd, by targeting coarser grinds. Lower gold recovery will be offset by the higher throughput. Trade-off studies are recommended by the Côté Gold Report to define the optimal grind and throughput.

viii) Mineral Resource Estimates

Information on mineral resources is provided in Section 4 of Item III below.

ix) Mining Operations

The project is designed as a conventional truck-shovel operation. The pit design includes three nested phases to balance stripping requirements while satisfying the processing plant requirements. Amec Foster Wheeler based the mine plan on the Indicated and Inferred Mineral Resources contained in a pit created with the Lerchs-Grossmann algorithm.

The production schedule results in a life of mine of 19 years with stockpile reclaim extending into Year 22. The mine will require one year of preproduction before the start of the processing plant operations. Eleven 220 Tonne haul trucks will be required during preproduction, increasing to 20 trucks by year 1, and peaking to 23 trucks in year 13.

x) Processing and Recovery Operations

Testing of samples from the Côté Gold deposit has indicated that the majority of the material is very competent and resistant to SAG milling. A typical SAG mill configuration, even with high ball loads, would have difficulty in processing this material in an energy-efficient manner. The alternatives are pre-crushing with SAG milling, or the use of HPGR technology.

For the Côté Gold project, reduced grinding media and SAG mill liner wear consumption will be as significant as savings in energy consumption. A HPGR circuit will have better availability than a SAG mill, since maintenance actions are less frequent and more controlled. In the next study stage, it will be imperative to acquire sufficient material for HPGR pilot testing, with samples of sufficient variability to test responses to the different ore characteristics.

The process circuits will include primary crushing, secondary crushing, HPGR, ball milling, gravity concentration and cyanide leaching, followed by gold recovery using Carbon-in-pulp, elution from the carbon and electrowinning. Tailings handling will incorporate cyanide destruction and tailings thickening.

Plant throughput will be 29,000 tpd at a plant availability of 94 per cent. It is expected that a ramp- up period of three to four months will be required to reach the design throughput.

xi) Infrastructure, Permitting and Compliance Activities

The infrastructure required for the Côté Gold project includes:

- water diversion dams and channels;
- a tailings management facility;

- polishing and tailings reclaim ponds;
- site power supply and distribution;
- workshop, offices, man-camp, facilities and other services;
- a 6 kilometre, two-lane gravel access road from the nearest highway; and
- a 44 kilometre long 115 kV electrical power transmission line from the Shining Tree substation.

Amec Foster Wheeler and other consultants conducted environmental baseline studies on the Côté Gold property to characterize the physical, biological, and human environment.

The Company received approval of the Project's provincial environmental assessment from the Ontario Ministry of Environment and Climate Change on January 25, 2017, which follows the positive decision on the federal environmental assessment issued by the Federal Minister of Environment and Climate Change in April 2016. Positive decisions on the federal and provincial environmental assessments for the Project clear the way for the Company to initiate applications on permits to support development following the completion of a pre-feasibility study.

The Federal Minister of the Environment stated in April 2016 that the project is not likely to cause significant adverse environmental effects.

A number of provincial environmental approvals and permits will be required to construct and operate the project, but are not anticipated to pose any significant challenges to project development.

Potential benefits of the Côté Gold project are expected to include employment and business opportunities, as well as tax revenues at all levels of government.

xii) Capital and Operating Costs

The project's initial capital cost, summarized in the table below, is estimated to be US$1,031 million, inclusive of allowances in indirect costs for owner's costs and contingency of US$29 million and US$175 million, respectively.

This estimate was prepared in accordance with the American Association of Cost Engineers Class 4, with an expected accuracy of +50 per cent / -30 per cent of final project cost.

Costs are expressed in second-quarter of 2016 U.S. dollars with no allowances for escalation, currency fluctuation or interest during construction. Costs quoted in Canadian dollars were converted to U.S. dollars at an exchange rate of C$1 = US$0.74.

Table: Initial Capital Cost Estimate Summary

Description	Cost, US$M
Mining	116
Electrical, Communications & Controls	91
Infrastructure	60
Process Plant	345
Tailings & Water Management	25
Direct Costs	637
Indirect Costs	394
Total Initial Capital Cost	**1,031**

Part of the initial mining fleet, main substation, and process equipment, having an approximate initial capital cost of US$183 million, will be financed using capital lease agreements with vendors. Inclusive of a down-payment of 10 per cent of the purchase value paid at placement of order, capital leases reduce the initial capital cost by approximately US$164 million.

Sustaining costs and operating costs (with no contingency) over the life of mine are estimated to total US$440 million and US$3,573 million, respectively. Reclamation and closure costs are estimated at US$40 million.

Under the assumptions presented in the Côté Gold Report, including the incorporation of inferred resources in the mining plan, the Côté Gold project demonstrates positive economics. Cumulative cash flow is estimated at US$1,714 million after-tax. After-tax net present value over the life of mine is estimated to be US$543 million at a 6 per cent discount rate, and after-tax internal rate of return is 12.9 per cent. The after-tax payback period of the initial capital investment is estimated at 5.2 years after the start of production.

In the pre-tax and after-tax evaluations, the project is most sensitive to changes in gold prices, less sensitive to changes in operating and capital costs, and least sensitive to changes in the cost of electric power.

The Côté Gold Report recommended the completion of a further pre-feasibility study to validate and detail the elements of the development concept set out in the preliminary economic assessment, and which would include additional drilling, engineering studies and environmental studies, including hydrological, hydrogeological and geotechnical analyses. The recommended pre-feasibility study is underway and is expected to be completed by the end of the second quarter of 2017. In addition, exploration activities continue within the more than 500-square-kilometre property surrounding the Côté Gold deposit, the objective being to develop and assess targets that could further maximize flexibility with respect to future development decisions.

xiii) Taxation

The combined effect on the Côté Gold project of the three levels of taxation (Federal, Provincial and mining) is a cumulative effective tax rate (based on Federal taxable income) of 34 per cent, based on Côté Gold project totals.

2. Mining Activities – International

2.1 Africa: Burkina Faso – Essakane mine

Unless stated otherwise, the information in the sections below (other than the information under the headings ‘‘Essakane Mining Convention’’ and ‘‘Mining Legislation and Permits’’) are based upon the technical report (the ‘‘Essakane Report’’) entitled ‘‘Technical Report on the Essakane Gold Mine, Sahel Region, Burkina Faso’’ dated February 17, 2016 (effective December 31, 2015), prepared by Lise Chénard, ing. (Director, Mining Geology, IAMGOLD Corporation), Jérôme Girard, ing., P.Eng. (Manager, Metallurgy, IAMGOLD Corporation), Philippe Gaultier, ing., MASc. (Director, Project Development, IAMGOLD Corporation), Gilles Ferlatte, ing. (Vice-President and General Manager, IAMGOLD Essakane S.A.), Bruno Lemelin, Ph.D., ing. (Operations Manager, IAMGOLD Essakane S.A.), Louis-Pierre Gignac, M.Sc.A., ing. (Vice-President, Mining Engineer, G Mining Services Inc.), and Réjean Sirois, P.Eng. (Vice-President, Geology and Resources, G Mining Services Inc.). The Essakane Report has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. Reference should be made to the full text of the Essakane Report which is available for review on SEDAR at www.sedar.com.

i) Mining Legislation and Permits

The mining and exploration permits comprising the Essakane mine are subject to the 2003 Mining Code *no 31-2003/AN* dated May 8, 2003 of Burkina Faso (the “Burkina Faso Mining Law”). The Essakane Exploration Permits (defined in Section 2.1 ii) of Item III below) are considered to be exploration permits as defined under the Burkina Faso Mining Law. The Burkina Faso Mining Law gives the exploration permit holder the exclusive right to explore for the minerals requested on the surface and in the subsurface within the boundaries of the exploration permit.

The exploration permit also gives the holder the exclusive right, at any time, to convert the exploration permit into a mining exploitation permit in accordance with the law. Exploration permits are valid for a period of three years from the date of issue and may be renewed for two more consecutive terms of three years each for a total of nine years; however, on the second renewal, at least 25 per cent of the original area must be relinquished. Mining permits are valid for an initial period of twenty years and are renewable for five-year periods on an exclusive basis, until the mining reserves have been depleted. Pursuant to Article 21 of the Burkina Faso Mining Law, mining permits are treated as real property rights with complete rights of mortgage and liens. Both exploration and mining permits are transferable rights subject to the consent of the Ministry of Mines of Burkina Faso. Pursuant to article 78 of the law, only holders of mining exploitation permits are required to maintain a fiduciary account with an accredited bank to hold funds for reclamation of mining properties. As a result, IAMGOLD Essakane S.A. is required to maintain a reserve for future reclamation in connection with the Essakane Mining Permit (defined in Section 2.1(ii) of Item III below). The Burkina Faso Mining Law also guarantees a stable fiscal regime for the life of any mine developed. The Burkina Faso Mining Law also provides that work towards development and mining must be started within two years from the date a mining permit is granted and must conform to the feasibility study.

All mining exploitation permits in Burkina Faso are subject to a ten per cent carried ownership interest to the benefit of the Government of Burkina Faso. In addition, once a mining convention is signed and an exploitation license is awarded by the government, a royalty applies on a graduated basis based on the prevailing gold price.

The royalty rate is set at 3 per cent if the gold price is less than $1,000/oz, 4 per cent if the gold price lies between $1,000/oz and $1,300/oz, and 5 per cent if the gold price is greater than or equal to $1,300/oz.

The mining convention guarantees stabilization of financial and customs regulations and rates during the period of the exploitation to reflect the rates in place at the date of signing. The Burkina Faso Mining Law states that no new taxes can be imposed with the exception of mining duties, mining taxes and mining royalties. However, the title holder can benefit from any reductions of tax rates during the life of the exploitation license.

The new Burkina Faso Mining Code was approved by the transitional government and came into effect on June 16, 2015, however, an application decree is required for the Mining Code to be operational. The changes to the mining code include the introduction of a 1 per cent levy on revenues derived from business in Burkina Faso to serve the development of local communities, the elimination of the reduced corporate tax rate, resulting in a tax increase from 17.5 to 27.5 per cent and a priority dividend payable to the State of Burkina Faso.

ii) Property Description and Location

The Essakane mine straddles the boundary of the Oudalan and Seno provinces in the Sahel region of Burkina Faso and is approximately 330 kilometres northeast of the capital, Ouagadougou. It is situated approximately 42 kilometres east of the nearest large town and the provincial capital of Oudalan, Gorom-Gorom, and near the village of Falagountou to the east. All the Essakane Exploration Permits and the Essakane Mining Permit are located on contiguous ground.

The Essakane main zone deposit (the “EMZ deposit”) and the Falagountou resource (together, the “Essakane Mining Permit”) are located within a 100.2–square-kilometre mining exploitation permit area. The permit area is currently surrounded by seven exploration permits (the “Essakane Exploration Permits”) totalling 1,260.59 square kilometres. Five of the seven Essakane Exploration Permits were granted by the Ministry of Mines Quarries and Energy (the “Minister”) in November 2009 for an initial three-year term ending November 2012, and were approved for renewal by the Minister for a first three-year term on December 18, 2012. The request for a second renewal was submitted to the Minister on August 18, 2015. For three exploration permits, 25 per cent of the initial surface area will be relinquished, whereas for two, a special request was submitted to the Minister to keep the original surface area. The sixth Essakane Exploration Permit (the Korizena permit) was also approved for renewal for a second three-year term on December 18, 2012 and 25 per cent of the original area covered by that permit was relinquished. An application for a new permit on the relinquished area was subsequently filed and approved by the Minister on May 6, 2013. On the same date, all of the taxes due were paid. On August 18, 2015, a request for extending the actual surface area of the sixth permit for another of three year period was submitted to the Minister. The seventh permit was granted on May 6, 2013 by the ministerial decree “Arrêté 13/0076/MME/SG/DGMG.

On April 2013, the International Court approved changes to the border between Burkina Faso and Niger. The new border intersects the most northern exploration permit (Dembam 2) on the southeast corner reducing the permit area from 237 square kilometres to 231.16 square kilometres. The total Essakane Exploration Permits area is now 1,260.59 square kilometres.

The application for the second renewal was submitted to the Minister on August 18, 2015. For three exploration permits (Dembam 2, Gomo 2 and Alkoma 2), 25 per cent of the initial surface will be relinquished. Regarding Gossey 2 and Lao Gountouré 2, a special request was submitted to the Minister to keep the original surface and the Company requested an extension with respect to the surface of Korizena for another period of three years. At the completion of the renewal process, the total surface area will be 1,092.87 square kilometres.

iii) Type of Mineral Tenure

The Essakane Exploration Permits are in good standing. Pursuant to the Burkina Faso Mining Law, each mining exploitation permit application requires a separate feasibility study, but there is precedent in Burkina Faso for variations to this rule. The total entitlement of an exploration permit is nine years. Exploration permits are guaranteed by the Burkina Faso Mining Laws, provided the permit holder complies with annual exploration expenditures and reporting requirements. The Burkina Faso Mining Law provides for an exploration permit to be superseded by a mining permit.

IAMGOLD acquired Orezone Resources Inc. (“Orezone Resources”) in 2009, and the Essakane mine was transferred to IAMGOLD Essakane S.A. A title opinion prepared by a lawyer in Burkina Faso, dated February 23, 2009, confirmed that six exploration permits for the property comprising the Essakane mine as well as an industrial large gold mine exploitation permit were granted by the Minister under the mining laws of Burkina Faso to, among other subsidiaries of IAMGOLD, IAMGOLD Essakane S.A.

IAMGOLD Essakane S.A. is a Burkinabé company created for the purpose of developing and operating the Essakane mine. The entity's name was changed to IAMGOLD Essakane S.A. on July 5, 2012. The Company owns 90 per cent of the outstanding shares of IAMGOLD Essakane S.A., while the Government of Burkina Faso has a 10 per cent free-carried interest in the outstanding shares of IAMGOLD Essakane S.A. The Government of Burkina Faso also collects a royalty of between three and five per cent, depending on the current price of gold, and various other taxes and duties on the imports of fuels, supplies, equipment and outside services as specified in the Burkina Faso Mining Law.

iv) Essakane Mining Convention

In July 2008, the mining convention (the "Essakane Mining Convention") for the Essakane mine was signed by the Government of Burkina Faso and IAMGOLD Essakane S.A. Pursuant to a condition contained in a bridge loan facility agreement entered into by Orezone Essakane Limited, IAMGOLD Essakane S.A. was required to re-execute the Essakane Mining Convention in September 2008. The Essakane Mining Convention acts as a stability agreement in respect of mining operations by, among other things, transferring the state-owned mineral rights to a mining company. The Essakane Mining Convention clarifies the application of the provisions of the Burkina Faso Mining Law with respect to IAMGOLD Essakane S.A. by describing the Government of Burkina Faso's commitments and operational tax regime and the obligations of IAMGOLD Essakane S.A. to the Government of Burkina Faso. The Essakane Mining Convention cannot be changed without the mutual agreement of both parties. Pursuant to the Essakane Mining Convention, IAMGOLD Essakane S.A. is to carry out its operations in furtherance of, and in accordance with, the 2007 Essakane Feasibility Study and the Environmental Assessment. The Essakane Mining Convention is valid from the date of issuance for a period of 20 years and is renewable for the full life of the Essakane Mining Permit. Thereafter, the Essakane Mining Convention is renewable at the request of either of IAMGOLD Essakane S.A. or the Government of Burkina Faso for one or more periods of ten years each, subject to the provisions of the Burkina Faso Mining Law.

The Essakane Mining Convention stabilizes and governs specific details relating to fiscal policy, taxation, employment, land and mining guarantees, customs and currency exchange regulations and environmental protection in accordance with the Burkina Faso Mining Law.

In accordance with Burkina Faso's statutory requirements and international best practices, the EA had been submitted to the Burkina Faso Minister of Environment on August 8, 2007. After review and public consultations, the environmental permit (the "Essakane Environmental Permit") for the Essakane mine was issued by the Minister of the Environment on November 30, 2007.

v) Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Essakane mine area and specifically the area surrounding the EMZ deposit are characterized by relatively flat terrain sloping gently towards the Gorouol River to the north of the EMZ deposit. The average elevation over the mine site is 250 metres above sea level. Vegetation consists mostly of light scrub and seasonal grasses. Access to and from the capital Ouagadougou is by paved road and then by laterite road and within the exploration permits, access is by way of local tracks and paths. Deforestation has been significant, particularly in the area surrounding the original village of Essakane.

There are no major commercial activities in the project area and economic activity is confined to subsistence farming and artisanal mining. There are no operating rail links and all transport is by road or by air using an aircraft owned and operated by IAMGOLD Essakane S.A. The climate is typically sahelian and with the temperature ranging from 10 ^{o}C to 50 ^{o}C. A wet season occurs between late May and September, with mean annual rainfall of approximately 500 millimetres. Surface rights in the area of the Essakane Mining Permit belong to the State of Burkina Faso. Utilization of the surface rights is granted by the Essakane Mining Permit under condition that the current users are properly compensated. Electricity to the EMZ deposit is provided by on-site heavy fuel oil generators; satellite communication is also available at the Essakane mine. Water is pumped from wells (boreholes) in sufficient quantities for exploration drilling and the mining camp. A 26 MW power plant, fuelled with heavy fuel oil was built for the first production phase. Another 31 MW of capacity was added in 2013 to power the expanded milling circuit. The main sources of water are the Gorouol River during the rainy season and well fields around the Essakane pit and near the Gorouol River.

The Essakane mine initiated local training programs for artisans and unskilled labour was sourced locally with skilled labour drawn from Burkina Faso at large. Up to 150 expatriates from North America and Europe were required in the initial years of production, but that number decreased as Burkinabé workers acquired the expertise and experience to replace the expatriate employees.

The TSF is located southwest of the open pit mine and processing plant. The main mine waste storage facility is located east of the open pit mine. Other waste disposal sites are being considered for future use.

vi) History

The EMZ deposit has been an active artisanal mining site since 1985. Heap leach processing of gravity rejects from the artisanal winnowing and washings was carried out by Compagnie d'Exploitation des Mines d'Or du Burkina ("CEMOB") during the period from 1992-1999. From available records located in Burkina Faso, CEMOB placed 1.01 million tonnes of material at an average grade of 1.9 grams of gold per tonne and achieved 73 per cent recovery. It is estimated that 250,000 ounces of gold have been extracted from the local area since 1992. At its peak, up to 15,000 artisanal miners worked the EMZ deposit.

The Bureau des Mines et de la Géologie du Burkina undertook regional mapping and geochemical programs and arranged and financed the program of heap leach test work between 1989 and 1991. The heap leach facility was constructed in 1992 and produced 18,000 ounces in 1993, but averaged between 3,000 and 5,000 ounces per year. Serious efforts were also made to leach saprolite from the EMZ deposit, but based on verbal accounts, leaching failed because of high cement consumption and solution blinding in the heaps.

CEMOB was granted the Essakane mining exploration permit in 1991. The permit covered most of the area, which is now included within the Essakane mine (excluding the Gomo permit). BHP Minerals International Exploration Inc. ("BHP") assisted CEMOB and explored the area from 1993 to 1996 under a proposed joint venture earn-in. BHP excavated and sampled 26 trenches (for 4,903 metres) along the EMZ deposit. Scout RC drilling was completed (including on the Falagountou and Gossey prospects), followed by RC drilling (7,404 metres of vertical holes on a 100 metre by 50 metre grid) and a few DD holes (1,462 metres) in the main area of artisanal mining on the EMZ deposit.

Upon CEMOB going into liquidation in 1996, Coronation International Mining Corporation ("CIMC") secured title and in July 2000, six new Essakane licenses were granted to CIMC. In September 2000, CIMC entered into an option agreement with Ranger Minerals ("Ranger") pursuant to which Ranger undertook an exploration program, focusing on intensive RAB and RC drilling of an oxide resource between October 2000 and June 2001. RAB drilling (12,867 metres) was used to locate drill targets at Essakane North, Essakane South, Falagountou and Gossey. Follow-up RC drilling at the EMZ deposit amounting to 22,393 metres was completed along with 1,070 metres of DD on twins and extensions. Ranger mapped and sampled veins in the BHP trenches.

In April 2007, Orezone Resources, Orezone Inc., Orezone Essakane Limited, Gold Fields Essakane (BVI) Limited ("GF BVI"), Orogen Holdings (BVI) Limited and Essakane (BVI) Limited entered into a members agreement and also set out the terms and conditions on which the parties would form a joint venture. GF BVI earned a 50 per cent interest in Essakane (BVI) Limited by spending the requisite $8 million on exploration. It increased its ownership to 60 per cent in the Essakane mine when it gained a further ten per cent interest in Essakane (BVI) Limited after Essakane (BVI) Limited completed the Essakane Feasibility Study on September 11, 2007. In October 2007, Orezone Resources entered into an agreement with GF BVI to acquire its 60 per cent interest in the Essakane mine in consideration for $200 million, with $150 million in cash and $50 million in Orezone Resources shares. The transaction closed on

November 26, 2007 and Orezone Resources became the operator and owner of a 100 per cent interest in the Essakane mine subject to the interest of the Burkina Faso government.

After obtaining the Essakane Environmental Permit, the Essakane mining permit was granted, which resulted in the transfer of the Essakane mine to IAMGOLD Essakane S.A.

Orezone Resources was the project operator at the Essakane mine from July 2002 through December 2005. The 2006 project development exploration program on the deposit was carried out by GF BVI and focused on quality of gold assay, quality of geological modelling and quality of mineral resource estimate. Commercial production started on July 16, 2010.

vii) Geological Setting

The Essakane mine is situated in the Paleoproterozoic Oudalan-Gorouol greenstone belt in northeast Burkina Faso. The local stratigraphy can be subdivided into a succession of lower-greenschist facies meta-sediments (argillites, arenites and volcaniclastics), conglomerate and subordinate felsic volcanics, and an overlying Tarkwaian-like succession comprising siliciclastic meta-sediments and conglomerate. Each succession contains intercalated mafic intrusive units that collectively comprise up to forty per cent of the total stratigraphic section.

The region preserves evidence for at least two regional deformational events. D1 structural elements such as the Essakane host anticline are refolded by a series of North-Northeast-trending F2 folds. Later localized deformation occurs near the margin of a calc-alkaline batholith in the south of the project area. The Markoye Fault trends North-Northeast through the western portion of the project area and separates the Paleoproterozoic rocks from an older granite-gneiss terrane to the west.

viii) Mineralization

The Essakane mine deposit is an orogenic gold deposit characterized by quartz-carbonate stockwork vein arrays and is hosted by folded turbidite succession of arenite and argillite. Gold occurs as free particles within the veins and is also intergrown with arsenopyrite +/- tourmaline on vein margins or in the host rocks. The gold particles occur without sulphides in the weathered saprolite. The gold is free-milling in all associations. The highest concentration of quartz veins and gold mineralization occurs in the 50-70 metre thick ‘main arenite unit’, and spatially in the hinge zone and eastern fold limb of the host anticline.

There are two distinct structural controls on gold mineralization: (i) gold associated with bedding parallel deformation; and (ii) gold associated with structures formed by the anticlinal folding event. The vein arrays are complex and consist of: (i) early bedding parallel laminated quartz veins; (ii) late steep extensional quartz veins; and (iii) pressure solution cleavage (with pressure solution seams normal and parallel to bedding).

Alteration in the host arenite unit typically consists of a sericite > carbonate > silica ± albite ± arsenopyrite ± pyrite assemblage. Arsenopyrite and pyrite occur within and adjacent to quartz veins or are disseminated throughout areas of wallrock alteration. Traces of chalcopyrite, pyrrhotite, galena and hematite can occur with the arsenopyrite. Gold occurs as free particles within the veins and also as intergrowths in arsenopyrite on vein margins or in the host rocks. The regolith profile within the deposit area consists of one to three metres of laterite, a 30 to 50 metre thick upper saprolite zone and a 10 to 30 metre thick lower saprolite zone that is underlain by competent rock. The Essakane mine deposit has a strike length of 2,500 metres and is open at both sides although economic mineralization follows the fold plunge to become progressively deeper.

ix) Drilling

Orezone Resources and GF BVI drilled 20,364 metres of oriented HQ diameter core between September 2005 and June 2006 for the project development and feasibility study program. IAMGOLD Essakane S.A.’s drilling objectives include infilling drill to upgrade inferred resources, expanding the resource inventory and better understanding the geology and controls on mineralization to advance geological modelling and improve the quality of assay samples.

x) Sampling Method & Quality Control

Most of the drill holes are sampled at one metre intervals. Core is sawed in two and one half sent for assaying when the hole is either outside the MII pit shell or selected by the geologist. Otherwise the entire length sample is crushed and pulverized. The entire sample is crushed to 95 per cent passing 2 millimetre in a Terminator or Boyd crusher. It is then split in 12 parts in a rotary splitter and a 1.2 kg sub-sample is pulverized to 95 per cent passing 105 microns with LM-5 or with LM-2 mills. A 1,000 g sub-sample is assayed by LeachWELL rapid cyanide leach over 12 hours with an atomic absorption ("AA") finish. Initially, 10 per cent of assays that returned over 0.3 ppm had their solid residues re-assayed using fire assay. This percentage has been raised to 25 per cent in 2016. In addition, 5 per cent of assays below 0.3 ppm Au are re-assayed by fire assay. It is noted that all Keegor mills have been replaced with LM-5 mills, however, they are still available during rush periods.

All crushing and pulverizing rejects are returned to and stored at the Resource Development facility where 20 per cent are later selected for check assaying at a commercial laboratory in Ouagadougou using the same protocol. Check samples are selected on the basis of the presence of arsenopyrite mineralization regardless of the original grade. It was found that choosing the check samples based on the mine laboratory assay results alone resulted in a selection bias (i.e., over a long term, check samples, on average, returned lower values than the mine laboratory's results).

Since the acquisition of IAMGOLD Essakane S.A. by IAMGOLD in 2009, all assays were carried out using the LeachWELL method on 1 kg samples followed with fire assay of the tails when the grade was higher than 5 g/t Au. However, the assaying protocol has been adjusted over the years to make it more appropriate as the understanding of the deposit increased.

RC drilling is carried out using 140 millimetre (5.5 in.) diameter holes with 1 metre sample intervals. The 7 kg field split is dried and pulverized to 95 per cent passing 500 microns in Keegor mills. Occasionally, when the sample is comprised of coarse particles, crushing is performed through a Terminator or Boyd Crusher prior to the pulverization stage. The sample is split in a rotary divider until two sub-samples weighing 1 kg each are obtained. One sub-sample is pulverized to 95 per cent passing 500 microns and 1,000 g sample is assayed by LeachWELL rapid cyanide leach. Similar to the DD samples, 25 per cent of samples grading above 0.3 ppm Au and 5 per cent of samples grading below 0.3 ppm Au have their solid residues selected for re-assay using fire assay analysis method.

Approximately 20 per cent of the crushed RC pulps are sent to ALS CHEMEX and SGS in Ouagadougou, for check assaying.

In 2014, revisions were made to the preparation protocols in order to address concerns raised by the Agoratek sampling consultant. The main concerns addressed were the mass of RC samples and the pulverization size. On the initial protocol the RC sample mass submitted to pulverization was 1.2 kg. Also, pulp duplicate are send to the external laboratory instead of coarse duplicate. The quantity of water and the rolling time have been revised as well.

The revisions included changing the pulverization size from P90 of 75 microns to P95 of 500 microns for RC samples (to avoid flattening of coarse gold) and matching preparation and assaying protocols of the primary (mine) laboratory and the check laboratory, particularly concerning the amount of water used in the LeachWELL leaching stage and the time the bottles were rolled.

IAMGOLD Essakane S.A. is using a QA/QC system which involves insertion of Certified Reference Materials (CRMs) supplied by Rocklabs Limited and locally sourced blanks. The CRMs were selected based on the range of gold grades and type of material to be submitted to the laboratory (oxide or sulphide sample).

Standards (100 g weight) are inserted at a rate of one standard per 20 samples. Results for every batch of CRMs, reported by the assay laboratory, are assessed by IAMGOLD's database manager prior to upload of any assay data into the SQL database. The average of the CRM results for each batch is reported to the laboratory manager in a qualitative way by e-mail (trends showing over or underestimation; evidence for poor instrumental drift corrections; differences occurring at operator shift changes, etc.). Records of these assessments are stored in the IAMGOLD Essakane S.A. database.

Blanks consist of coarse granite sourced from the west of Burkina Faso. They are inserted at a rate of one blank per 20 samples, mostly within the expected mineralized interval. Formerly, barren quartz was used as blank material. One kilogram bags of granite blank material are inserted into the sample stream and prepared in the same way as any other RC or DD sample.

The field duplicates insertion rate is 1 per 20 samples and 20 per cent of pulps are selected for external laboratory checking.

The failure criteria are as follows:

- The standard is considered to have failed when it is outside ±3 standard deviations.
- Blanks are considered to have failed when the assay grade is greater than ten times the detection limit (D.L =0.001 g/t Au).
- Duplicate precision has been recommended after the construction of a ranked Half Absolute Relative graph.

In respect of sample security, following IAMGOLD's acquisition of Orezone Resources and the Essakane mine in 2009, all drill samples were collected under direct supervision of the project staff from the drill rig and remained within the custody of the staff up to the moment the samples were delivered to the mine site laboratory.

Samples, including duplicates, were delivered from the drill rig to a secure storage area within the fenced Essakane mine core facility. Then blanks and certified reference materials were inserted. Chain of custody procedures consisted of filling out sample submittal forms that are sent to the laboratory with sample shipments to make certain that all samples were received by the laboratory. Sample security has relied upon the fact that the samples are always attended or locked in appropriate sample storage areas prior to dispatch to the sample preparation facility.

xi) Data Verification

Different procedures have been put in place to collect information depending on the exploration method used. In general, field collection of data is entered on paper forms at the drill site and is then transcribed into Excel worksheets at the exploration office (one worksheet per hole).

Since 2013, field data has been entered directly into a laptop using Maxwell GeoServices' LogChief geological database software and thereafter synchronized and transferred into the central database. This procedure is also followed for logging core and RC chips at the exploration office.

Data validation is carried out by the project or database geologist only after all data entry for the hole has been completed. Another set of data validation (such as invalid from and to, out of range, or invalid type values) is run on the data once it has been imported into DataShed. A separate set of validation steps is followed for the assay data after it is imported into DataShed. All paper copies of logs and assay certificates in PDF and Excel format are archived for future reference.

Prior to any resource estimation work, 20 per cent of the content of the database is validated. Holes are randomly selected and the following fields are inspected for possible discrepancies: survey, assays, and lithology. Azimuth and dips are investigated for possible errors. The length fields of drill holes in the "Header" tab versus the final survey measurements are verified. A crosscheck of all samples of the selected drill holes is carried out between laboratory certificates and assay values in the GEOVIA GEMS database to make sure that all gold assay intervals match the laboratory certificates. Investigations are carried out on the lithological information as well.

xii) Mineral Processing and Metallurgical Testing

Metallugical testwork has been carried out on different samples of ore types from the EMZ deposit by international metallurgical laboratories since 1990. It was determined, in the early stages of the development of the Essakane mine, that heap leaching process would not be feasible. Therefore, a conventional crushing, milling, gravity concentration and CIL gold plant was justified at the Essakane mine. Line A was constructed and commissioned in 2010.

Since 2009, additional testwork has been performed who's results were used to refine the process design parameters for the 2014 plant expansion and to assess the amenability of Falagountou ore to the Essakane mine's gold extraction method.

Extensive leaching tests were conducted on the various ore types. A common characteristic of the Essakane mine's ore is slow leaching kinetics if whole ore is subjected to cyanidation without removing the coarse gold particles in a gravity concentrate.

Accordingly, gravity concentration was considered necessary for the Essakane mine's plant.

Optimization studies, focused on grind size and recovery versus operating costs, concluded that the economical optimum grind size for hard rock was P80 minus 125 microns. The presence of activated carbon during leaching showed improved leaching kinetics and ultimately recoveries. This observation led to the use of a CIL circuit as opposed to a Leach-CIL circuit.

As part of the plant expansion program, additional metallurgical testwork and ore characterization were carried out at SGS Lakefield Research Ltd ("SGS") during 2011. Comminution testwork was done on fresh PQ drill core samples. The samples were found to be harder than those used for the initial plant design. Several gravity tests were done on the ore and confirmed a predicted gravity gold recovery of 45 per cent. Leach test were done on the gravity tails and the run of mine ore. The results showed that a combined (gravity and leach) recovery of 92 per cent should be expected with a 36 hour leach time. The estimated consumptions are 0.4 kg/t for cyanide and 0.6 kg/t for lime after the planned leach time of 36 hours.

After expansion of the mill and commissioning of the new grinding Line B in Q1-2014 the design capacity of 10.8 MTY was achieved after a few months of ramp-up and optimization. The expansion also included a new secondary crushing circuit, stacker and coarse ore pile with reclaim, a pebble crusher addition to grinding Line A, a second leach tank train, new air compressors for the leach circuit, and other ancillary installations. The mill overall recovery was in the range of 91.5 per cent in 2015 and started to decrease in the second half of 2016 due to adverse ore characteristics. As part of the Essakane mine's continuous improvement program efforts are anticipated to increase mill throughput and find innovative solutions to enhance gold extraction while processing complex ore zones.

Mill Throughput

In early 2015, the Essakane mill launched a Mine-To-Mill project focused on blasting optimization to reduce mill feed size and simulations of the crushing-grinding circuits to find opportunities to increase mill throughput when processing 100 per cent hard rock. In addition to the positive contribution by producing finer material, several changes were made on the two SAG mills (lines A and B). After analysis through simulations, discharge grates and lifters design for the SAG mill liners was improved. After implementation of the new liner configurations mill throughput increased from the nameplate 10.8 MTY (at 100 per cent hard rock) up to 11.5-12 MTY (at 90 per cent hard rock and 10 per cent Transition) while maintaining the final grinding product at P80 of 125 microns. The ongoing Geometallurgical project will provide additional information regarding ore hardness to assist in predicting the future potential. Optimization and fine tuning projects are ongoing to ensure and pursue this improvement.

Mill Overall Recovery

Metallurgical testing on drill cores and samples from the Essakane mine's CIL circuit was carried out by SGS after the mill expansion to further understand the causes of the recovery variation while processing hard rock. The metallurgical tests included gravity separation, CIL tests, preg-robbing validation tests, whole ore leach tests, intensive leach tests, and diagnostic leach tests, as well as investigating the effects of grind size.

The SGS study in June 2015 indicated a risk for lower recovery related to the amount of graphitic ore present in future mining zones, according to the life of mine. Recovery started to decline in mid-2016 while processing greater volumes of deep sulfides containing activated graphite. The overall mill recovery for the full year 2016 was less than expected at 89 per cent. This unexpected drop overall recovery motivated an intense program to understand and solve the problem. Consequently, IAMGOLD Essakane SA initiated several initiatives to minimize in the short and mid-term negative impact of the ore types:

- Oxygen addition to CIL: will reduce the preg-robbing effects of the ore, with a potential to decrease cyanide consumption, increase recovery, and increase leaching kinetic. Engineering is in progress to start installation of an O_2 plant in 2017-2018.
- Intensive leach process ("ILR") to treat gravity concentrate: will increase gold recovery compared to the original shaking table equipment. An ILR plant was implemented and commissioned in August 2016 (capacity of 11 tonnes gravity conc./day, achieving 99 per cent gold extraction).
- Reconfiguring the current leach tanks to CIL tanks: will decrease the preg-robbing effect that occurs in the leach tank prior to contact with carbon. Engineering is ongoing to modify the existing Leach tanks.
- Optimization of the carbon profile in the CIL which will lead to a better management of the gold inventory in the CIL circuit and mitigate the preg-robbing effect.
- The process water distribution circuit is being modified to change the cyanide addition point from grinding to the start of the leach circuit, to reduce pre-leaching of gold before carbon is available and reduce the opportunity of preg-robbing by graphite.
- Gold deportment studies of leach plant tails, constituting high grade and low grade tails are ongoing. The main goal is to identify the causes for the tails grade differential and identify opportunities to improve gold recovery.

Based on unsatisfactory mill performances a geometallurgical study was initiated during 2016 to identify mineral zones where the gold recovery issues (graphite and/or refractory gold) originate and to serve as a basis for better mill feed strategy. New testwork was conducted on available drill core samples from the geological development program and an ultimate gold recovery was recorded. Estimated metallurgical response and other values will be added to the resource block model by interpolation of the graphite intensity, and other measured parameters, as logged, by geologists. To supplement this project, a drilling program was carried out in the EMZ pit during 2016, with samples shipped to an external laboratory. Metallurgical testwork will include comminution tests and gold extraction on deeper ore, focusing on the gold recovery impact of graphite ore to identify the best strategy to treat the graphitic ore types.

Metallurgical testing on representative samples from the Falagountou deposit was completed in May 2014 by SGS. The metallurgical tests included assaying, mineralogy, gravity separation, and CIL testwork. The test program concluded that:

- Graphite content was low in all samples, as most carbon was associated with carbonate material.
- Sulphur grade was low in the saprolite and transition samples, and slightly higher in the hard rock samples.
- The fresh rock samples were categorized as relatively soft based on the Bond ball mill work index (BWI), and had excellent recoveries when treated in a gravity separation CIL circuit.

The average recoveries used per rock type—before the decrease seen in March 2016—from the Falagountou and Essakane pits are as follows:

Rock Type	Essakane Pit Recovery (%)	Falagountou Pit Recovery (%)
Saprolite	95.0	95.5
Transition	92.8	93.5
Hard Rock	91.9	92.0

Those recoveries will be revised after receiving the results from the current geometallurgical studies.

During 2016, a fine carbon incinerator was installed at Essakane to allow processing of carbon fines generated as a result of attrition in the CIL circuits. In addition to the incinerator, enhancements were made to the fine carbon recovery process after the leach circuits and ahead of the tailings pumps. Since the start- up of the Essakane operation, fine carbon containing significant amounts of gold in inventory has been stockpiled at site. At our other operations, this material is traditionally shipped to copper smelters, or other processing facilities where the gold can be recovered. Because of export restrictions, this has not been possible, except for two exceptional shipments of carbon fines (one in 2015 and one in 2016) which were allowed only after extensive negotiations with authorities in several branches of the government. The new on-site incinerator allows timely processing of this material at site and eventual sale of the contained gold inventory as part of regular gold doré shipments. While the enhanced fine carbon recovery circuit should contribute to better overall gold recovery.

xiii) Mining Operations

Mining is carried out using a conventional drill, blast, load and haul surface mining method with an owner fleet. The annual mining rate was 48.9 million tonnes in 2015 and 46.9 million tonnes in 2016. The planned mining rate in 2017 is 50.9 million tonnes and is expected to reach a maximum of 53.1 million tonnes in 2020. The higher tonnage of waste mined between 2018 and 2021 is required to expose enough ore in Phases 3, 4 and 5 of the Essakane main pit to sustain mill throughput in the coming years. The mining rate decreases beyond 2020. The weathered zones will continue to be sequentially mined until fully depleted, after which mining will be exclusively in hard rock. Current pit geometry consists of five metre benches in upper lateritic layers, and 10 metre benches in hard rock. Grade control samples are collected using RC drills. A fleet of 13 drill rigs are used for the six inch and nine inch production blast holes with two additional nine inch rigs being added to the fleet in 2017 for production in hard rock.

Waste rock material is stored in the waste dumps located to the east of the mine. Various ore stockpiles sorted per type (saprolite, transition or rock) and grade (marginal, low and high grade) are located to the west of the mine, just north of the primary crusher. Other mining infrastructure involves a mine office complex (mine offices, change houses and canteens), equipment workshop integrated to the main warehouse and external wash down bays, blasting and explosives compound including magazines, diesel storage and dispensing facility and a drill core storage facility. Operating costs have been determined for three ore types, namely the saprolite ore, transition and fresh rock arenite/argillite ore. Mine haul roads are 20 to 30 metres wide and constructed by the mining department to support the 150-ton mine haul trucks.

Tails are stored in a tailings pond. A process plant expansion was commissioned in February 2014, and effectively doubled the hard rock processing capacity. A detoxification plant was also installed in 2014, upstream to the tailings pond. The detoxification plant is undergoing optimization and will be used as required following the new tailings deposition plan.

The mine village was built from prefabricated structures and this village was initially used as the construction camp. The site has a satellite communications system. Four office complexes are located in the mine plant area to service mine operations, maintenance management and administrative services. The main warehouse is attached to the mine maintenance shops and includes a sizeable storage yard.

General services are an essential component to the success of the project. Because of the remoteness and complex logistics of the mine coupled with the limited services available in Burkina Faso, the scope and extension of the general services department to support production is very substantial. Current manpower is approximately 2,750 workers, including contractors. A total of $433 million of capital is planned to be spent over the remaining life of mine.

IAMGOLD Essakane S.A. has implemented two resettlement plans consistent with Burkinabé laws and best practices recommended by international organizations (World Bank). The first plan started in 2008 (13,000 individuals and 2,981 households affected) and the second plan started in 2012 (3,208 individuals and 555 households affected). In both instances, memorandums of understanding were signed and resettlement follow-up committees comprising key representatives of affected villages and administrative authorities were created. These committees meet on a monthly basis to follow up on the progress of the two resettlement action plans.

As part of a community investment plan, socio-educational infrastructures are being built (wells, medical centres, schools, etc.). Programs to fight malaria and HIV/AIDS and increase road safety awareness, were developed for the benefit of neighbouring populations. Rural development activities (agriculture, animal husbandry, etc.) are primarily undertaken as part of a livelihood restoration program. Since 2014, a community investment program has been financing community projects through communal development plans. A program of village forests, tree nurseries and school tree copses has also been developed to promote environmental protection.

Production

The 2017 attributable production is estimated to be between 370,000 and 380,000 ounces of gold.

The following table indicates operating information for the Essakane mine for the last two years:

ESSAKANE MINE	**2016**	**2015**
Gold production (ounces) 100% (1)	419,000	426,000
Tonnage milled (tonnes)	12,006,000	11,716,000
Grade milled (g Au/t)	1.22	1.24
Recovery (%)	89	92

(1) The production attributable to the Company in 2016 was 377,000 ounces and in 2015 was 383,000 ounces.

xiv) Exploration and Development

In 2016, approximately 31,101 metres including infill, resource expansion and special geometallurgy drilling was completed in conjunction with just over 14,705 additional metres of exploration drilling by the Company's regional exploration group (outside the mine lease).

The resource development drilling was focused on the Essakane South (oxide ore target) and on Falagountou East. Both projects together reported an increase in resources of approximately 104,000 ounces.

The resources and reserves update for the Essakane mine and Falagountou was completed in January 2017.

In 2017, the resources development drilling campaign will explore the EMZ down dip extension as well as the Essakane South prospect. Falagountou East drilling will also be completed.

The regional exploration group will continue to investigate on advanced exploration prospects on the surrounding exploration concessions.

xv) Mineral Reserves and Resources

Information on mineral reserves and resources is provided in Section 4 of Item III below.

G Mining Services Inc. is not aware of any known environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the mineral resource estimate. G Mining Services Inc. was not involved with the mineral reserves in 2016 and cannot comment on factors that could materially affect the mineral reserve estimate.

xvi) Environment

The EMS for the Essakane mine is certified under ISO 14001-2004. A comprehensive monitoring program is in place (at all stages of the life-of-mine) at the site as well as in neighbouring villages. This program encompasses water quality monitoring (potable water, ground water, domestic waste water, surface water, and community wells water), air quality (dust, greenhouse gas emission), soil, biodiversity (fauna, flora), noise, vibration, weather, follow-up and assessment of the community investment program (health, education, potable water access, agriculture, animal husbandry, etc.).

The Essakane mine also participates in the Mining Association of Canada's TSM program.

Information on the estimated amount of restoration and closure costs for the property is provided in Section 5.2 of Item III below.

2.2 Africa: Mali—Sadiola Mine

Unless stated otherwise, the information in this section is based upon the technical report (the "Sadiola Report") entitled ''IAMGOLD Sadiola Sulphide Project (SSP) 2015 NI 43-101 Report, Mali'' dated and effective March 15, 2016 prepared by G Mining Services Inc. and Snowden Mining Industry Consultants and authored by Philippe Gaultier, ing., MASc, Daniel Vallières, ing., Jérôme Girard, ing., P.Eng., Luc-Bernard Denoncourt, ing., Louis-Pierre Gignac, ing. and Mark Burnett, Pri. Sci. Nat. (400361/12).

Portions of the following information are based on assumptions, qualifications and procedures which are not fully described herein. Reference should be made to the full text of the Sadiola Report which is available for review on SEDAR at www.sedar.com. The Sadiola Report has been filed with the securities regulatory authorities in each of the provinces and territories of Canada.

i) Property Description, Location and Access

Location of the Project, Means of Access and Nature of Interest

The Sadiola mine consists of an open pit mining operation exploiting the Sadiola gold deposit, associated CIP processing plant, proposed updated plant, townsite and infrastructure at Sadiola, in the Republic of Mali, West Africa. The Sadiola mine area is located in the western part of Mali near the border with Senegal, approximately 77 kilometres south of Kayes, the regional capital and about 440 kilometres northwest of the capital city of Bamako. The Sadiola mine is mined by La Société d'Exploitation des Mines d'Or de Sadiola S.A. ("SEMOS"), a joint venture company that holds the mining rights for gold, silver (and related substances) and platinoids for the mining permit area in Mali (the "Sadiola Mining Permit") in which the Sadiola mine is located. The Sadiola Mining Permit covers an area of 302 square kilometres. The shareholders of SEMOS are IAMGOLD, which indirectly owns 41 per cent, AngloGold Ashanti, which indirectly owns 41 per cent, and the Government of Mali, which owns 18 per cent. AngloGold Ashanti, through its wholly-owned subsidiary AngloGold Mali S.A., is the operator of the Sadiola mine.

Mali is a landlocked nation in West Africa. As such, Mali is dependent on its neighbors for ocean-borne inbound materials and supplies. The highway between Dakar, Senegal and Kayes is paved along the whole of its 836 kilometres extent. The road between Bamako and Kayes is 506 kilometres on a paved highway.

Access to the Sadiola operation from Kayes is through an 80 kilometres long, regional, compacted laterite surfaced, all-weather, single carriageway road. There is an airstrip at the Sadiola mine capable of handling light aircrafts. Kayes is serviced by rail, road and air from Bamako and from Dakar. Bamako has an international airport with daily flights to many other West African and European destinations. Dakar is a major port of entry to Mali by sea and air.

In Mali, mineral resources are the property of the State. Malian mineral rights are governed by the Mining Act dated February 27, 2012 (the “Mining Act”). The Mining Act is complemented by the Mining Decree dated June 21, 2012.

A “license to operate”, or the operating permit, entitles the permit holder, within the limits of its scope and depth, the exclusive and indefinite right to prospect, undertake exploration and exploitation of mineral substance(s) found within the perimeter which is the subject of the permit. The operating permit is granted if the holder has fulfilled the obligations set out in the Mining Act, submitted a mining feasibility study, a community development plan, formulated in conjunction with the interested local communities as well as the local and regional authorities, and a mine closure plan. The community development plan must be updated every two years.

The permit also grants its holder the right to undertake processing operations under Article 21, within the borders of Mali, and to market the saleable products. The holders of an operating license are free to export mining products.

The holder of the operating permit is required to begin exploitation within three years of issuance of the permit. This permit is granted by decree for a period of 30 years, and can be extended in 10-year increments until depletion.

Exploration activities are covered within this permit. The permit is a modification of all previous exploitation areas.

The existing Sadiola Mining Permit was issued on August 1, 1994 by the Minister of Mines, Energy and Water of Mali to AGEM Ltd. (“AGEM”), a wholly-owned subsidiary of IAMGOLD. SEMOS is bound by the original prospecting and exploitation agreement (including its subsequent legal modifications) entered into on April 15, 1990 between AGEM and the Malian government, and the agreement is valid for the original mineral commodities until 2020. The identity number of the current exploitation area is “DECRET No 00-080/PM-RM DU 06 MARS 2000” and is a modification of all previous exploitation areas. The surface area is defined by “DECRET No 00-063/PM-RM DU 25 FEV 2000”. The existing Sadiola Mining Permit is for an initial term of 30 years, expiring in 2024, and may be extended by order of the Malian government if mining operations are ongoing.

Taxes, Royalties, Back-In Rights, Payments, Agreements and Encumbrances

Title holders must pay fixed fees for the grant, assignment, transfer and renewal of mining titles, as well as annual surface rights. The value of the fees is provided in the mining regulation, as adjusted by the administration in charge of mines in Mali.

All general taxes and exemptions for holders of operating permits are applicable as identified in Malian legislation. Without limitation, they include gross revenue taxes, ad valorem taxes, corporate taxes, customs and duties, labour and social security taxes, patent taxes, withholding taxes and value added taxes.

Income taxes are calculated in accordance with the mining convention between SEMOS and the Malian government. A five-year tax exemption period from Year 3 to Year 7 was applied to the model according to an agreement with the Malian government. The income tax rate is 30 per cent.

A royalty payable to the Malian government is comprised of two elements: CPS (contribution for service delivery) and an ad valorem tax. Both are calculated at 3 per cent on revenue respectively.

ii) History

Sadiola was identified as a favorable exploration area based upon the widespread evidence of artisanal gold workings and small scale mining by local inhabitants. Written records of mining at Sadiola reportedly date back 250 years, and the extent of the historical works suggests that mining may date back more than 1,000 years.

From October 1987 to August 1989, a large regional geochemical survey, known as Mali Ouest 1, was carried out for the Malian government by the German company, Klöckner INA ("Klöckner"), as part of an aid program financed by the European Development Fund. In addition to the 48,000 samples collected during this first-pass regional program, detailed geochemical sampling near the villages of Sadiola and Dinnguilou confirmed high gold, arsenic and antimony anomalies. In January 1990, when exploration rights for the Sadiola area were granted by the Malian government, Klöckner was hired to conduct a large scale gold exploration program at Sadiola which identified the presence of a significant oxide gold deposit.

In 1991, Watts, Griffis and McOuat Limited ("WGM") (geological and mining consultants) was retained by IAMGOLD to review the work of Klöckner, prepare a preliminary economic assessment of Sadiola and make recommendations for further work. The preliminary economic assessment yielded positive indications and WGM recommended a large exploration drilling program to delineate and confirm the Sadiola mineral resource. During 1991 and 1992, WGM assumed responsibility for the ongoing exploration effort. In December 1992, WGM estimated a probable reserve of 22.3 million tons of oxide mineralization, with an average content equivalent to 3.3 g Au/t.

In October 1992, a joint venture agreement with Anglo American Corporation of South Africa Limited ("AAC") was signed for the construction and management of any mine developed at Sadiola. A feasibility study on the Sadiola gold deposit, dated December 1993 and prepared by AAC, was presented to the Malian government.

The Sadiola mine poured its first gold bar on December 20, 1996.

Mining commenced in the FE3 pit in April 2001 and in the FE4 pit in November 2001. Mining at the Tambali pit, south of the main pit, started in July 2013. Since then, several smaller pits have also been mined.

Since 1997, production per annum has ranged from 168,586 oz (in 2015) to 611,442 oz (in 2000).

iii) Geological Setting, Mineralization and Deposit Types

The Sadiola deposit, previously known as the Sadiola Hill deposit, is located within the Kedougou Kenieba Inlier ("KKI"), a major early proterozoic window of volcano-sedimentary greenstone belts and calc-alkaline granite intrusions that comprise part of the Lower Birimian terranes of the West African Craton. The inlier is positioned at the northeast margin of the Kenema Man Shield and is bound to the west by the Pan-African Mauritanide Hercynian Belt and concealed to the north, east and south by undeformed Neoproterozoic and Paleozoic sedimentary formations of the Taoudeni Basin.

The volcano-sedimentary sequences of the KKI are separated into two lithostratigraphic super groups which correspond reasonably well to the Mali West 1 classification. The Mako (or Saboussire) Super group is in the west and characterized by massive and pillowed tholeiitic basalt, calc-alkaline volcanic rocks and interbedded volcaniclastic sediments. To the east, the younger Dialé Daléma Super group comprises platform type sediments of carbonate, graywacke, sandstone and pelite, intruded by intermediate and felsic calc-alkaline rocks.

The super groups are separated by major, regional crustal scale structures. Regional metamorphism is to greenschist facies with amphibolites facies metamorphism only observed in the contact aureoles around major intrusions.

Gold mineralization in the Sadiola main pit has been mined for 2 kilometres along strike. Mineralization occurs in all four rock types: graywacke, carbonate, diorite and quartz-feldspar porphyry ("QFP"), usually close to or within the contact of the Sadiola Fracture Zone ("SFZ"). The bulk of the mineralization is hosted in the footwall adjacent to the SFZ. The mineralization has a strong structural control and is spatially associated with a complex weathering and alteration pattern.

Oxide

The geometry of the extensive, soft, oxide deposit and its supergene enrichment of gold relates almost exclusively to the weathering history of the primary mineralization. Intense tropical weathering has produced deep troughs of white to grey, decarbonated, kaolin-rich saprolite, locally abundant nontronite and relative gold enrichment. Penetration of groundwater has caused oxidation of the primary sulphides and the formation of sulfuric acid, further promoting deeper argillization of the bedrock. The variable permeability of the deposit, controlled by faulting, shearing and porosity, has led to the irregular 'karst-like' weathering geometry from 30 metres deep in the north to 220 metres in the south. Weathering is deepest along the SFZ.

The deeply weathered saprolite was protected from erosion by a capping of hardpan laterite (ferricrete).

Sulphide Mineralization

Drilling of the (unweathered) primary mineralization has allowed detailed investigation of major and minor hydrothermal alteration processes that were active during the formation of the deposit.

Primary gold is extremely fine grained, dominantly less than 15 microns (µm), with rare grains approaching 50 µm and visible gold is rare. Gold mineralization is associated with arsenic and antimony dominated sulphide assemblages of arsenopyrite, pyrrhotite, pyrite, stibnite and gudmuntite as well as potassic, calc-silicate, propylitic iteration and silicification. Much of the mineralization appears to be related to deformation of the host rock.

Deposit Types

Sadiola has been classified as a "mesothermal – shear hosted" gold deposit which has implications regarding the distribution of mineralization and resource potential. Deposits of this type exhibit good continuity of mineralization both along strike and down dip. Structurally controlled, high grade "pay shoots" typically occur within a lower grade halo in these types of deposit.

Sadiola is a brittle-ductile shear zone-hosted deposit related to the interaction of a north-northeast striking fault array with a single major structural discontinuity, the north-south striking SFZ.

The FE trend hypogene mineralization exploits the intersection of the north-northeast trending shears and the northwest-northeast trending lithological contacts.

Most of the mineralization is hosted within the carbonate strata suggesting a litho-structural control.

Elements of skarn mineralization have been observed at both the FE and Sadiola trends; these could be linked to some deep seated intrusion.

Supergene processes have upgraded the gold resources in the oxide zone. Along the FE trend the "high grade" oxide mineralization appears to be derived from very low grade sulphide mineralization. At Sadiola, there was significant production from alluvial gold, indicating that the opportunities for secondary gold exist. There are areas on the streams draining the Sadiola trend which have been partially exploited by artisanal miners for alluvial gold. The extent of the remaining alluvial gold has not been qualified or quantified.

iv) Exploration

Eight key oxide targets, identified at a targeting workshop in the fourth quarter of 2013, were the focus of exploration during 2014. During 2015 exploration drilling was undertaken on Sadiola North ("FN") and

Tabakoto. Scoping studies have been completed at Tambali and Sadiola North from new geological models. Estimates show potential for continued oxide and sulphide exploration, which is ongoing.

v) Drilling

Exploration drilling has been conducted over the entire Sadiola permit area since the early 1990s. RAB holes were drilled over various exploration targets before 2009. These holes were typically shallow (less than 50 metre) to test the oxide mineralization just below the laterite interface. Between 2010 and 2013, geological exploration drill sampling was undertaken using RC or DD. Most of the DD was done in and around the mining areas of Sadiola, FE and Tambali pits. No DD has been undertaken since 2013; all exploration drilling since 2013 has been undertaken using RC drilling.

In 2015 a total of 13,110 metres of RC drilling was achieved focusing on the area to the north of the Sadiola Main Pit and the Tabakoto satellite deposit. In addition, 4,350 metres of RC drilling was undertaken to upgrade the mineral resource on the northern extension of the Sadiola main pit. An additional 3,632 metres of RC drilling was undertaken to define the north-northeast to northeast trending shears that occur in the Sadiola north area. These results together with information from pit mapping were used to update the geological model for the area.

At Tabakoto 2,874 metres of RC exploration holes were drilled to infill the predominantly inferred mineral resource. An additional 1,626 metres of definition drilling was completed on the northern and southern extension of the mineralization trend. The drilling campaign confirmed the deep weathering and mineralization associated with weathered carbonate. A review of the Tabakoto geology model suggests that the mineralization is controlled by steep northwest trending structures above which the laterite mineralization is located. There is a possibility of north-northeast to northeast cross-cutting structures consistent with the regional cleavage observed at the FE3/4 pits.

vi) Sampling, Analysis and Data Verification

The majority of the samples used in the resource evaluation are from exploration and grade control drill chips from RC drilling. Exploration RC rigs are fitted with cyclones providing routine samples on a two metre basis. Sub-samples are split at the rig using a three tier stacked riffle splitter yielding a 2 to 2.5 kilogram sample. Grade control holes are sampled on a two metre basis. The drill rigs are fitted with a rotary cone splitter producing an automatic sub-sample (Sandvik Rotaport sampling systems). RC samples too wet to pass through the riffle splitters are dried in an oven overnight and later split with the three tier riffle system. Drilling is normally stopped when the sample becomes too wet. Wet samples are flagged in the database.

Core from the DD holes are logged and split in half by a diamond saw. One half is bagged and dispatched for density determination and assay while the other half remains for reference in the core tray. Sample intervals are generally on a one metre basis with deviations as appropriate to account for changing geology.

The following laboratories are used for sample analysis:

- SEMOS - onsite laboratory owned and operated by SEMOS processing all grade control. All exploration and grade control samples collected in 2014 and 2015 were submitted to this laboratory. The laboratory is not accredited. A 30 gram aliquot is routinely used for fire assay.
- SGS Bamako - independent, accredited laboratory located in Bamako, Mali. During 2015, the laboratory acted as referee lab for the annual check assay as part of the quality control process.
- SGS Kayes - Non-accredited laboratory to which all samples from pre-2013 (exploration RC chips, diamond core and soil samples) were submitted. SGS Kayes used a 30 gram aliquot for sulphide material and a 50 gram aliquot for oxide material and closed down at the end of 2013.
- SGS South Africa - Booysens—accredited laboratory not used during 2014, but has been routinely used as an umpire laboratory for processing check assays.

The QA/QC measures include the routine insertion of QC materials into the sample stream as well as independent laboratory audits and job observations. QC material comprise standard reference materials ("SRMs"), blanks, field and pulp duplicates and check assays. These programs were run in addition to the normal QC insertions and monitoring undertaken in-house by SEMOS and SGS Bamako. The SRMs are supplied by ROCKLABS Limited for a variety of gold grade ranges.

QC samples are assigned fixed positions within the sampling sequence by geologists. Prior to 2014, SEMOS grade control delivered the QC samples separately to the laboratory. The QC insertion rate has been streamlined and standardized according to AngloGold Ashanti's recommended levels.

The assay laboratories insert their own QA/QC materials and make the results available to SEMOS through their Laboratory Information Management System ("LIMS"). The results of the assay laboratory QA/QC are not stored in the Geological Database Management System ("GDMS").

QC results are monitored by SEMOS as part of the assay data validation process during the data loading. Sample submissions falling outside of acceptable rejection limits are investigated and resubmitted for re-assay if necessary. The assay results loading and feedback to the laboratory is typically completed within 24 hours after receipt of results. The internal laboratory standard results are also available to users through the LIMS query tool and are utilized when determining the pass/failure of a sample submission.

The pulp QC sample mass was reduced from 150 grams to 30 grams in 2014. The reason for the reduction was to supply the mass required for fire assaying (30 grams); therefore, eliminating the possibility for test runs by the laboratory and reducing processing cost.

Mass loss measurements, where a sample mass is taken before and after crushing and milling, were introduced and implemented in October 2014 by the SEMOS laboratory. The test is undertaken at a rate of one in 20 samples. Mass measurement gives an indication of mass loss in the sample preparation steps and is part of the laboratory internal QA/QC procedure to minimize sample loss, maintain representativeness and avoid introduction of bias. The maximum percentage loss during a processing step is 2 per cent. Mass balance analysis is also being introduced at the sampling phase to determine the sample recovery.

A monthly QA/QC report is produced by Sadiola according to QA/QC guideline Rev 1.05 (AGA, 2014d) in which the QA/QC activities for all labs are reported. An annual report is also published which includes the referee lab results and lab audits.

It is the opinion of the authors of the Sadiola Report that the sampling and analytical methods and security procedures are adequate to allow for representitivity in the samples collected and accuracy in the assay grades reported.

Poor precision was observed in the analyses of the field duplicates, pulp duplicates and check assays. This should be taken into account when undertaking mineral resource estimation and classification. The authors of the Sadiola report recommend that the subsampling methods from the drilling rigs to the laboratory be reviewed.

All drilling data are collected, validated, managed and delivered to end users using a CAE Mining, GDMS. The geological and survey data are verified by the project geologist and signed off. Assays are verified by the database manager and the results reported to the project geologist who then signs off on the drillhole data in the database.

vii) Mineral Processing and Metallurgical Testing

The December 2010 feasibility study of the Sadiola Deep Sulphide Project was prepared at the request of IAMGOLD and AngloGold Ashanti to extend the mine life of the Sadiola mine beyond 2018. The feasibility study was prepared and compiled by IAMGOLD project development in a collaborative effort with resources from AngloGold Ashanti and SEMOS as well as a number of specialist external consultants. As a part of the data generated for the 2010 feasibility study, a significant amount of testwork was conducted by a number of organizations. Since 2010, the feasibility study was updated and optimized, however, no additional testwork was done. This section reviews the nature and extent of the metallurgical testwork conducted.

Ore characterization was an important focus for the project due to the variability observed during the metallurgical testwork. The ore is characterized by degree of weathering, lithology and by localization within the deposit. Calcite marble is the dominant rock type that will be processed by the project.

Metallurgical testwork included the following:

- The mineralogical and geochemical characterization of 58 ore samples taken from various locations within the deposit and of the various major rock types (calcite marble, greywacke and diorite);
- A general gold deportment and sulphide liberation study was undertaken to predict gold behaviour during processing for eight composite samples;
- Organic carbon was found to be less than 0.1 per cent and preg-robbing is not expected to be a problem;
- Heavy liquid separation reported a mass pull of below 1.7 per cent reporting to the sinks with excellent gold upgrading of between 20 per cent and 50 per cent to the heavy fraction. These results were matched by the gravity tests conducted;
- A grading analysis reported a higher gold to mass ratio in the coarse material from the southern parts of the ore body;
- X-ray diffraction analyses showed that the samples were composed of quartz, feldspar, carbonates and mica and contained minor traces of amphiboles, chlorite, scapolite and molybdenite; and
- The QEMSCAN trace mineral search concluded an average gold grain size between 3 and 7 microns, or a gravity average between 4 and 12 microns.

Comminution testwork included the following tests:

- Bond Impact Work Index used to determine crushing design parameters. Results indicated 13.4 kWh/t for diorite, 10.7 kWh/t for greywacke, and 12.2 kWh/t for calcite marble;
- The JKTech drop weight test was used to determine SAG mill capability. However, the results from this testwork were not used in design as the results were not comparable with historical testwork and current SAG mill comminution (“SMC”) tests which gave more conservative results;
- The SMC test is a smaller scale test than the JKTech drop weight test. The lithological weighted average value of Axb was 33.4; Bond Rod Mill Work Index was determined to be 14.86 kWh/t;
- Bond Ball Mill Work Index was determined to be 13.33 kWh/t; and
- Pennsylvania Abrasion test to determine the consumption of steel media. It was determined that the greywacke material will consume a lot more steel media than other rock types, the lithological weight average was a value 0.082.

Leaching and gravity testwork includes the following:

- Gravity testwork to evaluate the recoverable gold. The associated design requirements indicated a gravity recovery of 24.8 per cent with an 82.1 per cent intensive leach recovery of the gravity concentrate. Leaching tests were conducted on both ROM ore and the gravity tails, resulting in highly variable recovery of gold from different parts of the orebody. Cyanide consumption was estimated to be 0.632 kg/t and lime consumption 0.61 kg/t; and
- For the optimization study metallurgical testing was done to assess the recovery from the hard sulphide stockpile. The testwork and plant trial confirmed the 76 per cent recovery established for the feasibility study and yielded a higher head grade.

The gold recovery by lithology and by location in the deposit for the hard sulphide ore is estimated to range from 68 per cent to 83 per cent with a weighted average recovery for the hard sulphide estimated at 76 per cent. The recoveries for other rock types are based on actual plant results. The average recovery for soft oxides was set at 94 per cent and 80 per cent for soft sulphides. The recovery assumed for processing existing hard sulphide stockpiles is also set at 76 per cent based on plant trials.

viii) Mineral Reserves and Resources

Information on mineral reserves and resources is provided in Section 4 of Item III below.

The year end 2016 Reserves and Resources were developed by AngloGold Ashanti experts as the operating partner in the JV, and were partly based on earlier work, including the March 2016 NI 43-101 study, together with additional work completed during 2016, jointly carried out by AngloGold Ashanti and IAMGOLD. The authors of the Sadiola Report are unaware of any issues that materially affect the mineral reserves and resources in a detrimental sense. However, the authors of the March 2016 NI 43-101 study were not directly involved with the calculation of the mineral reserves and resources for year end 2016 and cannot comment on factors that could materially affect the updated mineral reserve and resource estimate.

ix) Mining Operations

A large push-back to the existing Sadiola main pit is needed to mine sulphide ore. The oxide ore production of the main pit ceased in 2010. The most appropriate mining method for the sulphides is an open pit truck and shovel (or excavator) method. Given the large tonnage, increased pit size and greater depth of the pit, larger equipment consisting of RH170s (20 m3 shovels) and 150-tonne trucks (CAT 785) are deemed more appropriate than the fleet of RH120s and CAT 777s currently operated by the mine contractor.

A past study was undertaken to compare bulk mining and selective mining for the SSP. The study concluded that, given the structure of the mineralization of the Sadiola sulphide ore body, there is little or no dilution advantage of mining using either the bulk or selective mining methods since the ore body is generally sub vertical. However due to the simplified operation of bulk mining and the additional costs associated with selective mining, it was concluded that bulk mining would deliver cost savings over selective mining methods.

x) Processing and Recovery Operations

The existing processing facility was designed for the processing of soft ore and can only introduce a small percentage of hard ore in the mill feed. Since the beginning of the operation, mining activities have been outsourced to a contractor, with mine engineering and geological services provided by SEMOS. All other activities on site such as processing are performed by SEMOS.

The upgraded processing plant which includes current and new equipment is designed to process 900 tonnes per hour based on 92 per cent operating time for an annual throughput of 7.2 MTY of hard ore. The design of the processing plant is based on the transition of processing soft ore to hard ore over the life of the mine. During the initial years of the hard sulphide operation, the existing plant will be kept in operation to process remaining oxide ore. When the mine production will reach its full capacity of hard sulphide, the two plants will be combined to process 7.2 MTY of hard rock.

A gyratory crusher (450 kW), SAG (2 x 7000 kW)/ball mill (7000 kW) and CIL circuits will be added to the actual milling capacity as existing ball mills (3 x 2010 kW) to allow the mine to reach a maximum capacity of 7.2 MTY.

The current tailings facility is designed only for soft ore and will require additional capacity to process hard ore from the SSP. The expansion project as detailed in the March 2016 NI 43-101 study was to construct a new, lined TSF adjacent to the existing TSF, with eventual addition of a tailings thickening study later in the mine life to maximize the storage capacity of the impoundment. Based on work done subsequently during 2016, the project is now recommending the use of one of the exhausted satellite pits (FE4), with the use of thickened tailings from the outset. Depending on the actual storage capacity of the existing void, and the eventual life of the mine, it may be necessary to consider using an additional satellite pit for future tailings storage.

xi) Infrastructure, Permitting and Compliance Activities

Infrastructure

The Sadiola mine is situated proximal to 46 officially recognized villages and several hamlets. The main villages are Farabakouta, Neteko, Sadiola and Borokone. A mine village has been established to the northeast and provides housing, a medical clinic, a park and recreation facilities for mine employees and dependents. Other facilities include guest accommodation, a post office, a supermarket, sewage treatment facilities and other amenities.

The Sadiola mine employs more than 1,000 people, including those employed by outside contractors. The majority of Sadiola personnel are Malian nationals (approximately 93 per cent), with the remainder being expatriates, primarily from South Africa (approximately 7 per cent). The majority of the unskilled labor is sourced from the nearby town of Kayes, Sadiola and neighboring villages.

A 55-kilometre pipeline from the Senegal River, the only reliable source of water in the region, was built to provide approximately eight million cubic metres per year of process water. Potable water for both the mine operation and the mine town site and local villages are supplied from the pipeline, as well as local boreholes, and pumping of pit water impounded in the Sadiola main pit, and treated prior to distribution. Electrical power is currently provided through Sadiola's diesel-powered generating sets, which are capable of meeting an average demand of 16.7 megawatts. Approximately 4.73 million liters of diesel fuel per month are currently required for power generation and mining, under a contract with Total/ELF Petroleum Company. The 7 million litres national strategic fuel depot, situated in Kayes, is used as back-up storage in case of major road and/or rail disruptions.

The expansion project will connect the site to the Malian power grid at 225kV using a 93 kilometre power line to provide sufficient power to the current as well as additional equipment installed.

Most of the existing infrastructure present at the Sadiola mine will be used as part of the expansion project, although some additional infrastructure is required for the expansion.

Environmental, Permitting and Social or Community Factors

A number of key issues need to be addressed for the SSP to proceed further. The key permitting, environmental, social and community issues are as follows:

- The environmental permits have expired.
- The 2010 environmental and social impact assessment has been updated to include the impacts of the changes made between the 2010 SSP and the 2015 SSP (for example changes in the

location of various project components) and has been submitted for approval to the relevant government authorities.

Information on the estimated amount of restoration and closure costs for the property is provided in Section 5.2 of Item III below.

xii) Capital and Operating Costs

The accuracy level targeted by the Sadiola Report for the capital and operating cost estimate is ± 15%. All costs have been stated in U.S. dollars based on foreign currency quotations and estimates converted using the following long term exchange rates.

Currency	Abbreviation	Exchange Rate Year 1	Exchange Rate Year 2
U.S. Dollar	USD	1	1
CAD Dollar	CAD	0.8	0.8
Great Britain Pound	GBP	1.55	1.55
CFA Franc	XOF	0.001681	0.001754
Euro	EUR	1.1	1.15
South African Rand	ZAR	0.076923	0.076923

The gold prices assumptions for the project are as follows:

Years	Gold Price (USD)
Year 1	1,150
Year 2	1,225
Years 3-4	1,250
Years 5 +	1,275

The delivered fuel price assumption affecting mining costs is summarized as follows:

Years	Fuel Price (USD)
Year 1	0.78
Year 2	0.83
Years 3-4	0.86
Years 5+	0.89

Capital Cost Summary

The 7.2 MTY scenario capital expenditures ("CAPEX") are estimated at $379 million including a contingency of $24.5 million. The construction capital cost summary is as follows: and excludes past expenditures of $141.8 million:

Capital Expenditures	USD Fixed Exchange	USD Variable Exchange
03 – Mining	78,136,000	78,136,000
04 - Transmission Line	37,169,204	37,169,244
05 - Other Infrastructure	12,313,640	12,336,871
06 – Plant	70,943,760	71,619,565
08 - Tailings Facilities	33,175,034	33,570,973
09 - Construction Management	89,189,971	89,203,151
Fuel	1,511,980	1,560,441
Existing Commitments on purchased long-lead items	14,161,000	14,161,000
10 - Owner Costs	2,360,233	2,363,235
998 - Contingency	24,515,184	24,515,184
999 - Management Fees	13,974,681	13,974,681
Grand Total	377,450,687	378,610,345

The investment program is scheduled over a 24-month period. The working capital required for the expansion with an owner mining strategy and considering a production increase at the end of Year 2 is $32 million of additional inventory.

Sustaining capital for the incremental 7.2 MTY project is estimated at $257 million and is mainly for initial waste development, equipment replacement, major repairs and rebuilds, TSF stages and plant stay-in business capital.

Further to additional work completed on the project subsequent to the March 2016 study, go forward capital costs have increased marginally to $410 million, which has been offset by a significant decrease in sustaining capital to $139 million. The cost revision is primarily attributable to a modified mine design and waste stripping schedule which has reduced total waste to be mined and transferred some other waste from the operating period to the preproduction period.

The incremental closure cost from the SSP amounts to $20.4 million.

Operating Cost Summary

Operating costs presented in this section use the fuel and exchange rate from corporate assumptions. Mining costs have been estimated at an average of $2.99 per tonne based on owner mining costs for the sulphide pit. Average mining cost using contractor mining is now estimated to be $3.06 per tonne. Based on work completed subsequent to the March 2016 study, the current plan is to continue to mine Sadiola using a mining contractor. Operating costs have been adjusted slightly upward, offset by some capital equipment and infrastructure savings versus the plan outlined in the March 2016 study.

Processing costs have been estimated by rock type based on specific reagent, grinding media and power consumption for each. In addition, fixed costs for maintenance and labor are added. The power cost is based on a grid power cost of 70 XOF/kWh. The average processing cost estimated over the life of mine is $15.28 per tonne milled.

General and administrative services are estimated at $31.8 million on average (excl. refining cost). Refining cost is estimated to $4.88 per ounce produced. The general and administrative costs in the financial model include all administrative, support services at site and refining costs.

The operating costs are estimated to be $35.29 per tonne milled or $735 per ounce produced as follows:

Category	Total Costs (M$)	Avg. Cost ($/t milled)	Avg. Cost ($/oz)
Mining	754	11.47	239
Processing	1,004	15.28	318
G&A	280	4.26	89
Direct Cost	2,037	31.01	646
Royalties	241	3.66	76
Management Fee	40	0.61	13
Total Cost	2,318	35.29	735

Total manpower is estimated to peak at 1,431 employees with 532 in mining, 463 in processing and 436 in general administration.

xiii) Exploration, Development and Production

Eight key oxide targets, identified at a targeting workshop in the fourth quarter of 2013, were the focus of exploration during 2014. At the Sadiola mine, during 2015 and 2016, exploration remained focused on the near mine oxide potential to fast track reserve generation to extend oxide life of mine, with exploration drilling undertaken on Sadiola FN and Tabakoto. There was also a drive to identify and model the sulphide potential for medium to longer term exploitation. Oxide exploration on the Sadiola concession has reached maturity and exploration work consisted of follow-up drilling at various prospective targets and identifying new targets. Scoping studies have been completed at Tambali and Sadiola FN from new geological models. stimates show potential for continued oxide and sulphide exploration, which is ongoing.

The following table indicates production information for the Sadiola mine for the last two years:

SADIOLA MINE	**2016**	**2015**
Gold production (ounces) (1)	171,500	169,000
Tonnage milled (tonnes)	4,908,000	5,062,000
Grade milled (g Au/t)	1.15	1.10
Recovery (%)	94	94

(1) The Company holds a 41% interest in the Sadiola mine and its attributable production was 70,000 ounces in 2016 and 69,000 ounces in 2015.

2.3 South America: Suriname - Rosebel Mine

Unless stated otherwise, the information in the sections below, other than information subsequent to the date of the Rosebel Report (defined below), is based upon the technical report (the "Rosebel Report") entitled "IAMGOLD Corporation – Rosebel Mine, Suriname – Technical Report" dated March 29, 2010, prepared by the IAMGOLD Technical Group under the supervision of Gabriel Voicu, a qualified person for the purposes of NI 43-101 and who, at the time the Rosebel Report was prepared, was the Geology and Mine Exploration Superintendent, Rosebel Gold Mines N.V. ("RGM"). Portions of the following information are based on assumptions, qualifications and procedures, which are not fully described herein. Reference should be made to the full text of the Rosebel Report, which is available for review on SEDAR at www.sedar.com.

i) Property Description and Location

The Rosebel property is located in Suriname, South America, approximately 80 kilometres south of the city of Paramaribo, the capital of Suriname. Suriname is a former Dutch colony located on the northeastern coast of South America. The Rosebel mining concession covers 17,000 hectares in the District of Brokopondo, between the Suriname River to the East and the Saramacca River to the West, and is surrounded by exploration concessions covering an additional surface area of 99,633 hectares. The property is held by RGM, a 95-per-cent-owned subsidiary of IAMGOLD.

The relationship between the Company, RGM and the Republic of Suriname is governed by a mineral agreement executed on April 7, 1994, as amended and supplemented by an agreement dated March 13, 2003 (the "Mineral Agreement") and further amendment by the Second Amendment and Supplemental Agreement signed on June 6, 2013 (the "Second Amendment"). The Mineral Agreement provides, in particular, for the Republic of Suriname to hold a 5 per cent carried participation in the share capital of RGM (the Class A shares). As at December 31, 2009, the Republic of Suriname held 50 Class A shares and the Company held 950 Class A shares and 7,999,000 Class B shares in RGM. Only holders of Class A shares are entitled to receive dividends as and when declared by RGM.

The Mineral Agreement outlines various business conditions, including the right to export gold, to hold funds in foreign bank accounts, to access local currency at market rates and to import goods, with few exceptions, on a duty-free basis. The Mineral Agreement provides an international dispute resolution mechanism and a debt-to-equity capital structure of 4 to 1.

On December 16, 2002, RGM was granted a 25-year renewable right of exploitation for the Rosebel mine from the Republic of Suriname, following its approval of the updated feasibility study and environmental impact assessment. Pursuant to the Second Amendment to the Mineral Agreement, the term of the Mineral Agreement was extended by 15 years until 2042 and a joint venture to be held 70 per cent by RGM and 30 per cent by the Republic of Suriname will be established to develop resources surrounding the Rosebel mine using government-supplied power at an agreed rate of 11 cents per kilowatt hour.

Production from the Rosebel mine is subject to a fixed royalty of 2 per cent of production, paid in-kind, and, a price participation royalty of 6.5 per cent on the amount exceeding a market price of $425 per ounce of gold, when applicable, payable to the N.V. Grasshopper Aluminum Company ("Grassalco"), a state-owned mining company, and a fixed royalty of 0.25 per cent of production, payable in-kind, to a foundation established by RGM, Grassalco and the Republic of Suriname to promote the local development of natural resources as stipulated in the Mineral Agreement. The Suriname Environmental and Mining Foundation's board is composed of two representatives from RGM, two from Grassalco and one from the Republic of Suriname.

ii) Accessibility, Local Resources and Infrastructure

The Rosebel mine began commercial production on March 11, 2004. The property is accessible by plane or by road from Paramaribo. Its facilities and equipment include a processing plant, maintenance and warehouse facilities, a transmission line to tap into the Afobaka power generating station owned by a major bauxite producer, and related support infrastructure. In 2013, RGM concluded two power supply agreements, one with the Republic of Suriname being indexed to the price of gold, and one with a state-owned entity, EBS NV, which is fully effective for a period of 10 years, being indexed to the oil price, both of which provide for the combined supply of 32 MW of fixed power to the mine and mill facilities.

A solar plant with an installed power capacity of 5 MW was commissioned in the third quarter of 2014. All electric power from the solar plant is being used at the Rosebel mine.

iii) History

The Rosebel property was optioned in 1992 by Golden Star Resources Ltd. ("Golden Star") from Grassalco. Cambior held a 50 per cent interest in the property from June 1994 to May 2002 when it acquired Golden Star's 50 per cent interest (the "Rosebel Transaction"). Pursuant to the Rosebel Transaction, Golden Star received a gold price participation right (the "Rosebel Royalty") equal to 10 per cent of the excess gold market price above $300 per ounce for soft and transitional ore and above $350 per ounce for hard rock ore, and in each case, after deducting a fixed royalty of 2 per cent of production paid in-kind to the Republic of Suriname, up to a maximum of 7 million ounces produced. Golden Star subsequently sold the Rosebel Royalty to EURO Ressources S.A. ("EURO"). Cambior, which held a 95 per cent interest in RGM, was acquired by the Company on November 8, 2006, pursuant to the Cambior Arrangement and an 84.55 per cent interest in EURO was acquired by the Company pursuant to a public offer on December 23, 2008.

Further to the acquisition of Cambior, the Company assumed the obligation to pay the Rosebel Royalty to EURO. With the acquisition of a controlling interest in EURO, the Company was able to effectively decrease its reported cash cost for gold produced at the Rosebel mine.

In December 2015, the Company acquired an additional 3.7 per cent interest in EURO for $7.2 million. As of December 31, 2016, the Company beneficially owns and controls approximately 90 per cent of the outstanding common shares of EURO.

A feasibility study and an environmental impact assessment were filed with the Republic of Suriname in May 1997. Following additional drilling on the property, a revised feasibility study was submitted to the Government in December 1997. An updated feasibility study for the project was completed in August 2002 and submitted shortly thereafter to the Republic of Suriname with an environmental impact assessment for approval.

Following the acceptance of the 2002 updated feasibility study and environmental impact assessment, the granting of the 25-year renewable right of exploitation, the securing of satisfactory business conditions, the completion of financing and implementation of political risk insurance coverage, Cambior, through its subsidiary RGM, officially commenced construction of the Rosebel mine in December 2002 and commercial production began on March 11, 2004.

iv) Geological Setting and Mineralization

The Rosebel concession lies within the Paleoproterozoic Guiana Shield. The Suriname portion of the shield is characterized by discrete corridors of low grade metamorphic rocks (greenstone belts) separated by large granite-gneiss terranes.

Rosebel deposits are hosted by a volcano-sedimentary sequence of the Marowijne Supergroup and by the overlying detrital sedimentary sequence of the Rosebel formation. Five types of rocks occurring there are distinguishable: felsic to mafic volcanic rocks, deep-water sediments, shallow-water sediments, felsic intrusion and late diabase dikes. Economic gold mineralization has been recognized in sedimentary and volcanic rocks while the intrusion only shows rare gold occurrences and the dykes are totally devoid of any mineralization. The regional metamorphism is restricted from low-greenschist to greenschist facies. The main regional fabric varies from east-west in the southern part of the property to west northwest east southeast to the North and follows the regional tectonic grain as seen on an aeromagnetic survey. Two phases of deformation differing in style are recognized on the property. The first phase (D1) has affected deep-water sediments and volcanic rocks only and the second phase (D2) has affected all rock units (except diabase dykes). Gold mineralization is late regarding this second phase of deformation; shear veins are emplaced within faults and tension veins that are nearby, but none of the two show signs of subsequent deformation.

Three domains of mineralization are found on the property; North, Central and South. The northern domain includes J Zone and Koolhoven pits along a trend to the north of volcanic rocks and the West Pay Caro-Pay Caro-East Pay Caro pits along a trend at the southern contact between volcanic rocks and detrital sedimentary rocks. The two trends follow a west northwest east southeast orientation. The central domain only includes one pit, Rosebel, which is striking east-west. The southern domain is made of one structural trend roughly oriented east-west along which the Mayo, Roma and Royal Hill pits are lying.

Mineralization is hosted in both shear and tension veins which are tightly associated in space and time. The association of those two vein systems at the Rosebel mine is in fact a common aspect of orogenic gold deposits where tension veins are formed into extensional fractures that have accommodated deformation. In terms of volume of gold and quartz, tension veins are more important at the Rosebel mine, although shear veins also carry a considerable amount of gold (i.e, Pay Caro Deposit) and play a primordial role for fluid circulation. The North and the South domains show disparity in veining style; one type of shear vein and three types of tension veins have been recognized in each domain.

In the South domain, the shear veins are developed parallel to the main shear zone and are in general confined to the footwall of this main structure. Texture of shear veins is usually banded with, most of the time, tourmaline alternating with quartz near the border of the vein. Thickness of those veins varies from a few decimetres to more than 3 metres. Disposition of shear veins systematically follows the bedding. The more important shear veins are emplaced along the contact between volcanic and sedimentary rocks or along conglomeratic levels within the arenitic sequence.

Shear veins in the North domain are sub-vertical to steeply dipping south and are oriented west north-west-east south-east. These veins show variability in structural style and intensity depending on their localization from the main shear zone.

Two other sets of tension vein spatially associated to shear veins are present in the South domain: flat veins and north-dipping veins. Their emplacement is attributed to the presence of the anticline that has acted as a structural trap for fluids.

Two more sets of tension veins are identified in the North domain as well: east-west sub-vertical veins and stacks of north-dipping veins. East-west veins are sub-vertical to steeply dipping to the north and are only found in the Pay Caro deposit near the main shear zone. North-dipping tension veins form west north-west-east south-east trending stacks dipping around 45 degrees to the north north-east in the nearby shear veins and these are related to the latest normal movement undergone by the fault zone.

v) Drilling, Sampling and Analysis and Security of Samples

The core is HQ size in soft rock and reduced to NQ size in solid rock. Most of the holes are sampled continuously from top to bottom of the hole and sample intervals are normally one and a half metres in length. The core is split. All drill collars are surveyed and downhole surveys conducted in exploration holes. The logging and sampling of drill holes is done in accordance with industry standards. Assays are performed on site at the Rosebel mine laboratory and in the Suriname capital of Paramaribo at the Filab laboratory. All samples are assayed by fire assay method.

RC drilling is employed as well, generally using a 5.5 inch bit. These holes are sampled from top to bottom with sample intervals of two metres. A cyclone with a rotary sampler is used to collect a representative sample. The sampling of RC holes is done in accordance with industry standards. Assays are performed onsite at the Rosebel mine laboratory using the PAL system (pulverize and leach).

Industry standard QA/QC procedures, including standards, blanks, duplicates and check assays in external laboratories, are employed for both core and RC samples.

vi) Mineral Reserves and Resources

Information on mineral resources and reserves is provided in Section 4 of Item III below.

vii) Mining Operations

Mining is by mechanized open pit mining using conventional truck-shovel combination. Processing involves crushing and grinding using two-stage SAG and ball milling, gravity separation which recovers in the range of 25 per cent of the gold, a cyanidation circuit and a CIL plant. The flow sheet reflects the need to handle soft and sticky ore from the laterite and saprolite layers during the initial mining phase before treating harder material from the transition and hard rock zones.

The 2017 attributable production is estimated at 295,000 to 305,000 ounces of gold.

The following table indicates operating information for the Rosebel mine for the last two years.

ROSEBEL MINE	2016	2015
Gold production (ounces) 100% (1)	312,000	302,000
Tonnage milled (tonnes)	12,604,000	12,291,000
Grade milled (g Au/t)	0.82	0.80
Recovery (%)	94	95

(1) The production attributable to the Company in 2016 was 296,000 ounces and in 2015 was 287,000 ounces.

At the end of 2016, the Rosebel mine employed approximately 1,750 individuals and contractors, including those employed by outside contractors and the regional exploration. In August 2016, a new two-year collective labour agreement was negotiated which expires on August 15, 2018.

viii) Environment

The EMS for the Rosebel mine is certified under ISO 14001-2004. The Rosebel mine also participates in the Mining Association of Canada’s TSM program. The Rosebel mine was awarded a Leadership Award for its 2015 performance that met or exceeded a Level A ranking in its results across all of the six protocols. This recognition is also notable because 2015 was the first time mines outside of Canada have been eligible for this award. Of the five mines outside of Canada recognized, the Rosebel mine was the only recipient of the award in South America. The level A ranking was maintained throughout 2016. This is recognition that the Rosebel mine’s sustainability program is achieving a standard comparable to Canadian expectations. The facility’s TSM results were externally verified to be eligible for this recognition.

The Rosebel mine maintains active community consultation with nearby communities and works in partnership with the communities on community development projects. For this purpose, the Rosebel mine has a community relations management system in place.

The Rosebel mine operates under OHSAS 18001-2007 (“Occupational Health and Safety Management System”) certification. The Rosebel mine successfully passed the OHSAS 18001-2007 recertification audit in 2014. OHSAS 18001-2007 is a best practise framework to manage occupational health and safety at the highest standards.

Information on the estimated amount of restoration and closure costs for the property is provided in Section 5.2 of Item III below.

ix) Exploration and Development

In 2016, a DD and RC drilling program totalling just over 29,000 metres was completed at seven different deposit areas and at the Overman project as presented in the following table:

Location	# holes	Type	Devel.	Expan.	Explo.	Condem.	Total metre's DD	RC	Combined
Roma	4	DD				714	714		714
	31	DD		8,994			8,994		8,994
Paycaro	14	RC		2,720				2,720	2,720
Trend	1	DD	150				150		150
	2	RC	300					300	300
Roma	13	DD		3,552			3,552		3,552
	37	RC		5,402				5,402	5,402
Mayo	14	RC		2,340				2,340	2,340
Royal Hill	9	DD		2,760			2,760		2,760
RGM Total	125		450	25,768	0	714	16,170	10,762	26,932
Overman	9	DD		2,384			2,384		2,384
TOTAL	134		450	28,152	0	714	18,554	10,762	29,316

Additionally, a regional exploration effort was carried out on the Rosebel concession and adjacent exploration concessions as described in Section 3.2.2 of Item III below.

x) Taxation

Under the 1994 Mineral Agreement in effect for the Rosebel mine, as amended and referred to above, it is provided that the corporate income tax rate applicable during the first 25 years of operation is the lesser of the year-to-year applicable corporate tax rate (currently 36 per cent) and 45 per cent. Operating expenses, including interest expenses, are generally deductible from taxable income, and losses may be carried forward indefinitely. Capital expenditures are generally depreciated over a four-year period for plant and equipment during the pre-production period and the production phase. Dividends and interest may be paid without any withholding taxes. Legislative stability of taxation rules and rates is guaranteed by the 1994 Mineral Agreement, as amended.

3. Exploration and Development

3.1 General

IAMGOLD's exploration efforts remain focused in West Africa, select countries of South America, including Suriname, Brazil, Peru, Columbia, Nicaragua, and Canada. With a long-term commitment to reserves replenishment and a strategic mandate for organic growth, the Company has numerous, active, near mine and early to advance staged exploration projects and continues to pursue additional advanced exploration joint venture or acquisition opportunities that will provide the foundation for future growth.

In 2016, IAMGOLD incurred $44 million on exploration projects and evaluation studies, excluding the Sadiola mine, approximately a 9 per cent decrease from $48.5 million in 2015. The 2016 expenditures included:

- Brownfield exploration and resource development expenditures of $19.4 million involving the completion of nearly 178,500 metres of drilling directed at on-going resource expansion, delineation and condemnation drilling programs principally at the Rosebel mine (including the newly acquired Saramacca project), underground exploration drilling programs at the Westwood mine and resource delineation program at the Essakane mine; and
- Greenfield exploration and project studies of $19.2 million involving the completion of approximately 61,500 metres of drilling conducted at 7 projects, including the Côté Gold project.

Exploration expenditures are summarized as follows:

(in $ millions)	Capitalized	Expensed	Total
2016	**$**	**$**	**$**
Brownfield exploration projects [(a)]	**8.7**	**10.7**	**19.4**
Greenfield exploration projects	**1.6**	**17.6**	**19.2**
	10.3	**28.3**	**38.6**
Feasibility and other studies	**2.0**	**3.4**	**5.4**
	12.3	**31.7**	**44.0**
2015	**$**	**$**	**$**
Brownfield exploration projects [(a)]	9.5	7.7	17.2
Greenfield exploration projects	2.7	20.4	23.1
	12.2	28.1	40.3
Feasibility and other studies	5.6	2.6	8.2
	17.8	30.7	48.5

(a) Brownfield exploration projects for 2016 and 2015 excludes expenditures related to joint ventures of $0.6 million and $0.3 million, respectively, and includes near mine exploration and resource development of $8.7 million and $9.4 million, respectively.

The Company's exploration expenditures were as follows:

(in $ millions)	2016	2015	2014
Capitalized brownfield exploration [a]			
Burkina Faso	**3.2**	4.5	6.6
Suriname	**3.4**	2.7	6.0
Canada	**2.1**	2.3	2.2
	8.7	9.5	14.8
Capitalized greenfield exploration			
Africa	**0.1**	0.2	—
Canada	**1.5**	2.5	—
	1.6	2.7	—
Capitalized feasibility and studies			
Canada: Côté Gold project	**2.0**	5.6	11.4
	2.0	5.6	11.4
Total capitalized	**12.3**	17.8	26.2
Expensed brownfield exploration (a)			
Burkina Faso	**3.4**	3.3	3.5
Suriname	**6.9**	4.0	3.3
Canada	**0.4**	0.4	0.4
	10.7	7.7	7.2
Expensed greenfield exploration			
Africa	**5.0**	6.0	10.2
South America	**5.5**	6.7	17.7
Canada	**7.1**	7.7	6.7
	17.6	20.4	34.6
Expensed feasibility and studies			
Africa: Boto	**1.8**	2.6	0.6
Brazil: Pitangui	**0.5**	—	—
Canada: Côté Gold project	**1.1**	—	0.3
	3.4	2.6	0.9
Total expensed	**31.7**	30.7	42.7
Total	**44.0**	**48.5**	**68.9**

(a) Exploration projects – brownfield includes near mine exploration and resource development

3.2 Near Mine and Brownfield Exploration and Development Projects

IAMGOLD's mine and regional exploration teams continued to conduct near-mine exploration and resource development work during 2016 at the Essakane, Rosebel, and Westwood mines.

3.2.1 **Essakane Mine, Burkina Faso**

Approximately 34,800 metres of RC and DD were completed on the mine lease and surrounding concessions during 2016. On the mine lease, drilling focused on resource expansion in areas to the south of the main Essakane pit and infill drilling to upgrade inferred mineral resources in an area to the east and southeast of the currently mined Falagountou pit located 8 kilometres to the east of Essakane. The results received to date are considered encouraging and will be consolidated as part of the updated 2016 year end reserve and resource statement for the Essakane mine.

On the surrounding exploration concessions, the results of the drilling programs completed during the year are being assessed and will be compiled along with data obtained from ongoing geological mapping and geochemical sampling programs to guide future exploration. Several priority targets have been identified for further work.

Approximately 25,000 metres of exploration and resource drilling is planned in 2017.

3.2.2 **Rosebel Mine, Suriname**

The near mine and regional exploration programs continue to focus on evaluating potential resource expansions and exploration targets in the vicinity of existing operations to support the ongoing strategic objective to discover and outline additional mineral resources within softer and near surface saprolite and transition rocks. During 2016, nearly 48,400 metres of RC and DD were completed on the Rosebel mine lease and surrounding mineral concessions, including approximately 19,000 metres relating to exploration on the Saramacca property, 28,600 metres on resource development and 700 metres on condemnation.

The resource development program on the mine lease focused on evaluating near-pit expansion targets at Pay Caro and East Pay Caro. Results are encouraging and will be used to guide future exploration drilling programs and update resource models where applicable.

On August 30, 2016, the Company signed a letter of intent with the Republic of Suriname to acquire the right to explore the Saramacca property with the intent of defining a National Instrument 43-101 compliant mineral resource within 24 months. The Saramacca property, located approximately 30 kilometres southwest of the Rosebel mill, has been explored since the 1990s principally by Golden Star and later as a joint venture between Golden Star and Newmont. Much of that work focused on the discovery and delineation of Anomaly M, which was the subject of successive auger and DD programs with over 50 DD and over 200 auger holes completed in the anomaly area. Evaluation of this work suggests an exploration target potential of between 8 and 40 million tonnes grading between 1.0 and 1.8 g/t Au for potentially 0.5 to 1.4 million contained ounces of gold. The potential quantity and grade are conceptual in nature and insufficient exploration work has been completed to define a mineral resource.

The terms of the agreement included an initial payment of $0.2 million, which enabled immediate access to the property for the Rosebel mine's exploration team to conduct due diligence for 30 days, as well as access to the data from previous exploration activity at the Saramacca property. On September 30, 2016, upon satisfactory completion of the due diligence, the Company ratified the letter of intent to acquire the Saramacca property and subsequently paid $10 million in cash and provided 3.125 million Common Shares (purchase consideration) to be held in escrow. In addition, the agreement provides for a potential upward adjustment to the purchase price based on the contained gold ounces identified by the Rosebel mine over the first 24 months, to a maximum of $10 million.

An initial DD program commenced on the property at the end of the third quarter of 2016, to validate historical mineral resources. In the fourth quarter of 2016, just over 14,500 metres of DD and 4,500 metres of RC were completed. Subsequent to the reporting period, the Company announced assay results from the 2016 drilling program. Highlights included: 4.31 g/t Au over 101 metres from drill hole SMDD16-053; 3.98 g/t Au over 78 metres from drill hole SMDD16-012 and 4.78 g/t Au over 24 metres from drill hole SMDD16-017.

Delineation drilling is expected to continue throughout 2017 with the objective to complete an initial mineral resource estimate.

Approximately 44,000 metres of DD and RC drilling is planned in 2017.

3.2.3 **Westwood Mine, Quebec**

In 2016, underground excavation totaled 25,710 meters of lateral and vertical development. In addition, approximately 79,300 meters of resource development DD and 2,700 metres of service holes were drilled during the year. The DD program continues to focus on the infill drilling of known zones to upgrade existing inferred mineral resources. An additional surface drilling program consisting of DD and RC totaling approximately 8,400 metres for the year was completed to evaluate the potential of near surface lower grade mineralization and material in historic stockpiles on the neighbouring Doyon mine property that could be processed at the Westwood mine’s mill. The results will be consolidated as part of the updated 2016 year end reserve and resource statement.

A drilling program totalling nearly 110,000 metres is planned in 2017.

3.2.4 **Côté Gold Project, Ontario**

The Côté Gold project is an advanced exploration and development stage gold project located in Ontario, Canada. The company owns a 92.5-per-cent beneficial interest in the project. The remaining 7.5 per cent beneficial interest is owned by Treelawn Investment Corp. The project is located in the south-eastern part of the Swayze Greenstone Belt halfway between Timmins and Sudbury, 20 kilometres southwest of Gogama, Ontario. The Company acquired the Côté Gold project as part of the acquisition of Trelawney, which closed on June 21, 2012.

As at December 31, 2016, reported resources included indicated resources of 289.2 million tonnes grading 0.9 g/t Au for 8.4 million ounces of gold and inferred resources of 66.9 million tonnes grading 0.6 g/t Au for 1.2 million ounces. The Company confirms that mineral reserves have not yet been declared for the Côté Gold project.

In 2016, notice was received from the federal Minister of Environment and Climate Change that, after assessment by the department, the Côté Gold project is not likely to cause significant adverse environmental effects and that the project may proceed subject to the conditions listed in the assessment report and obtaining any required approvals and permits. In the first quarter of 2017, the Company also received notice of approval of the project’s provincial environmental assessment from the Ontario Ministry of the Environment and Climate Change on January 25, 2017.

Also during the first quarter of 2017, the Company announced the results of a preliminary economic assessment (“PEA”) completed jointly by IAMGOLD and Amec Foster Wheeler, with inputs from technical studies completed by other consultants. The PEA represents a conceptual study of the potential viability of the mineral resources that have been defined to date on the project, where the accuracy of the cost estimates are -30%/+50%. The purpose of the PEA study was to assess the potential development alternatives available with an improved land position following the acquisition of additional ownership interests and claims, and to reduce the energy requirements of the project while minimizing infrastructure development needs.

Based on the PEA, the project outlines an economically viable project that at a $1,200 per ounce gold price would generate an estimated 12.9 per cent after-tax internal rate of return. The project would have a 21-year mine life, producing on average 302,000 ounces of gold a year at average cash costs of $564/oz and all-in sustaining costs of $686/oz.

The PEA recommended the completion of a further pre-feasibility study to validate and detail the elements of the development concept set out in the PEA, and to determine whether it is a viable development alternative. The pre-feasibility study will include additional drilling, engineering studies and environmental studies, including hydrological, hydrogeological and geotechnical analyses. As previously disclosed, a feasibility study had been underway on an initial development scenario, which will now await the outcome of the pre-feasibility study and selection of the development scenario for further study. The recommended pre-feasibility study is underway and is expected to be completed at the end of the second quarter of 2017.

In support of the ongoing studies, DD to obtain approximately 1,400 metres of HQ sized core for further metallurgical test work was completed in the fourth quarter of 2016. Results are expected in early 2017. Study and permitting related expenditures in 2016 totaled $3.1 million.

Regional exploration activities continued within the 516 square kilometre property surrounding the Côté Gold deposit to develop and assess exploration targets that could further maximize the Company's flexibility with respect to any future development decisions. During the fourth quarter of 2016, approximately 8,700 metres of core drilling was completed to test selected high priority exploration targets. The results will be validated and compiled as they are received to guide future exploration.

The Company will continue to seek ways to de-risk and to increase the value of the project through the advancement of additional technical studies and ongoing regional exploration that will further maximize the Company's flexibility with respect to any future development decisions.

3.3 Greenfield Exploration and Evaluation Projects

In addition to the mine site and development programs described above, the Company also conducts an active greenfields exploration program on selected projects in West Africa and the Americas. A summary of project highlights is provided below. The properties discussed in this section are related to early stage exploration projects. The Company does not consider these properties material at this time.

3.3.1 **Africa – Senegal**

The Company maintains an office in Dakar that serves as a base and administrative center for West African regional exploration.

As part of its annual year end reserve and resource at December 31, 2016, the Company reported National Instrument 43-101 compliant mineral resources for its wholly-owned Boto gold exploration project in eastern Senegal. Effective December 31, 2016, the Boto Gold project hosts an indicated resource of 27.7 million tonnes averaging 1.8 g/t Au for 1.56 million ounces of gold and an inferred resource of 2.9 million tonnes averaging 1.3 g/t Au for 125,000 ounces.

During 2016, DD was completed at the Malikoundi deposit to target mineralization in the footwall not completely drilled in previous campaigns, as well as test for potential extensions along strike to the north. With the completion of this phase of the drilling program, the Company reported initial drill assay results that confirmed wider intervals of mineralization in the footwall as well as the extension of high grade mineralization along strike to the north of the Malikoundi deposit. Highlights included: drill hole DBDD-2122 that intersected 32 metres grading 5.19 g/t Au in the footwall; and drill holes DBDD-2302 which intersected 12 metres grading 6.39 g/t Au and DBDD-2303 which intersected 4.04 g/t Au over 22 metres north of the Malikoundi deposit.

As remaining drilling results from 2016 are received and validated, they will be incorporated into a revised geological model to support an updated resource estimate in 2017. During 2017, further drilling totaling approximately 9,300 metres is planned with the goal to expand the current mineral resource and identify additional satellite zones. The Company plans to continue with various technical and environmental studies to advance the economic evaluation of the project.

3.3.2 **Africa – Mali**

The Company's main focus in Mali in 2016 was the ongoing exploration of the newly discovered Diakha deposit on the Siribaya joint venture project.

The Siribaya exploration project ("Siribaya project") in Mali is operated by IAMGOLD under a 50:50 joint venture with Merrex Gold Inc. ("Merrex"). On December 22, 2016, the Company announced that it signed a definitive agreement with Merrex to acquire, in an all-share transaction, all of the issued and outstanding shares of Merrex not already owned by IAMGOLD (the "Transaction"). The Transaction is expected to close in the first quarter of 2017.

Effective December 31, 2016, total resources estimated for the Siribaya project include indicated resources of 2.1 million tonnes grading 1.90 g/t Au for 129,000 ounces of gold, and inferred resources of 19.8 million tonnes grading 1.71 g/t Au for 1.1 million ounces. Of the inferred resources, the newly discovered Diakha deposit hosts 14.8 million tonnes grading 1.81 g/t Au for 863,000 ounces, accounting for 75 per cent of the total tonnage and 79 per cent of the contained gold within the total inferred resources at Siribaya.

During 2016, approximately 13,000 metres of DD and RC drilling were completed to increase confidence in the mineralized zones at the Diakha deposit and extend the deposit at depth below the current resource pit shell, as well as test for the potential northern strike extension of the Diakha deposit. Assay results were reported during the year and included: drill hole SRD-185 which intersected 19 metres grading 9.28 g/t Au, and drill hole SRD-189 which intersected 18 metres grading 6.73 g/t Au. Initial wide spaced, RC drilling along the northern strike extension confirmed the presence of gold mineralization highlighted by drill hole SRC16-655 which intersected 70 metres grading 1.55 g/t Au, including 12 metres grading 2.79 g/t Au.

In 2017, a DD and RC drilling program totaling approximately 19,000 metres is planned to continue to increase the confidence in the current resources at Diakha and delineate mineralization northward along strike and at depth. The results will be used to update the mineral resources in 2017 as merited.

3.3.3 **South America – Brazil**

Exploration in Brazil is carried out from an exploration office in Belo Horizonte, Brazil. In 2016, exploration continued to focus on the Pitangui project located 110 kilometres northwest of Belo Horizonte, in Minas Gerais state.

Effective December 31, 2016, reported mineral resources at the São Sebastião deposit are comprised of an inferred resource of 4.3 million tonnes grading 5.0 g/t Au for 679,000 ounces of gold.

During 2016, approximately 7,500 metres of DD were completed to test targets along strike to the southeast and southwest of the São Sebastião deposit having similar electromagnetic signatures and corresponding geochemical soil anomalies to that of the São Sebastião deposit. To date, drilling has confirmed the presence of rock units similar to those hosting the main São Sebastião deposit, which could potentially host additional mineralization. In addition, work commenced on various technical and environmental studies to advance the economic evaluation of the project.

Approximately 10,000 metres of DD is planned in 2017 to explore for new mineralized zones and expand the current resource base.

3.3.4 **South America - Nicaragua**

In alignment with the Company's strategic mandate to develop a robust exploration portfolio, an option to joint venture agreement was finalized with Calibre Mining Corporation ("Calibre") on the 176 square kilometre Eastern Borosi project located in the Golden Triangle of Northeast Nicaragua. Signed on May 26, 2014, the Company may earn a 51 to 70 per cent interest in Calibre's Eastern Borosi project by completing scheduled cash payments and exploration work expenditures totalling $10.9 million over six years. In 2017, the Company expects to vest an initial 51 per cent interest in the project.

During 2016, just over 7,200 metres of DD was completed to drill test selected gold-silver vein systems. Encouraging assay results were reported by Calibre throughout the year from a number of vein systems, including: 5.6 metres grading 11.13 g/t Au and 13.7 g/t Ag from the Main Blag vein system and assay results from the East Dome target which included intersections of 15.4 metres grading 1.21 g/t Au and 120.9 g/t Ag from drill hole BL16-043 and 16.5 metres grading 2.27 g/t Au and 127.9 g/t Ag. Assay results were also reported from the first drill hole completed at the Veta Loca vein which returned 6.3 metres grading 10.15 g/t Au and 6.9 g/t Ag from drill hole GP16-046.

A 7,000 metre DD program is planned for 2017 with the objective to evaluate the resource potential of the Guapinol, Riscos de Oro and East Dome veins. If the results are positive, they will be used to complete a National Instrument 43-101 resource estimate.

3.3.5 **North America – Québec, Canada**

The Company operates an exploration office in Val d'Or, Quebec to support several exploration programs in the Abitibi area and northern Quebec. The Company holds a number of historic claim holdings which cover approximately seven kilometres of the Cadillac Break, and 28 kilometres of the Destor-Porcupine Fault, two major structural zones in the camp that host most of the known gold deposits in the Abitibi gold district.

The Company also continues to actively look for new joint venture opportunities and is currently involved in two active option to earn-in joint ventures at the Monster Lake and Nelligan projects.

The Monster Lake project, located 50 kilometres southwest of Chibougamau, Quebec, is held under an earn-in option to joint venture agreement with TomaGold Corporation. The Company holds an undivided 50 per cent interest in the property, and holds an option to earn a further 25 per cent undivided interest, for a total 75 per cent undivided interest in the project, should it spend a total of C$10 million on the project within a seven year period, beginning on January 1, 2015.

A winter drilling program conducted in 2016 involved the completion of just over 8,100 metres from 21 DD holes targeting the Monster Lake Shear Zone ("MLSZ"), which is host to the 325-Megane zone. Results reported included 1.2 metres grading 20.16 g/t Au from drill hole ML 16-171; 0.7 metres grading 9.01 g/t Au and 5.5 metres grading 2.68 g/t Au from drill hole ML 16-175. Hole ML 16-175 is interpreted to have intersected a new, second zone along the MLSZ structure in an area located 200 to 400 metres to the north of the 325-Megane zone and requires additional drilling. Additionally, exploration activities continued throughout the latter portion of the year and involved geological and structural mapping, limited trenching and select geochemical surveys elsewhere on the property and in the immediate vicinity of the 325-Megane zone.

The accumulated drill results and mapping programs will guide the 2017 DD program to better define and extend the known mineralization along the MLSZ, with the objective to estimate an initial mineral resource during the year. Approximately 12,000 metres of DD is planned in 2017.

The Nelligan project is located approximately 10 kilometers south of the Monster Lake project and held under an earn-in option to joint venture agreement with Vanstar Mining Resources Inc. ("Vanstar"). The agreement was signed on November 12, 2014, whereby the Company may earn up to an initial 50 per cent interest in the property by completing staged cash payments totaling C$0.6 million, and the completion of C$4 million in exploration expenditures over a period of four and a half years. The Company can elect to earn an additional 25 per cent to 30 per cent undivided interest by completing pre-feasibility and feasibility studies and making additional cash payment totaling C$0.5 million.

In the first half of 2016, the Company completed approximately 4,500 metres of DD targeting extensions to known zones (Liam and Dan zones) as well as testing nearby induced polarization anomalies. Initial results have identified the discovery of a new zone of gold mineralization coincident with an induced polarization anomaly located immediately north of the known zones. Initial assay results have confirmed intersections from the new discovery area with up to 35.8 metres grading 1.90 g/t Au from 138 metres depth in drill hole NE-16-36, including 18 metres grading 3.20 g/t Au; and 23 metres grading 1.23 g/t Au from 229 metres depth in drill hole NE-16-37, including 10.3 metres grading 2.02 g/t Au from 238.5 metres depth within a wide zone of altered metasedimentary rocks with numerous gold bearing intervals.

Activities during the fourth quarter of 2016 included the completion of an additional 5 drill holes totaling approximately 2,200 metres of DD to evaluate newly discovered mineralized gold zone. The results of this latest drilling program are pending and, when received and validated, will be used to guide further drill targeting that is expected to continue into 2017.

Qualified Person and Technical Information

The technical and scientific information relating to exploration activities disclosed in this section was prepared under the supervision of and verified and reviewed by Craig MacDougall, P.Geo., Senior Vice President, Exploration. Mr. MacDougall is a "qualified person" as defined by National Instrument 43-101.

3.4 Outlook

The Company intends to continue the search for new opportunities and pursue the discovery of new deposits in 2017. The approved spending for capitalized and expensed exploration and development studies for 2017 is $62 million and is summarized as follows:

(in $ millions)	Capitalized	Expensed	**Total**
2017	$	$	**$**
Corporate exploration projects-brownfield [1]	11	11	**22**
Corporate exploration projects-greenfield	—	25	**25**
	11	36	**47**
Feasibility and other studies	9	6	**15**
Total	20	42	**62**

1 Exploration projects – brownfield includes planned near-mine exploration and resource development of $11 million.

Capitalized expenditure estimates include underground development and drilling at the Westwood mine and near-mine exploration and resource development programs at the Rosebel and Essakane mines.

The Company finances exploration expenditures from internal cash resources which, on occasion, is supplemented by flow through equity raises for selected exploration projects in Canada.

4. Mineral Reserves and Resources

The following tables set out the Company's estimate of its mineral reserves and mineral resources as of December 31, 2016 with respect to the gold operations specified in the second table below. Lise Chénard, Eng. (Director, Mining Geology, IAMGOLD Corporation), a "qualified person" for the purposes of NI 43-101, is responsible for the disclosure of all mineral resource and reserves estimates contained herein, as at December 31, 2016. Mineral reserves and/or mineral resources at the Rosebel, Essakane and Westwood mines and at the Côté Gold project have been estimated in accordance with the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council as required by NI 43-101. Mineral reserves and resources at the Sadiola mine have been estimated in accordance with or reconciled to the definitions of the JORC Code. Except as otherwise indicated below, reported mineral reserves were estimated using a long-term gold price assumption of $1,200 per ounce in 2016 and mineral resources were estimated using a long-term gold price assumption of $1,500 per ounce. The Company is required by NI 43-101 to disclose its mineral reserves and mineral resources using the subcategories of proven mineral reserves, probable mineral reserves, measured mineral resources, indicated mineral resources and inferred mineral resources. **Unlike proven and probable mineral reserves, mineral resources (of all categories) do not have a demonstrated economic viability.**

Consolidated Mineral Reserves and Resources as of December 31, 2016 (1)(2)(3)(4)

	Attributable Contained Ounces of Gold
	(000)
Total Proven and Probable Reserves	7,798
Total Measured and Indicated Resources (Inclusive of Reserves)	23,331
Total Inferred Resources	6,124

Notes:

(1) Mineral resources that are not mineral reserves do not have demonstrated economic viability. Inferred resources are in addition to measured and indicated resources. Details of measured and indicated resources and other NI 43-101 information can be found in the relevant technical reports, all of which have been prepared by a qualified person as defined in NI 43-101 and filed with the Canadian securities regulators and which are available on SEDAR at www.sedar.com. Inferred resources have a great amount of uncertainty as to their existence and whether they can be mined legally or economically. It is reasonably expected that the majority of inferred mineral resources could be upgraded to a higher mineral category with continued exploration. Although "measured resources," "indicated resources" and "inferred resources" are categories of mineralization that are recognized and required to be disclosed under Canadian regulations, the SEC does not recognize them. Disclosure of contained ounces is permitted under Canadian regulations; however, the SEC generally permits resources to be reported only as in place tonnage and grade. See "Cautionary Note to U.S. Investors Regarding Disclosure of Mineral Reserve and Mineral Resource Estimates". Rounding differences may occur.

(2) Measured and indicated resources are inclusive of proven and probable reserves.

(3) Mineral resources and mineral reserves for each property are reported separately in the table below.

(4) Mineral resource/reserves tonnage, grade and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.

Mineral Reserves and Resources of Gold Operations as of December 31, 2016 (1)(2)(3)(4)(5)(6)(7)(8)(9)(10)(11)

	MINERAL RESERVES AND RESOURCES			
GOLD OPERATIONS	Tonnes (000s)	Grade (g/t)	Ounces Contained (000s)	Attributable Contained Ounces (000s)
Rosebel (4) , Suriname				**(95%)**
Proven Reserves	53,047	1.0	1,751	1,663
Probable Reserves	9,357	1.1	327	311
Subtotal	**62,404**	**1.0**	**2,078**	**1,974**
Measured Resources	129,262	1.0	4,026	3,825
Indicated Resources	60,768	1.0	1,999	1,899
Inferred Resources	22,307	0.9	633	601
Essakane (5) , Burkina Faso				**(90%)**
Probable Reserves	89,676	1.1	3,311	2,980
Subtotal	**89,676**	**1.1**	**3,311**	**2,980**
Indicated Resources	124,760	1.2	4,617	4,155
Inferred Resources	13,807	1.1	488	439
Westwood (6) , Canada				**(100%)**
Proven Reserves	971	8.1	254	254
Probable Reserves	2,714	9.1	792	792
Subtotal	**3,685**	**8.8**	**1,046**	**1,046**
Measured Resources	652	12.9	271	271
Indicated Resources	2,079	13.7	915	915
Inferred Resources	6,343	10.9	2,223	2,223
Sadiola (7) , Mali				**(41%)**
Proven Reserves	23	2.4	2	1
Probable Reserves	77,120	1.8	4,383	1,797
Subtotal	**77,143**	**1.8**	**4,385**	**1,798**
Measured Resources	23	2.4	2	1
Indicated Resources	126,652	1.7	7,099	2,911
Inferred Resources	19,082	1.7	1,036	425
Côté Gold (8) , Canada				**(92.5%)**
Indicated Resources	289,183	0.9	8,354	7,727
Inferred Resources	66,894	0.6	1,174	1,086
Boto Gold (9) , Senegal				**(100%)**
Indicated Resources	27,670	1.8	1,563	1,563
Inferred Resources	2,922	1.3	125	125
Pitangui (10) , Brazil				**(100%)**
Inferred Resources	4,252	5.0	679	679
Diakha-Siribaya (11) , Mali				**(50%)**
Indicated Resources	2,102	1.9	129	64
Inferred Resources	19,816	1.7	1,092	546
TOTAL				
Proven & Probable Reserves	232,908	1.4	10,820	7,798
Measured and Indicated Resources	763,151	1.2	28,974	23,331
Inferred Resources	155,423	1.5	7,450	6,124

Notes:

(1) Measured and indicated resources are inclusive of proven and probable reserves.

(2) In mining operations, measured and indicated resources that are not mineral reserves are considered uneconomic at the price used for reserve estimations but are deemed to have a reasonable prospect of economic extraction.

(3) Although "measured resources", "indicated resources" and "inferred resources" are categories of mineralization that are recognized and required to be disclosed under Canadian regulations, the SEC does not recognize them. Disclosure of contained ounces is permitted under Canadian regulations; however, the SEC generally permits resources to be reported only as in place tonnage and grade. See "Cautionary Note to U.S. Investors Regarding Disclosure of Mineral Reserve and Mineral Resource Estimates".

(4) Rosebel mineral reserves have been estimated as of December 31, 2016 using a $1,200/oz gold price and mineral resources have been estimated as of December 31, 2016 using a $1,500/oz gold price and have been estimated in accordance with NI 43-101.

(5) Essakane mineral reserves have been estimated as of December 31, 2016 using a $1,200/oz gold price and mineral resources have been estimated as of December 31, 2016 using a $1,500/oz gold price and have been estimated in accordance with NI 43-101.

(6) Westwood mineral reserves have been estimated as of December 31, 2016 using a $1,200/oz gold price and mineral resources have been estimated as of December 31, 2016 using a 6.0 g/t Au cut-off over a minimum width of 2 metres and have been estimated in accordance with NI 43-101.

(7) Mineral reserves at Sadiola have been estimated as of December 31, 2016 using an average of $1,100/oz gold price and mineral resources have been estimated as of December 31, 2016 using a $1,400/oz gold price and have been estimated in accordance with the JORC code.

(8) Côté Gold mineral resources have been estimated as of December 31, 2015 using a $1,500/oz gold price and have been estimated in accordance with NI 43-101.

(9) Boto Gold mineral resources have been estimated as of December 31, 2015 using a $1,500/oz gold price and have been estimated in accordance with NI 43-101.

(10) Pitangui mineral resources have been estimated as of December 31, 2015 using a $1,500/oz gold price and have been estimated in accordance with NI 43-101.

(11) Diakha-Siribaya mineral resources have been estimated as of December 31, 2015 using a $1,500/oz gold price and have been estimated in accordance with NI 43-101.

The Company's reserve estimate is comprised of in-place material, i.e., contained ounces of gold and metallurgical recovery factors must be taken into account in order to assess and quantify the recoverable material.

There are numerous parameters inherent in estimating proven and probable mineral reserves, including many factors beyond the Company's control. The estimation of reserves is a subjective process, and the accuracy of any reserve estimate is a function of the quality of available data and of engineering and geological interpretation and judgment. Results from drilling, testing and production, as well as material changes in metal prices subsequent to the date of an estimate, may justify a revision of such estimates.

Estimation Procedures

Gold Technical Information and Qualified Person/Quality Control

The individual responsible for the supervision of the preparation and review of all mineral resource and mineral reserve estimates for IAMGOLD is Lise Chénard, Director, Mining Geology, IAMGOLD Corporation. Ms. Chénard is considered a "qualified person" for the purposes of NI 43-101 with respect to the mineralization being reported on. The technical information in this section 4 has been included with the consent and prior review of Ms. Chénard, as applicable. The qualified person has verified the data disclosed and data underlying the information or opinions contained in this section.

For each of the projects and properties it operates, the Company has established rigorous methods and procedures aimed at assuring reliable estimates of the mineral reserves and resources. For each mine and project of the Company, the relevant qualified persons verified the data disclosed, including sampling, analytical and test data underlying the information contained in this section. Quality control falls under the responsibility of Ms. Chénard.

In calculating mineral reserves, cut-off grades are established using the Company's long-term metal price and foreign exchange assumptions, the average metallurgical recovery rates and estimated production costs over the life of the related operation. As part of the annual reserve estimation process, the cost models used for cut-off grade calculations are compared to prior studies or estimates and are updated appropriately based on actual operating performance and price projections for inputs. For an underground operation, a cut-off grade is calculated for each mining method, as production costs vary from one method to another. For a surface operation, production costs are determined for each block included in the block model of the relevant operation.

The nature of mining activities is such that the extraction of ore from a mine reduces reserves. In order to renew reserves (at least partially) on most of its producing properties, the Company carries out exploration drilling programs at depth and laterally.

The Company's attributable share of mineral reserves for gold operations as of December 31, 2016 was 7.8 million ounces. A sensitivity analysis on the price of gold used to calculate the mineral resources would affect attributable ounces as follows: a $100 increase in the gold price would increase the Company's attributable share of ounces by around 6 per cent and a $100 decrease in the gold price would decrease the Company's attributable share of ounces by around 4 per cent.

The mineral reserves will follow a similar trend since, as of December 31, 2016, all open pit mineral resources are confined within pit shells.

5. Other Aspects of the Business

5.1 Marketing of Production

All gold produced by IAMGOLD is in the form of doré bars, which is then refined into gold bullion. The doré and bullion may be sold directly to financial institutions or the gold refineries in North America and Europe at prevailing market spot prices.

Revenues from sales of gold are received in U.S. dollars. A significant portion of operating and other expenses are incurred in non-U.S. currencies, including Canadian dollars and euros. The value of the Canadian dollar and other currencies relative to the U.S. dollar has a direct impact on the Company's profit margin.

The following table illustrates fluctuations in the exchange rates for U.S. dollars expressed in Canadian dollars for the last five calendar years and is based on the Bank of Canada's noon fixing rates.

	Year Ended December 31, 2016				
$C/$	**2016**	**2015**	**2014**	**2013**	**2012**
High	**1.4579**	**1.3965**	**1.1656**	**1.0704**	**1.0447**
Low	**1.2530**	**1.1749**	**1.0639**	**0.9838**	**0.09633**
Average	**1.3246**	**1.2785**	**1.1046**	**1.0297**	**0.9996**
End of Period	**1.3441**	**1.3840**	**1.1601**	**1.0636**	**0.9921**

The following table illustrates fluctuations in the exchange rate for euros expressed in U.S. dollars for the last five calendar years and is based on closing rates as reported on Bloomberg.

	Year Ended December 31, 2016				
$/EURO	**2016**	**2015**	**2014**	**2013**	**2012**
High	**1.1534**	**1.2002**	**1.3934**	**1.3802**	**1.3458**
Low	**1.0388**	**1.0496**	**1.2098**	**1.2780**	**1.2061**
Average	**1.1055**	**1.1098**	**1.3284**	**1.3285**	**1.2860**
End of Period	**1.0704**	**1.0862**	**1.2098**	**1.3743**	**1.3193**

5.2 Environment and Permitting

The Company's challenge is to integrate its economic activities with environmental integrity, social concerns and effective governance, the four pillars of sustainable mining.

With respect to environmental stewardship, the Company will continue to seek a thorough understanding of the potential interactions between mining activities and the environment. The Company will seek ways to protect or enhance the environment while maximizing sustainable development opportunities.

In February 2015, the Company submitted a coordinated final environmental assessment/environmental impact study for the Côté Gold project in accordance with the requirements of both the Province of Ontario and the Government of Canada. The Company considered and responded to all comments received. In April 2016, the Federal Minister of the Environment and Climate Change released an environmental assessment decision that concluded that the Côté Gold project would not cause significant environmental effects. The Provincial Minister of the Environment and Climate Change released a similar decision on January 25, 2017. With both environmental assessment approvals in place, the Côté Gold project can proceed to the permitting phase.

The Company launched the Boto gold project environmental and social impact assessment ("ESIA") in June of 2015. Following the ESIA terms of reference approval by the Senegalese Government, environmental and social baseline studies were conducted and completed in 2016. Following completion of the baseline studies, the Company prepared and submitted a preliminary version of the ESIA study. The Company anticipates that a government-led public hearing process will commence in early 2017 and, following that process, a final ESIA report including responses to the comments received will be prepared. The Company would then be in a position to submit a mine operations permit application.

With respect to the Company's operating mines, the environmental measures taken by the Company should not impact its competitive position, as the majority of responsible miners are subject to similar environmental standards. The medium- and long-term financial impact of these standards is attributable to the costs of minimizing environmental effects of operations and the implementation of mine closure activities. The Company annually reviews its provision for environmental obligations and no material adverse effect on earnings is expected in the future. The Company believes that its operations are substantially in compliance with all relevant and material laws and regulations, as well as standards and guidelines issued by the relevant regulatory authorities.

The estimates for restoration and closure costs are prepared by knowledgeable individuals and are subject to review and approval by government authorities. Site closure costs are charged against a provision accumulated during the production phase. These obligations are currently estimated as follows:

	Undiscounted Amounts (in millions of $)	
Rosebel mine	$	56.9
Essakane mine	$	78.1
Doyon mine (1)	$	111.4
Other Canadian sites (2)	$	18.8
Total	**$**	**265.2**
Sadiola mine (3)	$	27.2
Yatela mine (4)	$	14.6
Total	**$**	**307**

(1) The Doyon mine closed in 2009
(2) Other Canadian sites include the Mouska mine which closed during 2014, the Westwood mine and other properties including Cote-Chester, Solbec (closed) and Y. Vezina (closed)
(3) This number represents the Company's 41% share of the undiscounted amount
(4) This number represents the Company's 40% share of the undiscounted amount. The Company suspended mining activities at the Yatela mine effective September 2013.

5.3 Community Relations

Community support for mining operations is viewed as a key ingredient for a successful mining venture. As part of its strategy, the Company plays an active role in the communities in which it operates. The Company has established community relations programs to interact with stakeholders with respect to its activities and their impact on the local communities. In Canada, consultations with aboriginals, including First Nations is a critical component of the permitting of the Company's operations. At the Côté Gold project, First Nation consultations are on-going with the Mattagami and the Flying Post First Nations. An exploration agreement is already in place which identifies participation opportunities for both the Mattagami and Flying Post communities, and discussions are now occurring to put in place an impact benefit agreement. Discussions have also been separately initiated with the Métis Nation of Ontario.

The positive economic impacts of mining operations are often more noticeable in emerging countries. Therefore, in such countries, the Company implements development programs, which can be sustained beyond the mine life, to assist in improving the quality of life for those residents impacted by the operations and projects. To that effect, in 2011, the Company began a 5-year partnership in Burkina Faso with its non-governmental organization partner, Plan, to help deliver vocational and job-readiness training in various regions throughout the country. The $7.6 million initiative is primarily funded by the Canadian International Development Agency, with the Company and Plan making a substantial commitment of $1.9 million.

In February 2015, Global Affairs Canada, announced the approval of the "Water & Sustainable Economic Growth in the Sahel" project proposed by the Company and Cowater International to deliver improved access to potable water, improve sanitation practices and support local business development in Burkina Faso. The project was originally a C$14 million initiative primarily funded by the Government of Canada and in 2016 Cowater International and the Company made plans to bring One Drop into the existing partnership and further expand water and sanitation programming. One Drop agreed to match the Company's total project funding if the Company enhanced the initial commitment of C$2 million by C$375,000. The combined contribution from both organizations is now C$4.75 million, which scales the project total up to C$17.4 million in programming.

5.4 Mining Development and Construction

The Company has in place a project development department to support new projects and existing operations on specific technical issues, major capital projects and expansions. The goal consists of optimizing performance of each division's activities with a view to achieving greater effectiveness in terms of costs and scheduling, and to effectively manage investments in mining assets.

The objective of the technical services division is to provide technical assistance to mines operated by the Company on specific projects and to conduct technical studies.

The objective of the IAMROCK mining development division is to form and manage specialized teams performing mining development works at various mines or projects, in accordance with corporate priorities.

The objective of the engineering and construction division is to form and manage teams of professionals and technicians specialized in engineering and planning and implementing and supervising construction activities of mine facilities and infrastructure.

5.5 Intellectual Property

Operations of the Company are not dependent upon or subject to patents or intellectual property licenses or rights.

5.6 Competition

5.6.1 **Gold Market**

The Company is in competition with other mining companies for the acquisition of interests in precious metal mining properties. In the pursuit of such acquisition opportunities, the Company competes with several Canadian and foreign companies that may have substantially greater financial and other resources. Although the Company has acquired many such assets in the past, there can be no assurance that its acquisition efforts will succeed in the future.

5.7 Sale of Production

The Company's revenues are generated predominately from the sale of attributable gold and silver production. The gold price is subject to fluctuations resulting from factors beyond the Company's control. These factors include general price inflation, changes in investment trends and international monetary systems, political events and changes in gold supply and demand on the public and private markets. The gold market is characterized by significant above-ground reserves which can dramatically affect the price should a portion of these reserves be brought to market. The Company believes these factors contributed to the increased volatility in the price of gold throughout 2016. The Company sells its production into the open market with various counterparties acting as buyers, including financial institutions, metals trading businesses and refineries.

5.8 Employees

As at December 31, 2016, the Company employed approximately 4,881 individuals including contractor-employees.

6. Dividends

The following table outlines the dividends declared per Common Share for the three most recently completed financial years:

	December 2016	December 2015	December 2014
Dividend payment per Common Share	$ 0.00	$ 0.00	$ 0.00

The Company maintains a dividend policy with the timing, payment and amount of dividends paid by the Company to shareholders to be determined by the board of directors of the Company from time to time based upon, among other things, current and forecasted cash flow, results of operations and the financial condition of the Company, the need for funds to finance ongoing operations and development, exploration and capital projects and such other business considerations as the directors of the Company may consider relevant. In December 2013, the Company suspended dividend payments until further notice to conserve cash and preserve liquidity.

The 2016 Credit Facility and the 2012 Senior Unsecured Notes both contain covenants that restrict the ability of the Company to declare or pay dividends if a default under the 2016 Credit Facility or the 2012 Senior Unsecured Notes, as applicable, has occurred and is continuing or would result from the declaration or payment of a dividend.

7. Litigation

Reference is made to note 14(b) of the Company's audited consolidated financial statements for its financial year ended December 31, 2016 which are available on SEDAR at www.sedar.com and the Company's website at www.iamgold.com.

Item IV Description of Capital Structure

The Company is authorized to issue an unlimited number of First Preference Shares, an unlimited number of Second Preference Shares and an unlimited number of Common Shares, of which 454,309,558 Common Shares and no First Preference Shares or Second Preference Shares were issued and outstanding as at February 17, 2017.

Each Common Share entitles the holder thereof to one vote at all meetings of shareholders other than meetings at which only holders of another class or series of shares are entitled to vote. Each Common Share entitles the holder thereof, subject to the prior rights of the holders of the First Preference Shares and the Second Preference Shares, to receive any dividends declared by the directors of the Company and the remaining property of the Company upon dissolution.

The First Preference Shares are issuable in one or more series. Subject to the articles of the Company, the directors of the Company are authorized to fix, before issue, the designation, rights, privileges, restrictions and conditions attaching to the First Preference Shares of each series. The First Preference Shares rank prior to the Second Preference Shares and the Common Shares with respect to the payment of dividends and the return of capital on liquidation, dissolution or winding-up of the Company. Except with respect to matters as to which the holders of First Preference Shares are entitled by law to vote as a class, the holders of First Preference Shares are not entitled to vote at meetings of shareholders of the Company. The holders of First Preference Shares are not entitled to vote separately as a class or series or to dissent with respect to any proposal to amend the articles of the Company to create a new class or series of shares ranking in priority to or on parity with the First Preference Shares or any series thereof, to effect an exchange, reclassification or cancellation of the First Preference Shares or any series thereof or to increase the maximum number of authorized shares of a class or series ranking in priority to or on parity with the First Preference Shares or any series thereof.

The Second Preference Shares are issuable in one or more series. Subject to the articles of the Company, the directors of the Company are authorized to fix, before issue, the designation, rights, privileges, restrictions and conditions attaching to the Second Preference Shares of each series. The Second Preference Shares rank junior to the First Preference Shares and prior to the Common Shares with respect to the payment of dividends and the return of capital on liquidation, dissolution or winding-up of the Company. Except with respect to matters as to which the holders of Second Preference Shares are entitled by law to vote as a class, the holders of Second Preference Shares are not entitled to vote at meetings of shareholders of the Company. The holders of Second Preference Shares are not entitled to vote separately as a class or series or to dissent with respect to any proposal to amend the articles of the Company to create a new class or series of shares ranking in priority to or on parity with the Second Preference Shares or any series thereof, to effect an exchange, reclassification or cancellation of the Second Preference Shares or any series thereof or to increase the maximum number of authorized shares of a class or series ranking in priority to or on parity with the Second Preference Shares or any series thereof.

Item V Ratings

The following information relating to the Company’s credit ratings is provided as it relates to the Company’s financing costs, liquidity and cost of operations. Specifically, credit ratings impact both the Company’s ability to obtain short-term and long-term financing, and the cost of such financings. A negative change in the Company’s ratings outlook or any downgrade in the Company’s current credit ratings by its rating agencies could adversely affect its cost of borrowing and/or access to sources of liquidity and capital. In addition, changes in credit ratings may affect the Company’s ability to enter into, or the associated costs of entering into, hedging transactions or other contracts in the ordinary course of business on acceptable terms. The Company believes that its current credit ratings will allow it to continue to have access to the capital markets, as and when needed, at a reasonable cost of funds.

The following table sets out the ratings of IAMGOLD’s corporate credit and the 2012 Senior Unsecured Notes credit by the rating agencies indicated as at February 17, 2017:

	Standard & Poor’s	**Moody’s Investors Services**
Corporate Rating	B	B2
Senior Note Rating	B+	B3
Trend/Outlook	Positive	Positive

Standard & Poor's Rating Services' ("S&P") credit ratings are on a long-term rating scale that ranges from AAA to D, which represents the range from highest to lowest quality of such securities rated. The ratings from AAA to CCC may be modified by the addition of a plus (+) or a minus (-) sign to show relative standing within the major categories. In addition, S&P may add a rating outlook of "positive", "negative" or "stable" which assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). As of September 2016, S&P has assigned IAMGOLD a corporate credit rating of B and a credit rating of B+ on the 2012 Senior Unsecured Notes with a positive outlook and a Recovery rating of 2H. According to S&P, this rating generally means the relevant issuer currently has the capacity to meet its financial commitments, but that adverse business, financial or economic conditions will likely impair the relevant issuer's capacity or willingness to meet its financial commitments. S&P adds that an issuer or obligation rated 'B' should be able to withstand a moderate level of stress and still meet its financial obligations. The positive outlook reflects its view that the Company has improved its core credit ratios by reducing its leverage, will sustain earnings and cash flow as expected and achieve an adjusted debt-to-EBITDA of 4 times. S&P's outlook also reflects its expectation that the Company will maintain "strong" liquidity.

Moody's Investors Service ("Moody's") credit ratings are on a rating scale that ranges from Aaa to C, which represents the range from highest to lowest quality. Moody's appends numerical modifiers 1, 2 and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic category. As of September 2016, Moody's has assigned IAMGOLD a corporate family credit rating of B2 and a credit rating of B3 on the 2012 Senior Unsecured Notes with a positive outlook. According to Moody's, this rating generally means that the obligations are considered speculative and are subject to high credit risk. The Company's rating is driven by its strong balance sheet, limited production diversity, elevated geopolitical risks and high cost structures. The Company's leverage is expected to improve to about 1.5 times, which is favorable for the rating. Given the high costs of the Company's mines, however, Moody's believes the Company will remain modestly cash positive after maintenance capital spending. Continued ramp-up at the Westwood mine may support improving production and cost trends while uncertainties associated with ore hardness issues at the Rosebel mine may require additional capital and/or result in higher costs over the next few years.

Credit ratings are not a recommendation to buy, sell or hold securities. Credit ratings may be subject to revision or withdrawal at any time by the credit rating organization.

Item VI Market for Securities

The Common Shares of the Company are listed on the Toronto Stock Exchange (the "TSX") under the symbol "IMG" and on the New York Stock Exchange ("NYSE") under the symbol "IAG".

The following table sets forth the market price range, in Canadian dollars, and the trading volume of the Common Shares on the TSX for each month during the year ended December 31, 2016.

TSX

	High (C$)	Low (C$)	Close (C$)	Volume
January	2.40	1.66	2.04	21,969,800
February	3.55	2.03	2.93	55,001,300
March	3.70	2.62	2.93	62,248,800
April	4.29	2.76	3.56	53,902,000
May	5.22	3.98	4.53	82,462,000
June	5.79	4.18	5.02	85,720,400
July	6.84	5.63	6.19	60,494,500

August	7.65	4.86	6.17	77,168,900
September	6.04	4.81	5.45	81,286,800
October	5.74	4.18	4.91	72,859,900
November	6.27	4.70	5.19	89,645,400
December	5.64	4.24	4.86	71,650,200

The following table sets forth the market price range, in U.S. dollars, and the trading volume of the Common Shares on the NYSE for each month during the year ended December 31, 2016.

NYSE

	High (US$)	Low (US$)	Close (US$)	Volume
January	1.71	1.15	1.45	87,904,000
February	2.57	1.44	2.13	146,255,100
March	2.77	1.95	2.21	149,032,200
April	3.43	2.10	2.78	124,411,300
May	4.05	3.10	3.52	157,269,600
June	4.46	3.19	3.90	218,799,900
July	5.25	4.23	4.74	211,724,000
August	5.87	3.70	4.76	348,228,500
September	4.65	3.66	4.16	247,766,100
October	4.30	3.14	3.69	180,429,100
November	4.66	3.46	3.88	180,041,600
December	4.21	3.16	3.65	246,736,500

Item VII Directors and Officers

1. Directors

As of February 17, 2017, the list of IAMGOLD's directors is as follows:

Name, Province and Country of Residence	***Principal Occupation***	***Director Since***
DONALD K. CHARTER (2)(3) *Etobicoke, Ontario, Canada*	*Chairman of the Company and Corporate Director*	*2003*
STEPHEN J.J. LETWIN *Toronto, Ontario, Canada*	*President and CEO of the Company*	*2010*
JOHN E. CALDWELL (1)(3) *Toronto, Ontario, Canada*	*Corporate Director*	*2006*
RICHARD J. HALL (1)(4) *Silverthorne, Colorado, United States of America*	*Corporate Director*	*2012*

Name, Province and Country of Residence	*Principal Occupation*	*Director Since*
MAHENDRA NAIK (1)(2) *Markham, Ontario, Canada*	*President – FINSEC Services Inc. (Management Services Company)*	*1990*
TIMOTHY R. SNIDER (2)(4) *Tuscon, Arizona, United States of America*	*Corporate Director*	*2011*
SYBIL VEENMAN (3)(4) *Toronto, Ontario, Canada*	*Corporate Director*	*2015*

(1) Member of the Audit and Finance Committee
(2) Member of the Human Resources and Compensation Committee
(3) Member of the Nominating and Corporate Governance Committee
(4) Member of the Safety, Environment and Reserves Committee

All of the above-mentioned directors have held their current positions or another position with their current employer or a company related thereto during the last five years, with the following exception: Ms. Veenman who, prior to December 2015, was Senior Vice-President and General Counsel at Barrick Gold Corporation.

Each director will, unless he resigns or his office becomes vacant for any reason, hold office until the close of the next annual meeting of shareholders or until his successor is elected or appointed.

2. Executive Officers

The current list of Company executive officers is as follows:

Name, Province and Country of Residence	**Occupation**	**Officer Since**
STEPHEN J.J. LETWIN Toronto, Ontario, Canada	President and CEO of the Company	2010
P. GORDON STOTHART Oakville, Ontario, Canada	Executive Vice President and Chief Operating Officer	2007
CAROL T. BANDUCCI Mississauga, Ontario, Canada	Executive Vice President and Chief Financial Officer	2007
BENJAMIN R. LITTLE Toronto, Ontario, Canada	Senior Vice President, Corporate Affairs, HSS & People	2011
CRAIG S. MACDOUGALL Oakville, Ontario, Canada	Senior Vice President, Exploration	2012

Name, Province and Country of Residence	Occupation	Officer Since
JEFFERY A. SNOW Toronto, Ontario, Canada	Senior Vice President, Business Development and General Counsel	2009

All of the executive officers of the Company have held their current positions or another management position with the Company or one of its affiliates during the last five years, with the following exceptions: Mr. MacDougall who, prior to February 2012, worked as an industry consultant and prior to that he held the position of President and CEO of Continental Nickel Limited.

3. Shareholdings of Directors and Officers

As at February 17, 2017, directors and executive officers of IAMGOLD as a group beneficially own, directly or indirectly, or exercise control or direction over, approximately 2,358,989 million Common Shares or 0.52 per cent of all the issued and outstanding Common Shares of IAMGOLD.

4. Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Company, no director or executive officer of the Company is, or has been in the last ten years, a director or executive officer of an issuer that, while acting in such capacity, (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemptions under securities legislation, for a period of more than 30 consecutive days, (b) was subject to an event that resulted, after that person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, or (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

To the knowledge of the Company, no director or executive officer of the Company, or shareholder holding a sufficient number of securities to affect materially the control of the Company, has, within the 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Penalties and Sanctions

To the best of management's knowledge, no penalties or sanctions have been imposed on a director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, in relation to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has had any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

To the best of management's knowledge, there are no existing or potential material conflicts of interest between the Company or any of its subsidiaries and any director or officer of the Company or a subsidiary of the Company.

Item VIII Audit and Finance Committee

1. <u>Composition and Relevant Education and Experience of Members</u>

The directors of the Company have an audit and finance Committee (the “Audit and Finance Committee”) which consists of Messrs. John E. Caldwell (Chairman), Richard J. Hall and Mahendra Naik. The directors of the Company have determined that all members of the Audit and Finance Committee are “independent” and “financially literate” for the purposes of applicable laws. The directors of the Company have also determined that each of John E. Caldwell and Mahendra Naik is an “Audit Committee Financial Expert” for the purposes of applicable laws. The designation of a member of the Audit and Finance Committee as an “Audit Committee Financial Expert” does not make him an “expert” for any purpose, impose any duties, obligations or liability on him that are greater than those imposed on members of the board of directors who do not carry this designation or affect the duties, obligations or liability of any other member of the Audit and Finance Committee.

The following is a brief summary of the education and experience of each member of the Audit and Finance Committee that is relevant to the performance of his responsibilities as a member of the Audit and Finance Committee.

The text of the Audit and Finance Committee’s charter is attached hereto as Schedule “A”.

Name	Relevant Education and Experience
John E. Caldwell (Chairman)	Mr. Caldwell has been a director of the Company since 2006. Mr. Caldwell brings extensive general and financial management and risk assessment experience to the Board. From 2003 until his retirement from SMTC Corporation, on March 31, 2011, he served as President and Chief Executive Officer and as a member of the board of directors. Before joining STMC Corporation, Mr. Caldwell held positions in The Mosaic Group, a marketing services provider, as Chair of the Restructuring Committee of the Board, from October 2002 to September 2003, in GEAC Computer Corporation Limited, a computer software company, as President and Chief Executive Officer from October 2000 to December 2001 and in CAE Inc., a provider of simulation and modeling technologies and integrated training solutions for the civil aviation and defense industries, as President and Chief Executive Officer from June 1993 to October 1999. In addition, Mr. Caldwell served in a variety of senior executive positions in finance, including Senior Vice President of Finance and Corporate Affairs, Chief Financial Officer of CAE and Executive Vice President of Finance and Administration of Carling O’Keefe Breweries of Canada. Over the course of his career, Mr. Caldwell has served on the audit committees of ten public companies. Also, for the past several years, Mr. Caldwell is a lecturer for the Institute of Corporate Directors on the subject of board responsibilities for oversight of enterprise risk. Mr. Caldwell is Chairman of and has been a director of Advanced Micro Devices, Inc., a global semiconductor provider since 2006 and of Faro Technologies, Inc., a producer of three dimensional manufacturing measurement systems, since 2002. Mr. Caldwell also served on the board of directors of ATI Technologies Inc. from 2003 to 2006, Rothmans Inc. from 2004 to 2008, Cognos Inc. from 2000 to 2008, Stelco Inc. from 1997 to 2006 and Sleeman Breweries Ltd. from 2003 to 2005. Mr. Caldwell holds a Bachelor of Commerce Degree from Carleton University and is a Chartered Professional Accountant.
Richard J. Hall	Mr. Hall was appointed a director of IAMGOLD in 2012. Mr. Hall brings over 45 years of exploration, development, mining and corporate experience to IAMGOLD. In addition to IAMGOLD, Mr. Hall currently serves as Chairman

Name	Relevant Education and Experience
	of Klondex Mines Ltd. and as a director of Orla Mining Ltd. Mr. Hall formerly served as President and Chief Executive Officer of Northgate Minerals until it was acquired by AuRico Gold now called Alamos Gold. Mr. Hall also served as President and Chief Executive Officer of Metallica Resources. While at Metallica Resources he was involved in the merger with Peak Gold Ltd. and New Gold Inc. to form what is now New Gold Inc. Over the past 10 years Mr. Hall has consulted to the mineral industry and has served on a number of resource sector boards of directors including Chairman of Premier Gold, Chairman of Grayd Resources and Director of Kaminak Gold. Mr. Hall also served on numerous audit, compensation and governance committees during his career as well as chairing several special independent committees of boards of directors during various corporate situations. Mr. Hall is involved in several non-profit organizations including, Past President and Life Member of the American Exploration and Mining Association, formerly the Northwest Mining Association, Director of the Denver Gold Group, member of both the Investment Committee and Audit Committee of the Society of Economic Geologists (SEG). Mr. Hall holds a Bachelor and a Masters Degree in Geology and an MBA from Eastern Washington University. Mr. Hall has also completed an Executive Development Program at the University of Minnesota. Mr. Hall is a member of the National Association of Corporate Directors and has completed the Institute of Chartered Secretaries and Administrators (ICSA) Directors Education Program and is a member of ICSA.
Mahendra Naik	Mr. Naik is a Chartered Professional Accountant with more than 35 years of financial accounting, mining and investment company experience. He holds a Bachelor of Commerce degree from the University of Toronto. He practiced as a Chartered Professional Accountant for nine years with a major Canadian accounting firm. As a Chartered Professional Accountant, Mr. Naik has experience in preparing, auditing, analyzing and evaluating financial statements, understands internal controls and procedures for financial reporting and understands the accounting principles used by the Company to prepare its financial statements as well as the implications of said accounting principles on the Company’s results. From 1990 to 1999, he was the Chief Financial Officer of IAMGOLD. He is also the Chairman of the Board and Audit Committee of a TSX-listed mining company and the Chairman of the Audit Committee for a TSXV listed international financial services company and TSXV listed precious metals financial services company. In addition, he is Director and a member of the Audit Committees of a number of private companies, including investment and financial service businesses.

2. Mandate of the Audit and Finance Committee

The general mandate of the Audit and Finance Committee is to review and, if deemed appropriate, recommend the approval of the Company’s annual and quarterly financial statements and related disclosure to the board of directors, and more particularly, to oversee the Company’s financial reporting process, internal control system, management of financial risks and the audit process of financial information.

This committee reviews the general policies submitted by the Company’s management in connection with financial reporting and internal control and deals with all material matters relating thereto. Based on its review, this committee makes recommendations to the board of directors. Finally, the committee ensures that the external auditors are independent *vis-à-vis* management of the Company and makes its recommendations regarding their nomination for the ensuing year. The charter of the Audit and Finance Committee is attached hereto as Schedule A.

3. Pre-Approval Policies and Procedures

The Audit and Finance Committee has adopted a pre-approval policy. Under this policy, subject to certain conditions, audit services, specified audit-related services, certain permitted non-audit services and tax-related non-audit services may be presented to the Audit and Finance Committee for pre-approval as a category of services on an annual or project basis. On a quarterly basis, the Chief Financial Officer of the Company is required to update the Audit and Finance Committee in respect of the actual amount of fees in comparison to the pre-approved estimate. Following the annual pre-approval, on an interim basis, the Chief Financial Officer of the Company is permitted to approve statutory, compliance and subsidiary audits and additional audit-related services and specified non-audit services, provided that the estimated fees for such services fall within specified dollar limits. Additional audit-related services and specified non-audit services that exceed the dollar thresholds and all additional non-audit services, including tax-related non-audit services, require the pre-approval of the Audit and Finance Committee (or if within a specified dollar threshold, the Audit and Finance Committee Chairman). None of the audit-related services or other services described below were approved by the Audit and Finance Committee pursuant to the de minimis exception provided by Section (c)(7)(i)(C) of Rule 2-01 or Regulation S-X.

4 . External Auditor Service Fees

Audit Fees

The aggregate fees billed by the Company’s external auditor in each of the last two fiscal years for audit services were $1,325,000 in 2016 and $1,217,000 in 2015.

Audit-Related Fees

The aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company’s external auditor that are not included in the above paragraph were $165,000 in 2016 and $129,000 in 2015. The audit-related fees relate to services provided in connection with statutory filings and transactions completed by the Company.

Tax Fees

The aggregate fees billed in each of the last two fiscal years for professional tax services rendered by the Company’s external auditor were $22,000 in 2016 and $70,000 in 2015. The professional tax services related to corporate tax compliance, tax planning and other related tax services.

All Other Fees

The aggregate fees billed in each of the last two fiscal years for other services rendered by the Company’s external auditor were $21,000 in 2016 and $0 in 2015. The other services related to assurance work and readiness assessments performed for the Company.

Chart for the above fee disclosure

The aggregate fees billed by the external auditor of the Company in each of the last two financial years of the Company are as follows:

	2016	2015
Audit Fees	1,325,000	1,217,000
Audit-Related Fees	165,000	129,000
Tax Fees	22,000	70,000
Other	21,000	—
Total	1,533,000	1,416,000

Item IX Interest of Management and Others in Material Transactions

Within the three most recently completed financial years and during the current 2017 fiscal year to the date hereof, none of the directors or executive officers of the Company, any person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 per cent of the outstanding voting securities of the Company or associates or affiliates of any such individuals has, to the best of the Company's knowledge, any material interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect the Company and its subsidiaries.

Item X Transfer Agent and Registrar

The Company's transfer agent and registrar is:

Computershare Trust Company of Canada
100 University Ave.
9th Floor, North Tower
Toronto, Ontario M5J 2Y1
Canada

Item XI Material Contracts

2016 Credit Facility

The Company refinanced its existing $500 million unsecured revolving credit facility on February 1, 2016 with a revised syndicate of financial institutions (collectively the ''Revised Lenders'') led by National Bank of Canada and Deutsche Bank.

The agreement provides for a revolving bank credit facility of up to $250 million or Canadian dollar equivalents (the "2016 Credit Facility"). The amount includes $100 million in committed credit as well as up to $150 million in uncommitted capital. The purpose of the 2016 Credit Facility is to finance general corporate requirements of the Company, including permitted acquisitions and the issuance of letters of credit. The 2016 Credit Facility matures and all indebtedness thereunder is due and payable on February 1, 2020. There can be no certainty that the 2016 Credit Facility will be renewed on terms favourable to the Company or for an amount of up to $250 million.

Committed capital of the Credit Facility was increased by $70 million via the "Accordion" feature. At the end of 2016, commitments totalled $170 million. As of February 7, 2017, the Credit Facility was further increased by $80 million via the "Accordion" feature bringing total commitments to $250 million.

Payment and performance of the Company's obligations under the 2016 Credit Facility are secured by certain forms of real property of the Company as well as guarantees by certain of the subsidiaries of the Company (collectively with the Company, the ''Obligors''). The 2016 Credit Facility includes certain covenants relating to the operations and activities of the Obligors including, among others, restrictions with respect to indebtedness, distributions, entering into derivative transactions; dispositions of material assets; mergers and acquisitions; covenants to maintain a total net debt ratio of not greater than 3.5:1, a tangible net worth of not less than the aggregate of $1.75 billion plus 50 per cent of the Company's consolidated net income for the fiscal quarter ending December 31, 2016 and each subsequent fiscal year (excluding any period in which net income is a loss), plus 50 per cent of the proceeds of equity issuances or contributions after December 31, 2016; interest expense coverage of greater than 2.5 times; and a minimum liquidity amount of $100 million (including 50 per cent of the market value of the Company's bullion holdings). Advances under the 2016 Credit Facility are available in U.S. dollars and Canadian dollars and bear interest at rates calculated with respect to certain financial ratios of the Company and vary in accordance with borrowing rates in Canada and the United States. The Revised Lenders are each paid a standby fee on the undrawn portion of the 2016 Amended Credit Facility, which fee also depends on certain financial ratios of the Company. The 2016 Credit Facility also includes typical events of default, including any change of control of the Company.

As of February 17, 2017, approximately $3 million was drawn under the 2016 Credit Facility in the form of issued letters of credit.

2012 Senior Unsecured Notes

On September 21, 2012, the Company issued at face value $650 million of senior unsecured notes. The 2012 Senior Unsecured Notes are denominated in U.S. dollars, mature and become due and payable on October 1, 2020, and bear interest at the rate of 6.75 per cent per annum. Interest is payable in arrears in equal semi-annual instalments on April 1 and October 1 of each year. The 2012 Senior Unsecured Notes are guaranteed by some of the Company's subsidiaries. The Company is using the proceeds of the 2012 Senior Unsecured Notes for general corporate purposes, including funding capital expenditures and exploration.

On and after October 1, 2016, the Company may redeem the 2012 Senior Unsecured Notes, in whole or in part, at the relevant redemption price (expressed as a percentage of the principal amount of the 2012 Senior Unsecured Notes) plus accrued and unpaid interest on the 2012 Senior Unsecured Notes up to the redemption date. The redemption price for the 2012 Senior Unsecured Notes during the 12 month period beginning on October 1 of each of the following years is: 2016 – 103.375 per cent; 2017 – 101.688 per cent; and 2018 and thereafter – 100 per cent.

The following are the contractual maturities related to the 2012 Senior Unsecured Notes, including estimated interest payments and excluding the impact of netting agreements.

			Payments due by period ($ millions)			
At December 31, 2016	**Carrying Amount**	**Contractual Cash Flows**	**< 1 Year**	**1-2 Years**	**3-5 Years**	**> 5 Years**
2012 Senior Unsecured Notes	**$ 489.1**	**$ 621.1**	**$ 33.0**	**$ 66.0**	**$ 522.1**	**$ 0**

In addition to the ability to redeem the 2012 Senior Unsecured Notes as noted above, the Company may also make open market purchases of the 2012 Senior Unsecured Notes from time to time.

In 2016, the Company purchased, at face value, $145.9 million of the 2012 Senior Unsecured Notes for a cash consideration of $141.5 million pursuant to a tender offer, as described in note 17(a) to the Audited Consolidated Financial Statements.

There are no other contracts, other than those disclosed in this Annual Information Form or those entered into in the ordinary course of the Company's business, that are material to the Company and which were entered into in the most recently completed financial year of the Company or before the most recently completed financial year but are still in effect as of February 17, 2017.

Item XII Interests of Experts

The following persons and companies have prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing, made by the Company under National Instrument 51-102 during, or relating, to the financial year of the Company ended December 31, 2016.

> KPMG LLP, Chartered Accountants
>
> The 'qualified persons' whose names are set forth herein, being: Lise Chénard, Craig MacDougall, Jérôme Girard, Philippe Gaultier, Gilles Ferlatte, Bruno Lemelin, Luc-Bernard Denoncourt, Daniel Vallières, Ronald Leber, Emilie Williams, Marie-France Bugnon, Alan Smith, Vincent Blanchet, Raphaël Dutaut, G Mining Services Inc., Louis-Pierre Gignac, Réjean Sirois, Gabriel Voicu, AMEC Foster Wheeler, Bing Wang, Ignacy Lipiec, Lawrence Elgert, Simon Allard, Debbie Dyck, Snowden Mining Industry Consultants and Mark Burnett.

To the knowledge of the Company, after reasonable enquiry, each of the foregoing persons and companies, except for KPMG LLP, beneficially owns, directly, or indirectly, or exercises control or direction over less than one per cent of the outstanding Common Shares. Lise Chénard, Craig MacDougall, Jérôme Girard, Philippe Gaultier, Gilles Ferlatte, Bruno Lemelin, Luc-Bernard Denoncourt, Daniel Vallières, Ronald Leber, Emilie Williams, Marie-France Bugnon, Alan Smith and Vincent Blanchet are employees of the Company.

KPMG LLP are the Company's external auditors and have reported to the shareholders on the Company's consolidated financial statements for the year ended December 31, 2016 in their report dated February 22, 2017. In connection with their audit, KPMG LLP has confirmed that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation and regulations, and that they are independent accountants with respect to the Company under all relevant U.S. professional and regulatory standards.

Item XIII Additional Information

Additional information relating to the Company may be found on SEDAR at *www.sedar.com* and the Company's website at *www.iamgold.com* . Information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, will be contained in the Company's Management Information Circular pertaining to its Annual General Meeting of Shareholders, scheduled for May 10, 2017, which will involve the election of directors. Additional information is also provided in the Company's audited consolidated financial statements and management's discussion and analysis for its most recently completed financial year ended December 31, 2016.

SCHEDULE A

IAMGOLD CORPORATION

AUDIT AND FINANCE COMMITTEE CHARTER

1. Overall Purpose and Objectives

The audit and finance committee (the “Committee”) will assist the directors (the “Directors”) of IAMGOLD Corporation (the “Corporation”) in fulfilling their responsibilities under its mandate and applicable legal and regulatory requirements. To the extent considered appropriate by the Committee or as required by applicable legal or regulatory requirements, the Committee will provide oversight review with respect to the integrity of the financial reporting process of the Corporation, the integrity of the Corporation’s financial statements, the system of internal controls and management of the financial risks of the Corporation, the performance of IAMGOLD’s internal audit function, the external audit qualifications, independence and performance, review of financial policies and the nature and structure of major strategic financial commitments. In fulfilling its responsibilities, the Committee maintains an effective working relationship with the Directors, management of the Corporation, internal audit and the external auditor as well as monitors the independence of the external auditor.

In addition to the powers and responsibilities expressly delegated by the Board of Directors to the Committee in this Charter, the Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time consistent with the Corporation’s bylaws. The powers and responsibilities delegated by the Board to the Committee in this Charter or otherwise shall be exercised and carried out by the Committee as it deems appropriate without requirement of Board approval, and any decision made by the Committee (including any decision to exercise or refrain from exercising any of the powers delegated to the Committee hereunder) shall be at the Committee’s sole discretion. While acting within the scope of the powers and responsibilities delegated to it, the Committee shall have and may exercise all the powers and authority of the Board. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it.

Notwithstanding the foregoing, the Committee’s responsibilities are limited to review and oversight. Management of the Corporation is responsible for the preparation, presentation and integrity of the Corporation’s financial statements as well as the Corporation’s financial reporting process, accounting policies, internal audit function, internal accounting controls and disclosure controls and procedures. The independent auditor is responsible for performing an audit of the Corporation’s annual financial statements, expressing an opinion as to the conformity of such annual financial statements with accounting principles generally accepted in Canada (GAAP) and reviewing the Corporation’s quarterly financial statements. It is not the responsibility of the Committee to plan or conduct audits or to determine that the Corporation’s financial statements and disclosure are complete and accurate and in accordance with generally accepted accounting principles and applicable laws, rules and regulations. Each member of the Committee shall be entitled to rely on the integrity of those persons within the Corporation and of the professionals and experts (including the Corporation’s internal auditor (or others responsible for the internal audit function, including contracted non-employee or audit or accounting firms engaged to provide internal audit services) and the Corporation’s independent auditor) from which the Committee receives information and, absent actual knowledge to the contrary, the accuracy of the financial and other information provided to the Committee by such persons, professionals or experts.

2. Authority

(a) The Committee shall have the authority to:

(i) engage independent counsel and other advisors as the Committee determines necessary to carry out its duties;

(ii) set compensation and authorize payment for any advisors employed by the Committee;

(iii) communicate directly with the internal and external auditor of the Corporation and require that the external auditor of the Corporation report directly to the Committee; and

(iv) seek any information considered appropriate by the Committee from any employee of the Corporation.

(b) The Committee shall have unrestricted and unfettered access to all personnel and documents of the Corporation and shall be provided with the resources reasonably necessary to fulfill its responsibilities.

3. Membership and Organization

(a) The Committee will be composed of at least three members of the Board. The members of the Committee shall be appointed by the Directors to serve one-year terms and shall be permitted to serve an unlimited number of consecutive terms. Every member of the Committee must be a Director who is independent and financially literate. In this Charter, the terms "independent" and "financially literate" have the meaning ascribed to such terms by Applicable Laws, including currently the requirements of Multilateral Instrument 52-110 and the Corporate Governance Rules of the New York Stock Exchange ("NYSE Rules"), which are reproduced in Appendix "A" attached hereto. The chairman of the Committee will be appointed by the Committee from time to time on the recommendation of the nominating and corporate governance committee and must have such accounting or related financial management expertise as the Directors may determine in their business judgment.

All members shall, to the satisfaction of the Board of Directors, be "financially literate", and at least one member shall have accounting or related financial management expertise to qualify as a "financial expert" in accordance with applicable legal requirements, including currently the requirements of Multilateral Instrument 52-110, the rules adopted by the United States Securities and Exchange Commission and the NYSE Rules reproduced in Appendix "A" attached hereto.

No Committee member may simultaneously serve on the audit committee of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such member to effectively serve on the Committee.

As the rules set out in Schedule "A" may be revised, updated or replaced from time to time, the Audit Committee shall ensure that such schedule is up-dated accordingly when required.

(b) The chairman of the Committee will be appointed by the Committee from time to time on the recommendation of the nominating and corporate governance committee.

(c) The Committee shall meet at times necessary to perform duties described above in a timely manner but not less than four times per year.

(d) The secretary of the Committee will be the Secretary of the Corporation or such other person as is chosen by the Committee.

(e) The Committee may invite such persons to meetings of the Committee as the Committee considers appropriate, except to the extent exclusion of certain persons is required pursuant to this Charter or Applicable Laws.

(f) The Committee may invite the external auditor of the Corporation to be present at any meeting of the

Committee and to comment on any financial statements, or on any of the financial aspects, of the Corporation.

(g) The Committee will meet as considered appropriate or desirable by the Committee. Any member of the Committee may call or the external auditor of the Corporation may request a meeting of the Committee at any time upon 48 hours prior written notice.

(h) All decisions of the Committee shall be by simple majority and the chairman of the Committee shall not have a deciding or casting vote.

(i) Minutes shall be kept in respect of the proceedings of all meetings of the Committee.

(j) Except as may be delegated by the Committee to any one or more members of the Committee, no business shall be transacted by the Committee except at a meeting of the members thereof at which a majority of the members thereof is present.

(k) The Committee may transact its business by a resolution in writing signed by all the members of the Committee in lieu of a meeting of the Committee.

4. Role and Responsibilities

To the extent considered appropriate or desirable or required by applicable legal or regulatory requirements, the Committee shall, in respect of the:

(a) Financial Reporting of the Corporation

(i) review the quarterly and annual financial statements of the Corporation, management's discussion and analysis and any annual and interim earnings press releases of the Corporation before the Corporation publicly discloses such information and discuss these documents with the external auditor and with management of the Corporation, as appropriate;

(ii) consider the fairness of the quarterly and annual interim financial statements and financial disclosure of the Corporation and review with management of the Corporation and the external auditor whether,

- actual financial results for the annual and interim periods varied significantly from budgeted, projected or previous period results;
- generally accepted accounting principles, currently international financial reporting standards adopted by the Corporation, have been consistently applied;
- there are any actual or proposed changes in accounting or financial reporting practices of the Corporation; and
- there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure;

(iii) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and consider their impact on the financial statements of the Corporation;

(iv) review any legal matters which could significantly impact the financial statements of the Corporation as reported on by counsel and meet with counsel to the Corporation whenever deemed appropriate;

- *(v)* review the selection of, and changes in the accounting policies of the Corporation;
- *(vi)* review judgmental areas, for example those involving a valuation of the assets and liabilities and other commitments and contingencies of the Corporation;
- *(vii)* review audit issues related to the material associated and affiliated entities of the Corporation that may have a significant impact on the equity investment therein of the Corporation;
- *(viii)* discuss the Corporation's earnings press releases, as well as financial information and earning guidance provided to analysts and rating agencies, if applicable;
- *(ix)* meet with management and the external auditor of the Corporation to review the annual financial statements of the Corporation and the results of the audit thereof; and
- *(x)* meet separately and periodically with the management of the Corporation, the external auditor of the Corporation and the internal auditor (or other personnel responsible for the internal audit function of the Corporation) of the Corporation to discuss any matters that the Committee, the external auditor of the Corporation or the internal auditor of the Corporation, respectively, believes should be discussed privately;

(b) Internal Controls of the Corporation

- *(i)* review the planning and implementation of work of the internal auditor pursuant to the internal audit charter, which charter shall be approved by the Committee from time to time, including, without limitation, the identification and management of risks to the Corporation through the implementation of a system of internal controls appropriate to the Corporation;
- *(ii)* review the areas of greatest financial, and reporting and disclosure risks to the Corporation and whether management of the Corporation is managing these risks effectively;
- *(iii)* review and determine if internal control recommendations made by either the internal or external auditor of the Corporation have been implemented by management of the Corporation;
- *(iv)* review and be satisfied that adequate procedures are in place for the review of the public disclosure of the Corporation of financial information and periodically assess the adequacy of those procedures; and
- *(v)* establish procedures for,
  - the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
  - the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters relating to the Corporation;

(c) External Auditor of the Corporation

- *(i)* recommend to the Directors,
  - the external auditor to be nominated for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Corporation or performing other audit, review or attest services for the Corporation; and

- the remuneration to be paid to the external auditor of the Corporation;

(ii) review the proposed audit scope and approach of the external auditor of the Corporation and ensure no unjustifiable restriction or limitations have been placed on the scope of the proposed audit;

(iii) review the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Corporation or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management of the Corporation and the external auditor of the Corporation regarding any financial reporting matter and review the performance of the external auditor of the Corporation;

(iv) consider the qualification and independence of the external auditor of the Corporation, including reviewing the range of services provided by the external auditor of the Corporation in the context of all consulting services obtained by the Corporation;

(v) pre-approve all non-audit services to be provided to the Corporation or any subsidiary entities thereof by the external auditor of the Corporation and, to the extent considered appropriate: (i) adopt specific policies and procedures in accordance with Applicable Laws for the engagement of such non-audit services; and/or (ii) delegate to one or more independent members of the Committee the authority to pre-approve all non-audit services to be provided to the Corporation or any subsidiary entities thereof by the external auditor of the Corporation provided that the other members of the Committee are informed of each such non-audit service;

(vi) review and approve the hiring policies of the Corporation regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation;

(vii) review with the external auditor of the Corporation any audit problems or difficulties and management's response to such problems or difficulties;

(d) Financial Matters

The Committee shall review and, where appropriate, make recommendations to the Directors regarding:

(i) policies relating to the Corporation's cash flow, cash management and working capital, shareholder dividends and related policy, and share issuance and repurchases;

(ii) financing plans, including capital market and off-balance sheet transactions, including, without limitation, equity, debt and sale-leasebacks that may have a material impact on the Corporation's financial position;

(iii) capital expenditure budgets and proposed major capital expenditure (development and exploration) projects;

(iv) acquisitions, joint ventures, divestitures and other similar transactions; and

(v) other transactions or financial issues that management wishes to be reviewed by the Committee.

(e) Other Matters

(i) The Committee shall review and approve all related party transactions;

(ii) The Committee shall receive and review periodic reports from management relating to disclosure and compliance with laws and regulations;

(iii) The Committee shall review human resource and succession planning for accounting, finance and internal audit staff;

(iv) The Committee shall perform an annual self-evaluation of its performance including fulfilling its responsibilities as set out in this charter;

(v) The Committee shall review and assess annually this charter and recommend any proposed changes to the Board of Directors for approval and perform an annual evaluation of the performance of the Committee, the results of which shall be reported to the Board of Directors.

5. Communication with the Directors

(a) The Committee shall produce and provide the Directors with a summary of all actions taken at each Committee meeting or by written resolution.

(b) The Committee shall produce and provide the Directors with all reports or other information required to be prepared under Applicable Laws.

Appendix A

Independence Requirement of Multilateral Instrument 52-110

A member of the Audit Committee shall be considered "independent", in accordance with Multilateral Instrument 52-110—Audit Committees ("MI 52-110"), subject to the additional requirements or exceptions provided in MI 52-110, if that member has no direct or indirect relationship with the Corporation, which could reasonably interfere with the exercise of the member's independent judgment. The following persons are considered to have a material relationship with the Corporation and, as such, cannot be a member of the Audit Committee:

a. an individual who is, or has been within the last three years, an employee or executive officer of the Corporation;

b. an individual whose immediate family member is, or has been within the last three years, an executive officer of the Corporation;

c. an individual who:

  i. is a partner of a firm that is the Corporation's internal or external auditor;

  ii. is an employee of that firm; or

  iii. was within the last three years a partner or employee of that firm and personally worked on the Corporation's audit within that time;

d. an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:

  i. is a partner of a firm that is the Corporation's internal or external auditor;

  ii. is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or

  iii. was within the last three years a partner or employee of that firm and personally worked on the Corporation's audit within that time;

e. an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the Corporation's current executive officers serves or served at the same time on the entity's compensation committee; and

f. an individual who received, or whose immediate family member who is employed as an executive officer of the Corporation received, more than $75,000 in direct compensation from the Corporation during any 12 month period within the last three years, other than as remuneration for acting in his or her capacity as a member of the Board of Directors or any Board committee, or the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service for the Corporation if the compensation is not contingent in any way on continued service.

In addition to the independence criteria discussed above, any individual who:

a. has a relationship with the Corporation pursuant to which the individual may accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Corporation or any subsidiary entity of the Corporation, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee; or as a part-time chair or vice-chair of the board or any board or committee, or

b. is an affiliated entity of the Corporation or any of its subsidiary entities, is deemed to have a material relationship with the Corporation, and therefore, is deemed not to be independent.

The indirect acceptance by an individual of any consulting, advisory or other fee includes acceptance of a fee by:

a. an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or

b. an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the Corporation or any subsidiary entity of the Corporation.

Independence Requirement of NYSE Rules

A director shall be considered "independent" in accordance with NYSE Rules if that director has no material relationship with the Corporation that may interfere with the exercise of his/her independence from management and the Corporation.

In addition:

a. A director who is an employee, or whose immediate family member is an executive officer, of the Corporation is not independent until three years after the end of such employment relationships.

b. A director who receives, or whose immediate family member receives, more than $120,000 during any twelve-month period in direct compensation from the Corporation, other than director or committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service), is not independent until three years after he or she ceases to receive more than $120,000 during any twelve-month period in such compensation.

c. A director is not independent if: (a) the director is a current partner or employee of a firm that is the Corporation's internal or external auditor; (b) the director has an immediate family member who is a current partner of such a firm; (c) the director has an immediate family member who is a current employee of such a firm and personally works on the Corporation's audit; or (d) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the Corporation's audit within that time.

d. A director who is employed, or whose immediate family member is employed, as an executive officer of another company where any of the Corporation's present executives serve on that corporation's compensation committee is not "independent" until three years after the end of such service or the employment relationship.

e. A director who is an executive officer or an employee, or whose immediate family member is an executive officer, of a corporation that makes payments to, or receives payments from, the Corporation for property or services in an amount which, in any single fiscal year, exceeds the greater of $1 million, or 2% of such other corporation's consolidated gross revenues, is not "independent" until three years after falling below such threshold.

A member of the Audit Committee must also satisfy the independence requirements of Rule 10A-3(b)(1) adopted under the Securities Exchange Act of 1934 as set out below:

In order to be considered to be independent, a member of an audit committee of a listed issuer that is not an investment corporation may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee:

a. Accept directly or indirectly any consulting, advisory, or other compensatory fee from the issuer or any subsidiary thereof, provided that, unless the rules of the national securities exchange or national securities association provide otherwise, compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the listed issuer (provided that such compensation is not contingent in any way on continued service); or

b. Be an affiliated person of the issuer or any subsidiary thereof. An “affiliated person” means a person who directly or indirectly controls IAMGOLD, or a director, executive officer, partner, member, principal or designee of an entity that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, IAMGOLD.

Financial Literacy Under Multilateral Instrument 52-110

“Financially literate”, in accordance with MI 52-110, means that the director has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

Financial Expert under SEC Rules

An audit committee financial expert is defined as a person who has the following attributes:

a. an understanding of generally accepted accounting principles and financial statements;

b. the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves;

c. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues which are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the registrant’s financial statements, or experience actively supervising one or more persons engaged in such activities;

d. an understanding of internal controls and procedures for financial reporting; and

e. an understanding of audit committee functions.

An individual will be required to possess all of the attributes listed in the above definition to qualify as an audit committee financial expert and must have acquired such attributes through one or more of the following means:

a. education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor, or experience in one or more positions that involve the performance of similar function;

b. experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions;

c. experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements; or

d. other relevant experience

IAMGOLD CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS
YEAR ENDED DECEMBER 31, 2016

The following Management's Discussion and Analysis ("MD&A") of IAMGOLD Corporation ("IAMGOLD" or the "Company"), dated February 22, 2017, should be read in conjunction with IAMGOLD's audited consolidated financial statements and related notes for December 31, 2016 thereto which appear elsewhere in this report. All figures in this MD&A are in U.S. dollars and tabular dollar amounts are in millions, unless stated otherwise. Additional information on IAMGOLD can be found at www.sedar.com or www.sec.gov.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

All information included in this MD&A, including any information as to the Company's future financial or operating performance, and other statements that express management's expectations or estimates of future performance, other than statements of historical fact, constitute forward-looking information or forward-looking statements and are based on expectations, estimates and projections as of the date of this MD&A. For example, forward-looking statements contained in this MD&A are found under, but are not limited to being included under, the headings "2016 Summary", "Outlook" and "Annual Updates", and include, without limitation, statements with respect to: the Company's guidance for production, cost of sales, total cash costs, all-in sustaining costs, depreciation expense, effective tax rate, capital expenditures, operations outlook, development and expansion projects, exploration, the future price of gold, the estimation of mineral reserves and mineral resources, the realization of mineral reserve and mineral resource estimates, the timing and amount of estimated future production, costs of production, permitting timelines, currency fluctuations, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Forward-looking statements are generally identifiable by, but are not limited to, the use of the words "may", "will", "should", "continue", "expect", "budget", "forecast", "anticipate", "estimate", "believe", "intend", "plan", "schedule", "guidance", "outlook", "potential", "seek", "targets", "strategy" or "project" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The Company cautions the reader that reliance on such forward-looking statements involve risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of IAMGOLD to be materially different from the Company's estimated future results, performance or achievements expressed or implied by those forward-looking statements, and the forward-looking statements are not guarantees of future performance. These risks, uncertainties and other factors include, but are not limited to, changes in the global prices for gold, copper, silver or certain other commodities (such as diesel and electricity); changes in U.S. dollar and other currency exchange rates, interest rates or gold lease rates; risks arising from holding derivative instruments; the level of liquidity and capital resources; access to capital markets, and financing; mining tax regimes; ability to successfully integrate acquired assets; legislative, political or economic developments in the jurisdictions in which the Company carries on business; operating or technical difficulties in connection with mining or development activities; laws and regulations governing the protection of the environment; employee relations; availability and increasing costs associated with mining inputs and labour; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of reserves; adverse changes in the Company's credit rating; contests over title to properties, particularly title to undeveloped properties; and the risks involved in the exploration, development and mining business. With respect to development projects, IAMGOLD's ability to sustain or increase its present levels of gold production is dependent in part on the success of its projects. Risks and unknowns inherent in all projects include the inaccuracy of estimated reserves and resources, metallurgical recoveries, capital and operating costs of such projects, and the future prices for the relevant minerals. Development projects have no operating history upon which to base estimates of future cash flows. The capital expenditures and time required to develop new mines or other projects are considerable, and changes in costs or construction schedules can affect project economics. Actual costs and economic returns may differ materially from IAMGOLD's estimates or IAMGOLD could fail to obtain the governmental approvals necessary for the operation of a project; in either case, the project may not proceed, either on its original timing or at all.

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

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ABOUT IAMGOLD

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

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

2016 HIGHLIGHTS

- Cash, cash equivalents and restricted cash were $762.7 million at December 31, 2016.
- Gross profit for 2016 was $102.2 million, up $156.8 million from the prior year.
- Attributable gold production, inclusive of joint venture operations, for 2016 was 813,000 ounces, up 7,000 ounces from the prior year. Production across all sites exceeded the top end of the guidance ranges for the year.
- Cost of sales from continuing operations for 2016 was $884.9 million, down $86.7 million or 9% from the prior year.
- Gold margin [2] for 2016 was $505 per ounce, up $182 per ounce from the prior year.
- All-in sustaining costs [2] for 2016 of $1,057 per ounce sold were at the low end of guidance; total cash costs [2] for 2016 of $739 per ounce produced were below guidance.
- Net cash from operating activities for 2016 was $314.4 million, up $276.1 million from the prior year.
- Net cash from operating activities before changes in working capital [2] for 2016 was $290.1 million, up $210.6 million from the prior year.
- Net earnings from continuing operations attributable to equity holders for 2016 was $52.6 million or $0.13 per share, up $849.7 million or $2.17 per share from the prior year.
- Adjusted net earnings from continuing operations attributable to equity holders [2] for 2016 was $3.9 million ($0.01 per share [2]), up $173.9 million ($0.45 per share [2]) from the prior year.

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

2 This is a non-GAAP measure. Refer to the non-GAAP performance measures section of this MD&A. Consists of Essakane, Rosebel, Westwood and the Joint Ventures on an attributable basis. Joint Ventures include Sadiola (41%) and Yatela (40%). Yatela is in closure with nominal production.

- Subsequent to year end, the Company announced the results of a Preliminary Economic Assessment setting out a potential alternative development scenario for the Côté Gold project, and a positive decision on the provincial environmental assessment, which followed a positive decision on the federal environmental assessment in April 2016.
- The Company announced its intention to move ahead with Sadiola Sulphide Project contingent upon the Government of Mali's renewal of operating and construction permits, the power agreement and fiscal terms relating to the project.
- In December 2016, the Company finalized an agreement with the Government of Suriname to acquire the rights to the Saramacca property in Suriname and expects to complete an initial resource estimate by the third quarter 2017.
- Subsequent to year end, the Company announced assay results for the 2016 drilling program at Saramacca. Highlights included: 4.31 g/t Au over 101.0 metres; 3.98 g/t Au over 78.0 metres; 5.22 g/t Au over 46.5 metres and 4.78 g/t Au over 24.0 metres.
- On February 10, 2017, INV Metals Inc. ("INV Metals") announced a C$20 million bought deal financing for advancing the development of the Loma Larga project in Ecuador and for general corporate purposes. The Company's intent is to maintain its existing equity ownership interest of 35.6% in INV Metals.
- Westwood achieved ramp-up targets during 2016, including 25 kilometres of underground development.
- On December 21, 2016, the Company signed a definitive agreement with Merrex Gold Inc. ("Merrex") to acquire, in an all-share transaction, all of the issued and outstanding shares of Merrex not already owned by the Company. The transaction is expected to close in the first quarter of 2017.
- During 2016, the Company issued flow-through common shares for total proceeds of $43.6 million, consisting of issuances in the first quarter 2016 for $30.3 million and in the fourth quarter 2016 for $13.3 million.
- On August 16, 2016, the Company completed an equity financing for gross proceeds of $230 million, including the exercise of a $30 million over-allotment option by the underwriters. The financing was done to strengthen the Company's balance sheet, by reducing indebtedness, and to fund organic growth, including the expansion of the Sadiola mine.
- On September 2, 2016, the Company completed the purchase of $145.9 million (face value) of its outstanding senior unsecured notes for cash consideration of $141.5 million, pursuant to a tender offer beginning on August 8, 2016. As at December 31, 2016, the outstanding balance of senior unsecured notes was $489.1 million.
- During the first quarter 2016, the Company sold its holdings of gold bullion, totaling 135,148 ounces, for proceeds of $170.3 million, resulting in a gain of $72.9 million after transaction costs.
- On February 1, 2016, the Company entered into a four-year $250 million facility consisting of a fully committed $100 million secured revolving credit facility and a $150 million accordion. During 2016, the Company obtained additional commitments of $70 million on its revolving credit facility, for a total of $170 million. On February 7, 2017, the Company amended the facility, adding $80 million of additional commitments, resulting in total commitments under the credit facility of $250 million, with similar terms and conditions.

2016 SUMMARY

FINANCIAL

- Cash, cash equivalents and restricted cash were $762.7 million at December 31, 2016, up $205.6 million from December 31, 2015. The increase was due to cash generated from operating activities ($314.4 million), net proceeds from an equity financing ($220.1 million), proceeds from the sale of gold bullion ($170.3 million) and proceeds from the issuance of flow-through shares ($43.6 million), partially offset by spending on Property, plant and equipment and Exploration and evaluation assets ($273.6 million), repurchase of senior unsecured notes ($141.5 million), repayment of the credit facility ($70.0 million), interest paid ($41.9 million) and income taxes paid ($16.3 million).
- Revenues from continuing operations for 2016 were $987.1 million, up $70.1 million or 8% from the prior year primarily due to a higher realized gold price ($67.8 million) and higher sales volume at Westwood ($4.5 million), partially offset by lower sales volume at Rosebel ($3.6 million). Revenues from continuing operations for the fourth quarter 2016 were $252.5 million, up $14.3 million or 6% from the same prior year period due to higher sales volume at Rosebel and Westwood ($20.4 million) and the higher realized gold price ($18.9 million), partially offset by lower sales volume at Essakane ($25.5 million).
- Cost of sales from continuing operations for 2016 was $884.9 million, down $86.7 million or 9% from the prior year. The decrease was primarily the result of lower operating costs ($91.8 million), partially offset by higher royalty expense due to the higher realized gold price ($4.7 million). Operating costs were lower primarily due to higher capitalized stripping at Essakane, lower realized fuel prices, lower inventory write-downs, the devaluation of the Surinamese dollar relative to the U.S. dollar, lower labour costs at Rosebel following workforce reductions in 2015, lower realized derivative losses and the stronger U.S. dollar relative to the Canadian dollar and the Euro, partially offset by higher fuel consumption at Essakane.
- Cost of sales from continuing operations for the fourth quarter 2016 was $233.4 million, down $50.1 million or 18% from the same prior year period. The decrease was primarily the result of lower operating costs ($55.0 million), partially offset by higher depreciation expense ($4.3 million). Operating costs were lower primarily due to lower inventory write-downs, higher capitalized stripping and lower realized fuel prices at Essakane, the devaluation of the Surinamese dollar relative to the U.S. dollar and lower realize derivative losses, partially offset by the timing of mill maintenance at Rosebel, higher fuel consumption at Essakane and Rosebel, and higher realized fuel prices at Rosebel.

- Depreciation expense for 2016 was $261.3 million, comparable to $260.9 million in the prior year primarily due to higher production and lower reserves at Rosebel, and the timing of capital additions, partially offset by lower amortization of capitalized stripping at Essakane. Depreciation expense for the fourth quarter 2016 was $68.2 million, up $4.3 million or 7% from the same prior year period primarily due to the timing of capital additions and higher production at Rosebel, partially offset by lower amortization of capitalized stripping at Essakane.
- Income tax expense from continuing operations for 2016 was $33.4 million, up $21.9 million from the prior year. The income tax expense for 2016 was comprised of current income tax expense of $21.7 million (2015 - $30.4 million) and deferred tax expense of $11.7 million (2015 - deferred tax recovery of $18.9 million). The increase in income tax expense in 2016 was primarily due to differences in the level of taxable income in the Company's operating jurisdictions from one period to the next and to changes to deferred tax assets and liabilities as result of fluctuations in foreign exchange.
- Net earnings from continuing operations attributable to equity holders for 2016 was $52.6 million or $0.13 per share, up $849.7 million or $2.17 per share from the prior year. The increase was mainly due to impairment charges in the fourth quarter 2015 ($621.3 million), lower cost of sales ($86.7 million), gain on sale of gold bullion ($72.9 million), higher revenues ($70.1 million), lower realized derivative losses ($43.7 million) and revisions to asset retirement obligation estimates at closed sites ($13.4 million), partially offset by higher income tax expense ($21.9 million) and a gain on sale of the Diavik royalty asset in 2015 ($43.5 million). Net loss from continuing operations attributable to equity holders for the fourth quarter 2016 was $5.3 million, down $670.6 million or 99% from the same prior year period. The decrease was mainly due to impairment charges in the fourth quarter 2015 ($621.3 million), lower cost of sales ($50.1 million), higher revenues ($14.3 million), revisions to asset retirement obligation estimates at closed sites ($12.2 million), partially offset by higher income tax expense ($24.0 million).
- Adjusted net earnings from continuing operations attributable to equity holders [1] for 2016 was $3.9 million ($0.01 per share [1]), up from an adjusted net loss of $170.0 million ($0.44 per share [1]) for the prior year. Adjusted net earnings from continuing operations attributable to equity holders [1] for the fourth quarter 2016 was $3.3 million ($0.01 per share [1]), up from an adjusted net loss of $62.8 million ($0.16 per share [1]) for the same prior year period.
- Net cash from operating activities for 2016 was $314.4 million, up $276.1 million from the prior year. The increase was mainly due to lower net settlement of derivatives ($118.8 million), higher earnings after non-cash adjustments ($103.7 million) and a change in the movement of non-cash working capital ($65.5 million). Net cash from operating activities for the fourth quarter 2016 was $65.2 million, up $102.5 million from the same prior year period, primarily due to the reasons noted above.
- Net cash from operating activities before changes in working capital [1] for 2016 was $290.1 million, up $210.6 million from the prior year. Net cash from operating activities before changes in working capital [1] for the fourth quarter 2016 was $63.3 million, up $123.2 million from the same prior year period.

OPERATIONS

- The Company achieved record health and safety performance as measured by the frequency of all types of serious injuries (DART rate [2]). The rate of 0.30 for 2016 was better than the target of 0.62 and an improvement from 0.67 in 2015. Unfortunately, the health and safety performance was affected by a fatality in the third quarter 2016, the result of an accident involving personnel transport buses in Burkina Faso.
- Attributable gold production, inclusive of joint venture operations, for 2016 was 813,000 ounces, up 7,000 ounces from the prior year. The increase was due to higher grades and throughput at Rosebel (9,000 ounces), higher grades at Westwood (5,000 ounces) and higher grades at Sadiola (1,000 ounces), partially offset by lower grades and recoveries at Essakane (6,000 ounces) and the closure of Yatela (2,000 ounces). Attributable gold production, inclusive of joint venture operations, for the fourth quarter 2016 was 215,000 ounces, up 16,000 ounces from the same prior year period. The increase was due to higher grades and throughput at Rosebel (13,000 ounces) and higher grades and recovery at Westwood (5,000 ounces), partially offset by lower recoveries at Essakane (2,000 ounces).
- Attributable gold sales, inclusive of joint venture operations, for 2016 were 808,000 ounces, which was consistent with the prior year primarily as a result of higher sales at Westwood (3,000 ounces) offset by lower sales at Rosebel (3,000 ounces).
- Cost of sales per ounce sold for the fourth quarter and year ended 2016 was $784 and $794, down 23% and 12% from the same prior year periods, respectively, due to the factors noted in the cost of sales discussion above.
- Total cash costs [1] per ounce produced for 2016 were $739, down 11% from the prior year. The decrease was mainly due to higher capitalized stripping at Essakane, lower realized fuel prices, the devaluation of the Surinamese dollar relative to the U.S. dollar, lower labour costs at Rosebel following workforce reductions in 2015, lower realized derivative losses and higher production at Rosebel. Total cash costs [1] for the fourth quarter 2016 were $740 per ounce produced, down 10% from the same prior year period. The decrease was due to higher capitalized stripping at Essakane, lower realized fuel prices, lower costs at Rosebel due to the devaluation of the Surinamese dollar relative to the U.S. dollar, and lower realized derivative losses, partially offset by higher operating costs at the Joint Ventures. Included in total cash costs [1] for the fourth quarter and year ended 2016 were reductions of $44 and $32 per ounce produced, respectively, reflecting normalization of costs and revised ramp-up at Westwood (2015 - $39 and $35), and realized derivative losses of $nil and $1 per ounce produced (2015 - $58 and $55).

1 This is a non-GAAP measure. Refer to the non-GAAP performance measures section of this MD&A.
2 The DART rate refers to the number of days away, restricted duty or job transfer incidents that occur per 100 employees.

- All-in sustaining costs [1] per ounce sold for 2016 were $1,057, down 5% from the prior year as a result of lower cost of sales partially offset by higher sustaining capital expenditures. All-in sustaining costs [1] per ounce sold for the fourth quarter 2016 were $995, down 17% from the same prior year period, primarily due to lower cost of sales and lower sustaining capital expenditures. Included in all-in sustaining costs [1] for the fourth quarter and year ended 2016 were reductions of $43 and $33 per ounce sold, respectively, reflecting normalization of costs and the revised ramp-up at Westwood (2015 - $36 and $35), and realized derivative losses of $nil and $1 per ounce sold (2015 - $59 and $63). Also impacting the fourth quarter and year ended 2015 was the purchase of assets held under finance leases at Rosebel of $123 and $33 per ounce sold, respectively.

SUMMARY OF FINANCIAL AND OPERATING RESULTS

Financial Position ($ millions)	December 31, 2016	December 31, 2015
Cash, cash equivalents and restricted cash	**$ 762.7**	$ 557.1
Gold bullion		
at market value	**$ —**	$ 143.3
at cost	**$ —**	$ 97.4
Total assets	**$ 3,400.5**	$ 3,251.4
Long-term debt	**$ 485.1**	$ 628.1
Available credit facility	**$ 167.2**	$ 430.0

Financial Results ($ millions, except where noted)	Three months ended December 31, 2016	Three months ended December 31, 2015	Years ended December 31, 2016	Years ended December 31, 2015
Continuing Operations				
Revenues	**$252.5**	$ 238.2	**$987.1**	$ 917.0
Cost of sales	**$233.4**	$ 283.5	**$884.9**	$ 971.6
Gross profit	**$ 19.1**	$ (45.3)	**$102.2**	$ (54.6)
Net earnings (loss) from continuing operations attributable to equity holders of IAMGOLD	**$ (5.3)**	$(675.9)	**$ 52.6**	$(797.1)
Net earnings (loss) from continuing operations attributable to equity holders of IAMGOLD per share ($/share)	**$ (0.01)**	$ (1.73)	**$ 0.13**	$ (2.04)
Adjusted net earnings (loss) from continuing operations attributable to equity holders of IAMGOLD [1]	**$ 3.3**	$ (62.8)	**$ 3.9**	$(170.0)
Adjusted net earnings (loss) from continuing operations attributable to equity holders per share ($/share) [1]	**$ 0.01**	$ (0.16)	**$ 0.01**	$ (0.44)
Net cash from (used in) operating activities	**$ 65.2**	$ (37.3)	**$314.4**	$ 38.3
Net cash from (used in) operating activities before changes in working capital [1]	**$ 63.3**	$ (59.9)	**$290.1**	$ 79.5
Net earnings from discontinued operations attributable to equity holders of IAMGOLD	**$ —**	$ —	**$ —**	$ 41.8
Net earnings from discontinued operations attributable to equity holders of IAMGOLD ($/share)	**$ —**	$ —	**$ —**	$ 0.11
Key Operating Statistics				
Gold sales – attributable (000s oz)	**218**	219	**808**	808
Gold production – attributable (000s oz)	**215**	199	**813**	806
Average realized gold price [1] ($/oz)	**$1,190**	$ 1,101	**$1,244**	$ 1,158
Cost of sales [2] ($/oz)	**$ 784**	$ 1,019	**$ 794**	$ 905
Total cash costs [1] ($/oz)	**$ 740**	$ 825	**$ 739**	$ 835
All-in sustaining costs [1] ($/oz)	**$ 995**	$ 1,202	**$1,057**	$ 1,118
Gold margin [1] ($/oz)	**$ 450**	$ 276	**$ 505**	$ 323

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

2 Cost of sales, excluding depreciation, as disclosed in note 35 of the Company's annual consolidated financial statements on an attributable ounce sold basis (excluding the non-controlling interests of 10% at Essakane and 5% at Rosebel), and does not include Joint Ventures which are accounted for on an equity basis.

RESERVES AND RESOURCES

At December 31, 2016, compared with the prior year, there was no change in the $1,200 per ounce gold price assumption for estimating mineral reserves at the Company's owned and operated mines. There was also no change in the gold price assumption for estimating mineral resources at Essakane and Rosebel ($1,500 per ounce) or at Westwood ($1,200 per ounce).

IAMGOLD's Share	2016	2015
Gold (000s attributable oz contained)		
Total proven and probable mineral reserves	**7,798**	7,690
Total measured and indicated mineral resources [1,2]	**23,331**	23,482
Total inferred resources	**6,124**	6,733

1 Measured and indicated gold resources are inclusive of proven and probable reserves.
2 In mining operations, measured and indicated resources that are not mineral reserves are considered uneconomic at the price used for reserves estimations, but are deemed to have a reasonable prospect of economic extraction.

Assumptions used to determine reserves and resources are as follows:

	2016	2015
Weighted average gold price used for attributable:		
Gold reserves ($/oz)	**$1,177**[1]	1,198[2]
Gold measured and indicated resources ($/oz) [3]	**1,472**	1,478
Foreign exchange rate (C$/US$)	**1.25**	1.15

1 Mineral reserves have been estimated at December 31, 2016 using a gold price of $1,200 per ounce for Essakane, Rosebel and Westwood, and $1,100 per ounce for Sadiola.
2 Mineral reserves have been estimated at December 31, 2015 using a gold price of $1,200 per ounce for Essakane, Rosebel and Westwood, and $1,190 per ounce for Sadiola.
3 Mineral resources have been estimated at December 31, 2016, using a gold price of $1,500 per ounce for Côté Gold project, Boto project, Siribaya project, Pitangui project, Essakane and Rosebel and $1,400 per ounce for Sadiola. A cut-off of 6.0 g/t Au over a minimum thickness of 2 metres was used for resources at Westwood.

Total attributable proven and probable gold reserves increased by 1.4% in 2016 from 7.7 million ounces of gold at the end of 2015 to 7.8 million ounces at the end of 2016. The addition of 108,000 ounces was primarily due to the increase in reserves at Westwood and Essakane, partially offset by depletion during the year given the Company's attributable gold production of 813,000 ounces. Significant factors that contributed to the revised reserves estimate include:

- At Westwood, the net addition of 448,000 ounces of reserves, converted from resources that resulted from additional infill drilling and modeling, and
- The positive impact of changes in the mine design approach and economic parameters at Essakane (331,000 ounces), which offset most of the mine's depletion (2016 attributable production of 377,000 ounces).

Total attributable measured and indicated gold resources (inclusive of reserves) decreased overall by 0.6% or 150,000 ounces to 23.3 million ounces of gold at the end of 2016. Significant factors that contributed to the revised resources estimate include:

- At Westwood, measured and indicated resources increased by 447,000 ounces as the 2016 delineation and valuation drilling triggered a significant resources conversion from inferred to indicated and measured resources, which also drove the conversion of resources to reserves,
- At Essakane, measured and indicated resources declined by 367,000 ounces mainly due to depletion, partially offset by cost improvements which allowed more ounces to be economically viable and therefore to be included in the resource model, as well as the discovery of more ounces at the Falagountou deposit,
- At Rosebel, measured and indicated resources declined by 278,000 ounces mainly due to depletion as no material changes were made to the resources model in 2016, however, the implementation of a new estimation methodology is ongoing and a new resources estimate is expected to be completed in 2017, and
- The resources estimates at the Côté Gold, Boto, Siribaya and Pitangui Gold projects remained unchanged from 2015.

OUTLOOK

IAMGOLD Full Year Attributable Guidance [1]	2017
Essakane (000s oz)	**370 - 380**
Rosebel (000s oz)	**295 - 305**
Westwood (000s oz)	**115 - 125**
Total owner-operated production (000s oz)	**780 - 810**
Joint Ventures (000s oz)	**65 - 75**
Total attributable production (000s oz)	**845 - 885**
Cost of sales [2] ($/oz)	**$765 - $815**
Total cash costs [3] - owner-operator ($/oz)	**$740 - $780**
Total cash costs [3,4] ($/oz)	**$740 - $780**
All-in sustaining costs [3] - owner-operator ($/oz)	**$1,000 - $1,080**
All-in sustaining costs [3,4] ($/oz)	**$1,000 - $1,080**

1 The outlook is based on fourth quarter 2016 assumptions with an average realized gold price of $1,250 per ounce, Canadian $/U.S. $ exchange rate of 1.35, U.S. $/ € exchange rate of 1.08 and average crude oil price of $48 per barrel.
2 Cost of sales, excluding depreciation, on an attributable ounce sold basis (excluding the non-controlling interest of 10% at Essakane and 5% at Rosebel) does not include Joint Ventures which are accounted for on an equity basis.
3 This is a non-GAAP measure. Refer to the non-GAAP performance measures section of this MD&A.
4 Consists of Essakane, Rosebel, Westwood and the Joint Ventures on an attributable basis.

GOLD PRODUCTION, COST OF SALES, CASH COSTS AND ALL-IN SUSTAINING COSTS

The Company expects 2017 attributable gold production to be in the range of 845,000 to 885,000 ounces. Westwood will continue to focus on underground development, with expected production of 115,000 to 125,000 ounces, nearly double that of 2016. The higher production at Westwood reflects commercial levels of production from three mining blocks, including the zone where remedial work was completed in 2016. At Rosebel, higher grades and improving productivity are expected to drive production higher despite the lower throughput anticipated with the proportion of hard rock approaching 70%. At Essakane, throughput and recoveries are expected to increase while grades are expected to be lower. The Joint Ventures are expected to produce between 65,000 and 75,000 ounces.

The Company expects cost of sales on an attributable ounce sold basis to be within the range of $765 and $815. This measure was added in the fourth quarter 2016 to provide additional operational guidance and is used by management in monitoring the performance of the Company. The Company's guidance on total cash costs [1] and all-in sustaining costs [1] for 2017 is expected to be within the range of $740 and $780 per ounce produced and $1,000 and $1,080 per ounce sold, respectively. The Company is expecting to sustain performance optimization initiatives across the sites. The guidance also considers the impact of the Company's assumptions related to oil prices and foreign exchange as outlined in the Market Trends section. However, the growing proportion of harder rock at Rosebel and Essakane is expected to exert greater demand on crushing and grinding capacity, which in turn increases energy consumption and use of reagents.

ESSAKANE

The Company expects attributable production at Essakane in 2017 to be in the range of 370,000 to 380,000 ounces. Essakane will continue to optimize production, lower unit costs and increase mine and mill efficiencies at higher proportions of hard rock through initiatives such as the optimization of the grinding circuit and improved recoveries through the addition of an oxygen plant and the newly commissioned carbon fines incinerator. With the successful commissioning of the intensive leach reactor in 2016 and an on-going geometallurgical study, Essakane is expected to improve recoveries, manage the graphite content in the ore, and deliver on its 2017 production and cost targets.

ROSEBEL

Rosebel will continue to optimize mining capacity by improving blast fragmentation, and loading and hauling efficiency while reducing costs through improved fuel and tire management. Mill throughput in 2017 is expected to decrease relative to 2016 as the proportion of hard rock milled continues to increase. The decrease in throughput is expected to be offset by grade improvements and Rosebel expects attributable production in 2017 to be in the range of 295,000 to 305,000 ounces. The Company made three key improvements to the mill in 2016, including installation of a secondary crusher, a power flex drive to increase torque capacity, and a new liner design in the grinding circuit which positions Rosebel well to deliver its 2017 production and cost targets given levels of hard rock approaching 70%.

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

WESTWOOD

The Company expects production at Westwood in 2017 to be in the range of 115,000 to 125,000 ounces, nearly double that of 2016. Westwood is expected to be operating at commercial levels of production in 2017 from three out of the five planned mining blocks, including the zone where remedial work was completed in 2016. With strategic focus on development activities in the production and expansion blocks, the Company is expected to deliver its 2017 production and cost targets while continuing to ramp up to full production by 2020. The Company plans to undertake approximately 17 kilometres of lateral development and 3 kilometres of vertical development in 2017.

DEPRECIATION EXPENSE

Depreciation expense in 2017 is expected to be in the range of $260 million to $270 million, which is consistent with 2016.

INCOME TAXES

The Company expects to pay cash taxes in the range of $35 million to $45 million in 2017. In addition, adjustments to deferred tax assets and/or liabilities may be recorded during the year.

CAPITAL EXPENDITURES OUTLOOK

($ millions)	Sustaining	Development/ Expansion (Non-sustaining)	Total [3]
Owner-operator			
Essakane	$ 85	$ 5	**$ 90**
Rosebel	65	5	**70**
Westwood	20	45	**65**
	170	55	**225**
Corporate and development projects	—	10	**10**
Total owner-operator	170	65	**235**
Joint Ventures [1]	5	10	**15**
Total [2] (±5%)	$ 175	$ 75	**$250**

1 Attributable capital expenditures of Sadiola (41%). Expansionary capital expenditures exclude the expansion of the Sadiola mine.
2 Capitalized borrowing costs are not included.
3 Includes $20 million of capitalized exploration expenditures. Refer to the Exploration section of this MD&A.

MARKET TRENDS

GLOBAL FINANCIAL MARKET CONDITIONS

Gold traded in a range of $1,123 to $1,337 in the fourth quarter of 2016. For the full year 2016, it has appreciated approximately 8%. Two major factors influenced the price of gold in the final quarter of 2016, one being the U.S. election results which surprised markets, and the U.S. Federal Reserve rate hike decision which confirmed that going forward, risks are skewed toward higher U.S. interest rates. Both of these factors contributed to gold's price reversal from the quarter's high of $1,337 to close lower at the end of the year, at $1,146. Gold was also sensitive to potential future U.S. economic policies which under the new Trump Administration appear to support fiscal stimulus. These expectations added to market speculation that the U.S. Federal Reserve may have to raise rates again. Market events and conditions may continue to have an impact on the Company's revenues, operating costs, project development expenditures and project planning.

	Years ended December 31, 2016	2015
Average market gold price ($/oz)	**$1,251**	$1,160
Average realized gold price [1] ($/oz)	**$1,244**	$1,158
Closing market gold price ($/oz)	**$1,146**	$1,060

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

CURRENCY AND OIL PRICE

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

Diverging monetary policies impacted the U.S. dollar which gained against major global currencies. The U.S. dollar appreciated 2.4% in the fourth quarter 2016 against the Canadian dollar from the previous quarter's closing price. Against the Euro, the U.S.

currency was up 6.3% over the same period. The U.S. Federal Reserve has demonstrated in several of its communications that its policy bias was to continue raising interest rates. The Bank of Canada on the other hand, has shown that it preferred to adopt a steady policy approach while the European Central Bank has not given any signals that it would stop its monetary stimulus policy agenda. This divergence in global monetary policy direction explained some of the U.S. dollar’s strength in the last quarter of the year. The Company is forecasting exposures of approximately C$274 million and €264 million for 2017. These exposures relate to operational and capital expenditures in Canada and West Africa. The Company’s hedging strategy is designed to reduce the exchange rate volatility of these currencies. Refer to Financial condition - Market Risks section for more information.

The price of crude oil traded significantly higher than in the previous year. Brent rose 54%, and West Texas Intermediate (“WTI”) gained 46% from a year ago. Both supply and demand dynamics contributed to the price appreciation. From a supply perspective, the Organization of the Petroleum Exporting Countries (“OPEC”) said it would cut production by a meaningful amount. Markets gave OPEC the benefit of the doubt as output reduction will not be known until later in 2017. On the demand side, stronger global economic prospects gave markets the confidence that the price equilibrium for crude oil will likely shift to a higher level. The Company expects its fuel consumption for 2017 to be the equivalent of approximately 1.2 million barrels of oil for its mining operations in West Africa and South America. The Company’s hedging strategy is to mitigate the price volatility of oil. Refer to Financial condition - Market risk section for more information.

	Years ended December 31, 2016	2015
Average rates		
Canadian $ / U.S.$	**1.3246**	1.2790
U.S.$ / €	**1.1070**	1.1102
Closing rates		
Canadian $ / U.S.$	**1.3426**	1.3839
U.S.$ / €	**1.0554**	1.0862
Average Brent price ($/barrel)	**$ 45**	$ 54
Closing Brent price ($/barrel)	**$ 57**	$ 37
Average WTI price ($/barrel)	**$ 43**	$ 49
Closing WTI price ($/barrel)	**$ 54**	$ 37

SENSITIVITY IMPACT

The following table provides estimated sensitivities around certain inputs, excluding the impact of the Company’s hedging program that can affect the Company’s operating results, assuming expected 2017 production levels:

	Change of	Annualized impact on Cost of sales [1] $/oz	Annualized impact on Total Cash Costs [2] $/oz	Annualized impact on All-in Sustaining Costs [2] $/oz
Gold price [3]	$100/oz	$5/oz	$5/oz	$5/oz
Oil price	$10/barrel	$13/oz	$13/oz	$15/oz
Canadian$ / U.S.$	$0.10	$11/oz	$10/oz	$15/oz
U.S.$ / €	$0.10	$16/oz	$16/oz	$21/oz

1 Cost of sales, excluding depreciation, on an attributable ounce sold basis (excluding the non-controlling interest of 10% at Essakane and 5% at Rosebel) does not include Joint Ventures which are accounted for on an equity basis.

2 This is a non-GAAP measure. Refer to the non-GAAP performance measures section of this MD&A. Total cash costs and all-in sustaining costs consist of Essakane, Rosebel, Westwood and the Joint Ventures on an attributable basis.

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

ANNUAL UPDATES

OPERATIONS

The table below presents gold production attributable to the Company, cost of sales per ounce sold [1] , total cash costs [2] per ounce produced and all-in sustaining costs [2] per ounce sold.

Three months ended December 31,	Gold Production (000s oz)		Cost of Sales [1] ($ per ounce sold)		Total Cash Costs [3] ($ per ounce produced)		All-in Sustaining Costs [3] ($ per ounce sold)	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
Owner-operator								
Essakane (90%)	**96**	98	**$ 725**	$ 983	**$ 686**	$802	**$ 948**	$1,024
Rosebel (95%)	**83**	70	**710**	943	**667**	812	**799**	1,420
Westwood (100%) [2]	**18**	13	**1,452**	1,963	**880**	995	**1,281**	1,265
	197	181	**$ 784**	$1,019	**695**	820	**966**	1,218
Joint Ventures	**18**	18			**1,231**	877	**1,265**	1,043
Total operations	**215**	199			**$ 740**	$825	**$ 995**	$1,202
Cost of sales [1] ($/oz)			**$ 784**	$1,019				
Cash costs, excluding royalties					**$ 686**	$771		
Royalties					**54**	54		
Total cash costs [3]					**$ 740**	$825		
All-in sustaining costs [3]							**$ 995**	$1,202

1 Cost of sales, excluding depreciation, as disclosed in note 35 of the Company's annual consolidated financial statements on an attributable ounce sold basis (excluding the non-controlling interests of 10% at Essakane and 5% at Rosebel) does not include Joint Ventures which are accounted for on an equity basis.

2 Cost of sales per ounce sold for Westwood does not consider the impact of normalization of costs and revised ramp-up for the fourth quarter 2016 of $518 per ounce (fourth quarter 2015 - $826).

3 This is a non-GAAP measure. Refer to the non-GAAP performance measures section of this MD&A. Consists of Essakane, Rosebel, Westwood and the Joint Ventures on an attributable basis.

Years ended December 31,	Gold Production (000s oz)		Cost of Sales [1] ($ per ounce sold)		Total Cash Costs [3] ($ per ounce produced)		All-in Sustaining Costs [3] ($ per ounce sold)	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
Owner-operator								
Essakane (90%)	**377**	383	**$ 716**	$ 836	**$668**	$ 808	**$ 977**	$1,010
Rosebel (95%)	**296**	287	**768**	860	**729**	849	**988**	1,165
Westwood (100%) [2]	**65**	60	**1,324**	1,467	**894**	1,001	**1,182**	1,292
	738	730	**$ 794**	$ 905	**712**	840	**1,056**	1,145
Joint Ventures	**75**	76			**996**	787	**1,067**	862
Total operations	**813**	806			**$739**	$ 835	**$1,057**	$1,118
Cost of sales [1] ($/oz)			**$ 794**	$ 905				
Cash costs, excluding royalties					**$683**	$ 784		
Royalties					**56**	51		
Total cash costs [3]					**$739**	$ 835		
All-in sustaining costs [3]							**$1,057**	$1,118

1 Cost of sales, excluding depreciation, as disclosed in note 35 of the Company's annual consolidated financial statements on an attributable ounce sold basis (excluding the non-controlling interests of 10% at Essakane and 5% at Rosebel) does not include Joint Ventures which are accounted for on an equity basis.

2 Cost of sales per ounce sold for Westwood does not consider the impact of normalization of costs and revised ramp-up for the year ended 2016 of $385 per ounce (year ended 2015 - $436).

3 This is a non-GAAP measure. Refer to the non-GAAP performance measures section of this MD&A. Consists of Essakane, Rosebel, Westwood and the Joint Ventures on an attributable basis.

	Attributable Gold Sales [1] (000s oz)				Average Realized Gold Price [2] ($/oz)			
	Three months ended December 31,		Years ended December 31,		Three months ended December 31,		Years ended December 31,	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
Owner-operator	**197**	199	**733**	732	**$ 1,187**	$ 1,100	**$1,244**	$1,158
Joint Ventures	**21**	20	**75**	76	**1,217**	1,112	**1,244**	1,165
	218	219	**808**	808	**$ 1,190**	$ 1,101	**$1,244**	$1,158

1 Includes Essakane and Rosebel at 90% and 95%, respectively.
2 This is a non-GAAP measure. Refer to the non-GAAP performance measures section of this MD&A.

CAPITAL EXPENDITURES [1]

	Three months ended December 31,		Years ended December 31,	
($ millions)	**2016**	2015	**2016**	2015
Sustaining				
Essakane [2,3]	**$ 23.3**	$ 17.7	**$105.5**	$ 60.4
Rosebel [2,4]	**6.6**	39.1	**64.9**	82.6
Westwood	**7.0**	1.2	**21.4**	17.6
Total gold segments	**36.9**	58.0	**191.8**	160.6
Corporate and other	**0.1**	0.2	**0.2**	0.6
Total capital expenditures	**37.0**	58.2	**192.0**	161.2
Joint Ventures [5]	**1.3**	3.0	**3.1**	4.8
	$ 38.3	$ 61.2	**$195.1**	$166.0
Development/Expansion (Non-sustaining)				
Essakane	**$ 0.5**	$ 0.7	**$ 0.7**	$ 6.3
Rosebel	**3.9**	1.6	**13.4**	4.8
Westwood	**9.7**	18.5	**64.4**	54.5
Total gold segments	**14.1**	20.8	**78.5**	65.6
Corporate and other	**—**	2.5	**1.5**	2.5
Côté Gold	**0.8**	0.6	**2.0**	5.2
Total capital expenditures	**14.9**	23.9	**82.0**	73.3
Joint Ventures [5]	**0.9**	1.4	**2.5**	4.3
	$ 15.8	$ 25.3	**$ 84.5**	$ 77.6
Total				
Essakane	**$ 23.8**	$ 18.4	**$106.2**	$ 66.7
Rosebel	**10.5**	40.7	**78.3**	87.4
Westwood	**16.7**	19.7	**85.8**	72.1
Total gold segments	**51.0**	78.8	**270.3**	226.2
Corporate and other	**0.1**	2.7	**1.7**	3.1
Côté Gold	**0.8**	0.6	**2.0**	5.2
Total capital expenditures	**51.9**	82.1	**274.0**	234.5
Joint Ventures [5]	**2.2**	4.4	**5.6**	9.1
	$ 54.1	$ 86.5	**$279.6**	$243.6

1 Capital expenditures include cash expenditures for Property, plant and equipment, Exploration and evaluation assets, finance lease payments and are net of proceeds from sale and leaseback arrangements.
2 On an attributable basis, Essakane (90%) and Rosebel (95%) sustaining capital expenditures for the fourth quarter 2016 were $21.0 million and $6.3 million, respectively (fourth quarter 2015 - $16.0 million and $37.2 million), and for the year ended December 31, 2016 were $95.0 million and $61.7 million, respectively (year ended December 31, 2015 - $54.4 million and $78.5 million).
3 Includes capitalized stripping at Essakane for the fourth quarter and year ended December 31, 2016 of $12.5 million and $47.5 million, respectively (fourth quarter and year ended December 31, 2015 - $4.8 million and $20.6 million).
4 Includes capitalized stripping at Rosebel for the fourth quarter and year ended December 31, 2016 of $1.2 million and $14.7 million, respectively (fourth quarter and year ended December 31, 2015 - $0.3 million and $13.1 million).
5 Attributable capital expenditures of Sadiola (41%).

Burkina Faso – Essakane Mine (IAMGOLD interest – 90%)

Summarized Results 100% Basis, unless otherwise stated

	Three months ended December 31,		Years ended December 31,	
	2016	2015	**2016**	2015
Mine operating statistics				
Ore mined (000s t)	**2,090**	3,007	**10,921**	11,519
Waste mined (000s t)	**9,338**	9,613	**35,983**	37,368
Total material mined (000s t)	**11,428**	12,620	**46,904**	48,887
Strip ratio [1]	**4.5**	3.2	**3.3**	3.2
Ore milled (000s t)	**3,354**	3,132	**12,006**	11,716
Head grade (g/t)	**1.16**	1.18	**1.22**	1.24
Recovery (%)	**86**	93	**89**	92
Gold production - (000s oz)	**106**	109	**419**	426
Attributable gold production - 90% (000s oz)	**96**	98	**377**	383
Gold sales - (000s oz)	**110**	133	**424**	424
Performance measures				
Average realized gold price [2] ($/oz)	**$ 1,181**	$ 1,101	**$ 1,246**	$ 1,149
Cost of sales ($/oz)	**$ 725**	$ 983	**$ 716**	$ 836
Cash costs [2] excluding royalties ($/oz)	**$ 637**	$ 748	**$ 615**	$ 762
Royalties ($/oz)	**$ 49**	$ 54	**$ 53**	$ 46
Total cash costs [2] ($/oz)	**$ 686**	$ 802	**$ 668**	$ 808
All-in sustaining costs [2] ($/oz)	**$ 948**	$ 1,024	**$ 977**	$ 1,010

1 Strip ratio is calculated as waste mined divided by ore mined.
2 This is a non-GAAP measure. Refer to the non-GAAP performance measures section of this MD&A.

Attributable gold production for the fourth quarter and year ended 2016 was 96,000 and 377,000 ounces, respectively, compared to 98,000 and 383,000 ounces in the same prior year periods. Production was lower than the prior year primarily due to lower recoveries resulting from higher graphite content in the ore, and lower grades, partially offset by higher throughput. Mill throughput was higher in the fourth quarter than the same prior year period despite an increase in the proportion of hard rock content to 65% in the current quarter compared to 60% in the same prior year period.

Cost of sales per ounce sold for the fourth quarter and year ended 2016 was $725 and $716, respectively, compared to $983 and $836 in same prior year periods. The decreases of 26% and 14% were primarily due to lower inventory write-downs, higher capitalized stripping, lower realized derivative losses, lower realized fuel prices, lower mine consumables driven by lower tonnes mined, the stronger U.S. dollar relative to the Euro, lower royalties driven by lower sales impacting the fourth quarter 2016, partially offset by higher fuel consumption from mining at Falagountou, and an increase in fleet maintenance costs from mining harder rock.

Total cash costs per ounce produced for the fourth quarter 2016 were $686 compared to $802 in the same prior year period. The decrease of 14% was primarily due to higher capitalized stripping, lower realized derivative losses, lower realized fuel prices, lower mine consumables driven by lower tonnes mined, the stronger U.S. dollar relative to the Euro, lower royalties driven by lower sales, partially offset by lower production, higher fuel consumption from mining at Falagountou, and an increase in fleet maintenance costs from mining harder rock.

Total cash costs per ounce produced for 2016 were $668 compared to $808 in the prior year. The decrease of 17% was primarily due to lower realized derivative losses, higher capitalized stripping, lower realized fuel prices, the stronger U.S. dollar relative to the Euro, lower mine consumables driven by lower tonnes mined, partially offset by higher consumption of fuel from mining at Falagountou, lower production, increase in fleet maintenance costs from mining harder rock, and higher royalties driven by higher realized gold price.

All-in sustaining costs per ounce sold for the fourth quarter and year ended 2016 were $948 and $977, respectively, compared to $1,024 and $1,010 in the same prior year periods. The decreases of 7% and 3% compared to the same prior year periods were primarily due to lower cost of sales, partially offset by higher sustaining capital expenditures, including an increase in capitalized stripping. Included in the all-in sustaining costs for the fourth quarter and year ended 2015 was the impact of realized derivative losses of $55 and $75 per ounce sold, respectively.

Sustaining capital expenditures for 2016 of $105.5 million included capitalized stripping of $47.5 million, capital spares of $18.0 million, mobile equipment of $17.8 million, tailings construction of $4.9 million, mill equipment of $4.8 million, resource development of $3.2 million and various other sustaining capital expenditures of $9.3 million. Non-sustaining capital expenditures for 2016 of

$0.7 million primarily related to the village relocation project. Sustaining capital expenditures for the fourth quarter 2016 of $23.3 million included capitalized stripping costs of $12.5 million, mobile equipment of $5.9 million, capital spares of $2.2 million, and various other sustaining capital expenditures of $2.7 million. Non-sustaining capital expenditures for the fourth quarter 2016 of $0.5 million primarily related to the village relocation project.

Essakane initiated a geometallurgical study in 2016 to improve gold recovery when processing ore with high graphite content. This study is expected to be completed by the second quarter 2017. In addition, the carbon fines treatment plant and the intensive leach reactor ("ILR") were both commissioned in the second quarter 2016. The carbon fines treatment plant will help increase saleable gold by facilitating the processing of carbon fines material on site and the ILR will further help improve overall recoveries.

Outlook

Essakane's attributable production in 2017 is expected to be between 370,000 and 380,000 ounces. Capital expenditures are expected to be approximately $90 million, comprised of $85 million of sustaining and $5 million of non-sustaining capital. Sustaining capital of $85 million includes capitalized stripping ($39 million), capital spares ($13 million), mobile equipment ($12 million), tailings management ($5 million), resource development ($3 million), and other sustaining capital ($13 million).

Suriname – Rosebel Mine (IAMGOLD interest – 95%)

Summarized Results 100% Basis, unless otherwise stated

	Three months ended December 31, 2016	Three months ended December 31, 2015	Years ended December 31, 2016	Years ended December 31, 2015
Mine operating statistics				
Ore mined (000s t)	**4,474**	3,933	**14,735**	14,080
Waste mined (000s t)	**12,887**	10,980	**49,394**	49,432
Total material mined (000s t)	**17,361**	14,913	**64,129**	63,512
Strip ratio [1]	**2.9**	2.8	**3.4**	3.5
Ore milled (000s t)	**3,281**	2,993	**12,604**	12,291
Head grade (g/t)	**0.90**	0.79	**0.82**	0.80
Recovery (%)	**92**	95	**94**	95
Gold production - (000s oz)	**88**	73	**312**	302
Attributable gold production - 95% (000s oz)	**83**	70	**296**	287
Gold sales - (000s oz)	**84**	74	**298**	301
Performance measures				
Average realized gold price [2] ($/oz)	**$ 1,191**	$ 1,102	**$ 1,239**	$ 1,163
Cost of sales ($/oz)	**$ 710**	$ 943	**$ 768**	$ 860
Cash costs [2] excluding royalties ($/oz)	**$ 602**	$ 752	**$ 661**	$ 785
Royalties ($/oz)	**$ 65**	$ 60	**$ 68**	$ 64
Total cash costs [2] ($/oz)	**$ 667**	$ 812	**$ 729**	$ 849
All-in sustaining costs [2] ($/oz)	**$ 799**	$ 1,420	**$ 988**	$ 1,165

1 Strip ratio is calculated as waste mined divided by ore mined.
2 This is a non-GAAP measure. Refer to the non-GAAP performance measures section of this MD&A.

Attributable gold production for the fourth quarter and year ended 2016 was 83,000 and 296,000 ounces, respectively, compared to 70,000 and 287,000 ounces in the same prior year periods. Production was higher primarily due to higher grades and throughput, partially offset by lower recoveries. Mill throughput and production during the fourth quarter 2015 were impacted by an 11 day work stoppage in December.

Cost of sales per ounce sold for the fourth quarter 2016 was $710 compared to $943 in the same prior year period. The decrease of 25% was primarily due to lower inventory write-downs and the devaluation of the Surinamese dollar relative to the U.S. dollar, partially offset by the timing of mill maintenance, higher realized fuel prices, higher fuel consumption, and higher contractor costs.

Cost of sales per ounce sold for 2016 was $768 compared to $860 in the prior year. The decrease of 11% was primarily due to the devaluation of the Surinamese dollar relative to the U.S. dollar, lower inventory write-downs, lower realized fuel prices and lower labour costs following the 2015 workforce reductions, partially offset by higher contractor costs.

Total cash costs per ounce produced for the fourth quarter 2016 were $667 compared to $812 in the same prior year period. The decrease of 18% was primarily due to higher production, lower realized derivative losses and the devaluation of the Surinamese dollar relative to the U.S. dollar, partially offset by timing of mill maintenance, higher realized fuel prices, higher fuel consumption, and higher contractor costs.

Total cash costs per ounce produced for 2016 were $729 compared to $849 in the prior year. The decrease of 14% was primarily due to higher production, lower realized derivative losses, the devaluation of the Surinamese dollar relative to the U.S. dollar, lower realized fuel prices and lower labour costs following the 2015 workforce reductions, partially offset by higher contractor costs.

All-in sustaining costs per ounce sold for the fourth quarter and year ended 2016 were $799 and $988, respectively, compared to $1,420 and $1,165 in the same prior year periods. The decreases of 44% and 15% compared to the same prior year periods were primarily due to lower sustaining capital expenditures and lower cost of sales. Included in the all-in sustaining costs for the fourth quarter and year ended 2015 was the impact of the purchase of assets held under finance leases of $382 and $94 per ounce sold, respectively, and the impact of realized derivative losses of $58 and $46 per ounce sold.

Sustaining capital expenditures for 2016 of $64.9 million included capital spares of $20.4 million, capitalized stripping costs of $14.7 million, mobile equipment of $8.4 million, tailings construction of $6.5 million, mill equipment of $5.1 million, resource development of $3.4 million, pit infrastructure of $3.0 million and various other sustaining capital expenditures of $3.4 million. Non-sustaining capital expenditures for 2016 of $13.4 million primarily related to the secondary crusher. Sustaining capital expenditures for the fourth quarter 2016 of $6.6 million included capital spares of $2.2 million, capitalized stripping costs of $1.2 million, resource development of $1.0 million, and various other sustaining capital expenditures of $2.2 million. Non-sustaining capital expenditures for the fourth quarter 2016 of $3.9 million primarily related to the secondary crusher.

Rosebel delivered three key improvements to the grinding circuit in 2016 to manage increasing proportions of hard rock in the mill feed. These included commissioning of the secondary crusher which will increase the grinding capacity of hard rock, installation of a power flex drive to increase torque capacity in the SAG mill, and a new liner design in the grinding circuit. The metallurgical improvements to elution, carbon management and gravity optimization are on-going and will continue to help reduce gold inventory in circuit. During the fourth quarter 2016, a final agreement was signed with the Government of Suriname to acquire the rights to the Saramacca property which is approximately 25 kilometres from the Rosebel mill and has a high potential of soft rock mineralization.

Outlook

Rosebel's attributable production in 2017 is expected to be between 295,000 and 305,000 ounces. Capital expenditures are expected to be approximately $70 million, comprised of $65 million of sustaining and $5 million of non-sustaining capital. Sustaining capital of $65 million includes capitalized stripping ($28 million), capital spares ($17 million), mill equipment ($5 million), mobile equipment ($4 million), resource development ($4 million) and other sustaining capital ($7 million).

Canada – Westwood Mine (IAMGOLD interest – 100%)

Summarized Results

	Three months ended December 31,		Years ended December 31,	
	2016	2015	**2016**	2015
Mine operating statistics				
Ore mined (000s t)	**52**	69	**285**	295
Ore milled (000s t)	**89**	147	**347**	375
Head grade (g/t)	**6.20**	3.11	**6.14**	5.26
Recovery (%)	**95**	91	**94**	95
Gold production - (000s oz)	**18**	13	**65**	60
Gold sales - (000s oz)	**18**	10	**68**	65
Performance measures				
Average realized gold price [1] ($/oz)	**$ 1,210**	$ 1,063	**$1,247**	$1,190
Cost of sales ($/oz) [2]	**$ 1,452**	$ 1,963	**$1,324**	$1,467
Total cash costs [1] ($/oz)	**$ 880**	$ 995	**$ 894**	$1,001
All-in sustaining costs [1] ($/oz)	**$ 1,281**	$ 1,265	**$1,182**	$1,292

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

2 Does not consider the impact of normalization of costs and revised ramp-up for the fourth quarter and year ended 2016 of $518 and $385 per ounce sold, respectively (fourth quarter and year ended 2015 - $826 and $436).

Gold production for the fourth quarter and year ended 2016 was 18,000 and 65,000 ounces, respectively, compared to 13,000 and 60,000 ounces in the same prior year periods. Production was higher primarily due to the continued ramp-up and higher grades, partially offset by lower throughput.

Underground development continued throughout 2016 to open up access to new mining areas with lateral and vertical development of over 5,800 and 800 metres for the fourth quarter 2016, and 22,700 and 2,000 metres for 2016, respectively. Development work continues to be on target with lateral development averaging 74 metres per day. The rehabilitation work related to reopening the 104 mining block has been completed including all of the bypass drifts. In addition, production from planned mining blocks is on schedule and development of track drifts is ongoing and in accordance with the Company's revised mine ramp-up plan.

Cost of sales per ounce sold for the fourth quarter and year ended 2016 was $1,452 and $1,324 compared to $1,963 and $1,467 in the same prior year periods. The decrease of 26% for the fourth quarter 2016 was primarily due to higher sales. The decrease of 10% for 2016 was primarily due to the stronger U.S. dollar relative to the Canadian dollar and higher sales.

Total cash costs per ounce produced for the fourth quarter and year ended 2016 were $880 and $894, respectively, compared to $995 and $1,001 in the same prior year periods. Total all-in sustaining costs per ounce sold for the fourth quarter and year ended 2016 were $1,281 and $1,182, respectively, compared to $1,265 and $1,292 in the same prior year periods. In accordance with International Financial Reporting Standards, the Company reduced the costs attributed to inventory for the fourth quarter and year-ended 2016 by $9.4 million and $26.4 million, respectively, to normalize for the amount of fixed overhead on a per unit basis as a consequence of abnormally low production. The Company reduced total cash costs and all-in sustaining costs for the fourth quarter 2016 by $551 per ounce produced and $518 per ounce sold, respectively, and for the year ended 2016 by $409 per ounce produced and $385 per ounce sold.

Sustaining capital expenditures for 2016 of $21.4 million included underground development of $15.1 million, mobile and underground equipment of $4.7 million, and resource development of $1.6 million. Non-sustaining capital expenditures for 2016 of $64.4 million included expansion/ramp-up development of $59.9 million, mobile and underground equipment of $3.3 million, and exploration drilling of $1.2 million. Sustaining capital expenditures for the fourth quarter 2016 of $7.0 million included underground development of $6.2 million, and mobile and other equipment of $0.8 million. Non-sustaining capital expenditures for the fourth quarter 2016 of $9.7 million included expansion/ramp-up development of $9.6 million and mobile and other equipment of $0.1 million.

The Company expects to discontinue normalizing total cash costs and all-in sustaining costs for Westwood during the first quarter 2017, when Westwood is expected to resume operating at normal production levels.

Outlook

Westwood's gold production is expected to be between 115,000 and 125,000 ounces in 2017 as a result of the continued ramp up to full production. Capital expenditures are expected to be approximately $65 million, consisting of $20 million in sustaining and $45 million in non-sustaining capital. Sustaining capital of $20 million includes capitalized development ($13 million), underground construction ($3 million), electrical and pumping equipment ($3 million) and other sustaining capital ($1 million). Non-sustaining capital of $45 million includes expansion/ramp-up development ($39 million) and mobile and other non-sustaining capital ($6 million).

Mali – Sadiola Mine (IAMGOLD interest – 41%)

Summarized Results 41% Basis

	Three months ended December 31,		Years ended December 31,	
	2016	2015	**2016**	2015
Mine operating statistics				
Total material mined (000s t)	**1,633**	1,810	**5,238**	6,389
Ore milled (000s t)	**559**	561	**2,012**	2,075
Head grade (g/t)	**1.01**	0.96	**1.15**	1.10
Recovery (%)	**94**	93	**94**	94
Attributable gold production - (000s oz)	**16**	16	**70**	69
Attributable gold sales - (000s oz)	**19**	18	**70**	69
Performance measures				
Average realized gold price [1] ($/oz)	**$ 1,216**	$ 1,112	**$1,244**	$1,165
Total cash costs [1] ($/oz)	**$ 1,166**	$ 866	**$ 970**	$ 769
All-in sustaining costs [1] ($/oz)	**$ 1,297**	$ 1,010	**$1,042**	$ 839

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

Attributable gold production for the fourth quarter and year ended 2016 of 16,000 and 70,000 ounces, respectively, was consistent with the same prior year periods with higher grades being offset by lower throughput.

Although the cost of inputs, including fuel, contractor costs and other consumables were lower in the fourth quarter and year ended 2016 than in the same prior year periods, the processing of a higher proportion of ore stockpiles in 2016 compared to 2015 when more marginal ore was processed, resulted in higher cash costs quarter-over-quarter and year-over-year. This is because the marginal ore would have been expensed as waste mined in prior years compared to the expensing of ore stockpiles in the period it is processed.

The Company expects Sadiola to continue mining oxides into early 2018 and processing oxides into early 2019. The Company intends to move ahead with the Sadiola Sulphide Project with construction commencing upon the Government of Mali's renewal of construction and operating permits, the power agreement and fiscal terms related to the project. An optimization study is being completed to refine project economics.

Mali - Yatela Mine (IAMGOLD interest - 40%)

The Yatela mine produced and sold 2,000 ounces in the fourth quarter 2016, consistent with the prior year. During the year ended 2016, the mine produced and sold 5,000 ounces, compared to 7,000 ounces in 2015. Stacking activity ceased in 2014 and closure activities continue. A limited quantity of production continues from rinsing of the leach pads.

EXPLORATION

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

In 2016, expenditures for exploration and project studies totaled $44.0 million compared to $48.5 million in the prior year, of which $31.7 million was expensed and $12.3 million was capitalized. The decrease of $4.5 million in total exploration expenditures reflects continued expenditure reduction initiatives and re-prioritizing of planned expenditures compared to the prior year. Drilling activities on active projects and mine sites totaled approximately 240,000 metres for the year, higher than originally forecast due to the commencement of a delineation drilling program following the acquisition of the rights to the Saramacca property in Suriname and expanded programs at the mine sites.

($ millions)	Three months ended December 31, 2016	Three months ended December 31, 2015	Years ended December 31, 2016	Years ended December 31, 2015
Exploration projects - greenfield	**$ 5.1**	$ 6.3	**$19.2**	$23.1
Exploration projects - brownfield [1]	**7.0**	4.6	**19.4**	17.2
	12.1	10.9	**38.6**	40.3
Feasibility and other studies	**1.5**	1.4	**5.4**	8.2
	$ 13.6	$ 12.3	**$44.0**	$48.5

1 Exploration projects - brownfield for 2016 and 2015 exclude expenditures related to Joint Ventures of $0.6 million and $0.3 million, respectively, and include near-mine exploration and resource development of $8.7 million and $9.4 million, respectively.

OUTLOOK

In 2017, planned program spending will total $62 million, comprised of brownfield and the greenfield exploration programs and ongoing project studies. Brownfield programs will focus on the discovery and delineation of soft oxide resources at Rosebel and Essakane, and resource conversion at Westwood. Greenfield programs will continue to delineate resource ounces at advanced exploration projects at Boto in Senegal, Siribaya in Mali and Pitangui in Brazil as well as focusing on the discovery of new ounces at other select projects. Ongoing project studies totaling $15 million will continue on the Côté Gold project in Ontario, the Boto Gold project in Senegal and on the Pitangui project in Brazil.

The 2017 exploration outlook of $47.0 million, excluding project studies, is higher by $8.4 million compared to 2016 exploration expenditures due to an overall increased program spending. The 2017 resource development and exploration program includes approximately 230,000 to 250,000 metres of reverse circulation and diamond drilling.

($ millions)	Capitalized [2]	Expensed	Total
Exploration projects - greenfield	$ —	$ 25	**$ 25**
Exploration projects - brownfield [1]	11	11	**22**
	11	36	**47**
Feasibility and other studies	9	6	**15**
	$ 20	$ 42	**$ 62**

1 Exploration projects - brownfield include planned near-mine exploration and resource development of $11 million.
2 The capitalized portion of the 2017 planned spending of $20 million is included in the Company's capital spending guidance of $250 million +/- 5%.

CÔTÉ GOLD PROJECT, CANADA

As at December 31, 2016, reported resources included indicated resources of 289.2 million tonnes grading 0.9 g/t Au for 8.4 million ounces of gold and inferred resources of 66.9 million tonnes grading 0.6 g/t Au for 1.2 million ounces (see news release dated February 22, 2017). The Company confirms that mineral reserves have not yet been declared for the Côté Gold project.

In the second quarter 2016, notice was received from the federal Minister of Environment and Climate Change that, after assessment by the department, the Côté Gold project is not likely to cause significant adverse environmental effects and that the project may proceed subject to the conditions listed in the assessment report and obtaining any required approvals and permits. Subsequent to the reporting period, the Company also received notice of approval of the project's provincial environmental assessment from the Ontario Ministry of Environment and Climate Change on January 25, 2017.

Subsequent to the reporting period, the Company announced the results of a Preliminary Economic Assessment ("PEA") completed jointly by IAMGOLD and Amec Foster Wheeler, with inputs from technical studies completed by other consultants (see news release dated January 26, 2017). The PEA represents a conceptual study of the potential viability of the mineral resources that have been defined to date on the project, where the accuracy of the cost estimates are -30%/+50%. The purpose of the PEA study was to assess the potential development alternatives available with an improved land position following the acquisition of additional ownership interests and claims, and to reduce the energy requirements of the project while minimizing infrastructure development needs.

Based on the PEA, the project outlines a potentially economically viable project that at a $1,200 per ounce gold price would generate an estimated 12.9% after-tax internal rate of return. The project would have a 21-year mine life, producing on average 302,000 ounces of gold a year at average cash costs of $564/oz and all-in sustaining costs of $686/oz. A technical report summarizing the PEA will be filed on SEDAR within 45 days of the date of the news release.

The PEA recommended the completion of a further pre-feasibility study to validate and detail the elements of the development concept set out in the PEA, and to determine whether it is a viable development alternative. The pre-feasibility study will include additional drilling, engineering studies and environmental studies, including hydrological, hydrogeological and geotechnical analyses. As previously disclosed, a feasibility study had been underway on an initial development scenario, which will now await the outcome of the pre-feasibility study and selection of the development scenario for further study. The pre-feasibility study is underway and is expected to be completed at the end of the second quarter 2017.

In support of the ongoing studies, diamond drilling to obtain approximately 1,400 metres of HQ sized core for further metallurgical test work was completed in the fourth quarter of 2016. Results are expected in early 2017. Study and permitting related expenditures in 2016 totaled $3.1 million.

Regional exploration activities continued within the 516 square kilometre property surrounding the Côté Gold deposit to develop and assess exploration targets that could further maximize the Company’s flexibility with respect to any future development decisions. During the fourth quarter, approximately 8,700 metres of core drilling was completed to test selected high priority exploration targets. The results will be validated and compiled as they are received to guide future exploration.

The Company will continue to seek ways to de-risk and to increase the value of the project through the advancement of additional technical studies and ongoing regional exploration that will further maximize the Company’s flexibility with respect to any future development decisions.

BROWNFIELD EXPLORATION PROJECTS

The Company’s mine and regional exploration teams continued to conduct systematic brownfield exploration and resource development work during 2016 at the Essakane, Rosebel and Westwood operations.

Essakane, Burkina Faso

Approximately 10,200 metres of reverse circulation and diamond drilling were completed on the mine lease and surrounding concessions during the fourth quarter 2016 for an overall total of just over 34,800 metres drilled for the year. On the mine lease, drilling focused on resource expansion in areas to the south of the main Essakane pit and infill drilling to upgrade inferred mineral resources in an area to the east and southeast of the currently mined Falagountou pit located 8 kilometres to the east of Essakane. The results received to date are considered encouraging and were consolidated as part of the updated 2016 year-end reserve and resource statement for the Essakane operation.

On the surrounding exploration concessions, the results of the drilling programs completed during the year are being assessed and will be compiled along with data obtained from ongoing geological mapping and geochemical sampling programs to guide future exploration. Several priority targets have been identified for further work.

Rosebel, Suriname

The near mine and regional exploration programs continue to focus on evaluating potential resource expansions and exploration targets in the vicinity of existing operations to support the ongoing strategic objective to discover and outline additional mineral resources within softer and near surface saprolite and transition rocks. During 2016, nearly 48,400 metres of reverse circulation and diamond drilling were completed on the Rosebel mine lease and surrounding mineral concessions, including approximately 19,100 metres relating to exploration on the Saramacca property, 28,600 metres on resource development, and 700 metres on condemnation.

The resource development program on the mine lease focused on evaluating near-pit expansion targets at Pay Caro and East Pay Caro. Results are encouraging and will be used to guide future exploration drilling programs and update resource models where applicable.

In December 2016, the Company finalized an agreement with the Government of Suriname to acquire the rights to the Saramacca property with the intent of defining a National Instrument 43-101 compliant mineral resource within 24 months. The Saramacca property, located approximately 25 kilometres from the Rosebel mill, has been explored since the 1990’s principally by Golden Star Resources Ltd., and later as a joint venture between Golden Star Resources Ltd. and Newmont Mining Corporation. Much of that work focused on the discovery and delineation of Anomaly M, which was the subject of successive auger and diamond drilling programs with over 50 diamond drill holes and over 200 auger holes completed in the anomaly area. Evaluation of this work suggests an exploration target potential of between 8 and 40 million tonnes grading between 1.0 and 1.8 g/t Au for potentially 0.5 to 1.4 million contained ounces of gold. The potential quantity and grade are conceptual in nature and insufficient exploration work has been completed to define a mineral resource.

The terms of the agreement included an initial payment of $0.2 million, which enabled immediate access to the property for Rosebel's exploration team to conduct due diligence for 30 days, as well as access to the data from previous exploration activity at the Saramacca property. On September 30, 2016, upon satisfactory completion of the due diligence, the Company ratified the letter of intent to acquire the Saramacca property and subsequently paid $10 million in cash and also agreed to issue 3.125 million IAMGOLD common shares to the Government of Suriname in three approximately equal annual instalments on each successive anniversary of the date the right of exploration was transferred to Rosebel (December 14, 2016). In addition, the agreement provides for a potential upward adjustment to the purchase price based on the contained gold ounces identified by Rosebel in National Instrument 43-101 indicated and measured resource categories, within a certain Whittle shell, over the first 24 months, to a maximum of $10 million. Under the terms of the agreement, the Company can at any time during the course of the agreement provide 60 days' notice to the Government of Suriname and terminate the agreement.

An initial diamond drilling program commenced on the property at the end of the third quarter 2016, to validate historical mineral resources. In the fourth quarter 2016, just over 14,500 metres of diamond drilling and 4,500 metres of reverse circulation were completed. Subsequent to year end, the Company announced assay results from the 2016 drilling program (see news release dated February 13, 2017). Highlights included: 4.31 g/t Au over 101.0 metres; 3.98 g/t Au over 78.0 metres; 5.22 g/t Au over 46.5 metres and 4.78 g/t Au over 24.0 metres.

Delineation drilling is expected to continue with the objective to complete an initial mineral resource estimate by the third quarter 2017.

Westwood, Canada

In the fourth quarter 2016, underground excavation totaled 6,673 metres of lateral and vertical development for a total of 25,710 metres for the year. In addition, approximately 21,900 metres of resource development diamond drilling and 380 metres of service holes were drilled during the quarter for a total of approximately 82,000 metres drilled for the year. The diamond drill program continues to focus on the infill drilling of known zones to upgrade existing inferred mineral resources. An additional surface drilling program consisting of diamond drilling and reverse circulation totaling approximately 8,400 metres for the year was completed to evaluate the potential of near surface lower grade mineralization and material in historic stockpiles on the neighbouring Doyon mine property that could be processed at the Westwood mill. The results were consolidated as part of the updated 2016 year-end reserve and resource statement. A substantial drilling program of over 100,000 metres of definition drilling is planned for 2017 to continue to upgrade inferred resources.

GREENFIELD EXPLORATION PROJECTS

In addition to the mine site and brownfield exploration programs described above, the Company conducted active exploration and drilling programs on a number of early to advanced stage greenfield exploration projects during 2016. Highlights include:

Boto, Senegal

Effective December 31, 2016, the Boto Gold project hosts an indicated resource of 27.7 million tonnes averaging 1.8 g/t Au for 1.56 million ounces of gold and an inferred resource of 2.9 million tonnes averaging 1.3 g/t Au for 125,000 ounces (see news release dated February 22, 2017).

During 2016, diamond drilling was completed at the Malikoundi deposit to target mineralization in the footwall not completely drilled in previous campaigns, as well as test for potential extensions along strike to the north. With the completion of this phase of the drilling program, the Company reported initial drill assay results that confirmed wider intervals of mineralization in the footwall as well as the extension of high grade mineralization along strike to the north of the Malikoundi deposit. Highlights included: drill hole DBDD-2122 that intersected 32.0 metres grading 5.19 g/t Au in the footwall; and drill holes DBDD-2302 which intersected 12.0 metres grading 6.39 g/t Au, and DBDD-2303 which intersected 4.04 g/t Au over 22.0 metres north of the Malikoundi deposit (see news release dated September 15, 2016).

As remaining drilling results from 2016 are received and validated, they will be incorporated into a revised geological model to support an updated resource estimate in 2017. During 2017, further drilling is planned with the goal to expand the current mineral resource and identify additional satellite zones. The Company plans to continue with various technical and environmental studies to advance the economic evaluation of the project.

Pitangui, Brazil

Effective December 31, 2016, reported mineral resources at the São Sebastião deposit are comprised of an inferred resource of 4.3 million tonnes grading 5.0 g/t Au for 679,000 ounces of gold (see news release dated February 22, 2017).

During 2016, approximately 7,500 metres of diamond drilling were completed to test targets along strike to the southeast and southwest of the São Sebastião deposit having similar electromagnetic ("EM") signatures and corresponding geochemical soil anomalies to that of the São Sebastião deposit. To date, drilling has confirmed the presence of rock units similar to those hosting the main São Sebastião deposit, which could potentially host additional mineralization. In addition, work commenced on various technical and environmental studies to advance the economic evaluation of the project.

Diamond drilling will continue in 2017 to explore and expand the current resource base.

Siribaya Joint Venture, Mali

The Siribaya exploration project ("Siribaya project") in Mali is operated by IAMGOLD under a 50:50 joint venture with Merrex Gold Inc. ("Merrex"). On December 22, 2016, the Company signed a definitive agreement with Merrex to acquire, in an all-share transaction, all of the issued and outstanding shares of Merrex not already owned by IAMGOLD (see news release dated December 22, 2016). The transaction is expected to close in the first quarter of 2017.

Effective December 31, 2016, total resources estimated for the Siribaya project include indicated resources of 2.1 million tonnes grading 1.90 g/t Au for 129,000 ounces of gold, and inferred resources of 19.8 million tonnes grading 1.71 g/t Au for 1.1 million ounces. Of the inferred resources, the newly discovered Diakha deposit hosts 14.8 million tonnes grading 1.81 g/t Au for 863,000 ounces, accounting for 75% of the total tonnage and 79% of the contained gold within the total inferred resources at Siribaya (see news release dated February 22, 2017).

During 2016, approximately 13,000 metres of diamond and reverse circulation drilling were completed to increase confidence in the mineralized zones at the Diakha deposit and extend the deposit at depth below the current resource pit shell, as well as test for the potential northern strike extension of the Diakha deposit. Assay results were reported during the year and included: drill hole SRD-185 which intersected 19.0 metres grading 9.28 g/t Au, and drill hole SRD-189 which intersected 18.0 metres grading 6.73 g/t Au (see Merrex news release dated August 30, 2016). Initial wide-spaced, reverse circulation drilling along the northern strike extension confirmed the presence of gold mineralization highlighted by drill hole SRC16-655 which intersected 70.0 metres grading 1.55 g/t Au, including 12.0 metres grading 2.79 g/t Au (see Merrex news release dated July 6, 2016).

A diamond and reverse circulation drilling program is planned to continue in 2017 in order to increase the confidence in the current resources at Diakha and delineate mineralization northward along strike and at depth. The results will be used to update the mineral resources in 2017.

Monster Lake Joint Venture, Canada

The Monster Lake project, located 50 kilometres southwest of Chibougamau, Quebec, is held under an earn-in option to joint venture agreement with TomaGold Corporation. The Company holds an undivided 50% interest in the property, and holds an option to earn a further 25% undivided interest, for a total 75% undivided interest in the project, should it spend a total of C$10.0 million on the project within a seven year period, beginning January 1, 2015.

A winter drilling program ended in April 2016 with the completion of just over 8,100 metres from 21 diamond drill holes targeting the Monster Lake Shear Zone ("MLSZ"), which is host to the 325-Megane zone. Results reported included 1.2 metres grading 20.16 g/t Au from drill hole ML 16-171; 0.7 metre grading 9.01 g/t Au and 5.5 metres grading 2.68 g/t Au from drill hole ML 16-175. Hole ML 16-175 is interpreted to have intersected a new, second zone along the MLSZ structure in an area located 200 to 400 metres to the north of the 325-Megane zone (see news release dated June 15, 2016) and requires additional drilling. Additionally, exploration activities continued throughout the latter portion of the year and involved geological and structural mapping, limited trenching and select geochemical surveys elsewhere on the property and in the immediate vicinity of the 325-Megane zone.

The accumulated drill results and mapping programs will guide the next diamond drilling program expected to continue in 2017 to better define and extend the known mineralization along the MLSZ, with the objective to estimate an initial mineral resource during the year.

Nelligan Joint Venture, Canada

The Nelligan project is held under an earn-in option to joint venture agreement with Vanstar Mining Resources Inc. ("Vanstar"), signed on November 12, 2014, whereby the Company may earn up to an initial 50% interest in the property by completing staged cash payments totaling C$0.6 million, and the completion of C$4.0 million in exploration expenditures over a period of four and a half years. The Company can elect to earn an additional 25% to 30% undivided interest by completing pre-feasibility and feasibility studies and making additional cash payment totaling C$0.5 million.

In the first half of the year, the Company completed approximately 4,500 metres of diamond drilling targeting extensions to known zones (Liam and Dan zones) as well as testing nearby Induced Polarization ("IP") anomalies. Initial results have identified the discovery of a new zone of gold mineralization coincident with an IP anomaly located immediately north of the known zones. Initial assay results (see Vanstar news release dated April 5, 2016) have confirmed intersections from the new discovery area with up to 35.8 metres grading 1.90 g/t Au from 138.0 metres depth in drill hole NE-16-36, including 18.0 metres grading 3.20 g/t Au; and 23.0 metres grading 1.23 g/t Au from 229.0 metres depth in drill hole NE-16-37, including 10.3 metres grading 2.02 g/t Au from 238.5 metres depth within a wide zone of altered metasedimentary rocks with numerous gold bearing intervals.

Activities during the fourth quarter 2016 included the completion of an additional 5 drill holes totaling approximately 2,200 metres of diamond drilling to evaluate newly discovered mineralized gold zone. The results of this latest drilling program are pending, and when received and validated, will be used to guide further drill targeting that is expected to continue into 2017.

Eastern Borosi Joint Venture, Nicaragua

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

During 2016, just over 7,200 metres of diamond drilling were completed to drill test selected gold-silver vein systems. Encouraging assay results were reported by Calibre throughout the year from a number of vein systems, including: 5.6 metres grading 11.13 g/t Au and 13.7 g/t Ag from the Main Blag vein system (see Calibre news release dated July 26, 2016) and assay results from the East Dome target which included intersections of 15.4 metres grading 1.21 g/t Au and 120.9 g/t Ag from drill hole BL16-043 and 16.5 metres grading 2.27 g/t Au and 127.9 g/t Ag (see Calibre news release dated September 15, 2016). Assay results were also reported from the first drill hole completed at the Veta Loca vein which returned 6.3 metres grading 10.15 g/t Au and 6.9 g/t Ag from drill hole GP16-046 (see Calibre news release dated September 15, 2016).

A 7,000 metre diamond drilling program is planned for 2017 with the objective to evaluate the resource potential of the Guapinol, Riscos de Oro and East Dome veins. If the results are positive, they will be used to complete a National Instrument 43-101 resource estimate. In 2017, IAMGOLD expects to vest an initial 51% interest in the project, upon which, it may elect to enter the second Option to earn up to a 70% interest in the project by completing additional exploration expenditures totaling $4.5 million and making $450,000 in payments to Calibre Mining by May 26, 2020.

OTHER

Loma Larga (formerly Quimsacocha), Ecuador

The Company, through its 35.6% equity ownership interest in INV Metals, has an indirect interest in the Loma Larga gold, silver and copper project in southern Ecuador. INV Metals has completed a preliminary feasibility study supporting the proposed development of an underground mine with an anticipated production rate of 3,000 tonnes per day, average annual gold production of 150,000 ounces, and a mine life of approximately 12 years (see INV Metals' news release dated July 14, 2016).

On February 10, 2017, INV Metals announced a C$20 million bought deal financing for advancing the development of the Loma Larga project and for general corporate purposes. The Company's intent is to maintain its existing equity ownership interest of 35.6%.

QUARTERLY FINANCIAL REVIEW

	2016				2015			
($ millions, except where noted)	**Q4**	**Q3**	**Q2**	**Q1**	Q4	Q3	Q2	Q1
Revenues from continuing operations	**$252.5**	**$282.4**	**$232.5**	**$219.7**	$ 238.2	$207.6	$226.5	$244.7
Net earnings (loss) from continuing operations [1]	**$ (2.8)**	**$ 21.1**	**$ (9.2)**	**$ 52.7**	$(677.5)	$ (84.9)	$ (20.3)	$ (12.6)
Net earnings from discontinued operations	**$ —**	**$ —**	**$ —**	**$ —**	$ —	$ 1.2	$ —	$ 40.6
Net earnings (loss)	**$ (2.8)**	**$ 21.1**	**$ (9.2)**	**$ 52.7**	$(677.5)	$ (83.7)	$ (20.3)	$ 28.0
Net earnings (loss) attributable to equity holders of IAMGOLD	**$ (5.3)**	**$ 17.0**	**$ (12.2)**	**$ 53.1**	$(675.9)	$ (83.8)	$ (19.7)	$ 24.1
Basic and diluted earnings (loss) attributable to equity holders of IAMGOLD per share ($/share)	**$ (0.01)**	**$ 0.04**	**$ (0.03)**	**$ 0.13**	$ (1.73)	$ (0.21)	$ (0.05)	$ 0.06

1 In the fourth quarter 2015, Net loss from continuing operations included after-tax impairment charges of $580.0 million.

FINANCIAL CONDITION

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2016, the Company had $762.7 million in cash, cash equivalents and restricted cash.

The Company's total restricted cash of $110.7 million is held for the guarantee of asset retirement obligations at its Doyon, Essakane and Rosebel mines.

Included in short-term restricted cash was $92.0 million held by the Government of Quebec for the Doyon mine. The Company has the right to replace the cash collateral with another form of acceptable collateral as prescribed by Government regulations. Included in long-term restricted cash was $13.7 million and $5.0 million held by the Government of Burkina Faso and the Government of Suriname for the guarantee of the asset retirement obligations at Essakane and Rosebel, respectively.

During the first quarter 2016, the Company sold 135,148 ounces of gold bullion with a weighted average acquisition cost of $721 per ounce for proceeds of between $1,239 and $1,275 per ounce for a total of $170.3 million. The resulting gain, net of transaction costs, was $72.9 million.

During 2016, the Company issued a total of 15.1 million flow-through common shares for total proceeds of $43.6 million, which consisted of issuances in the first quarter 2016 of 12.0 million flow-through common shares for proceeds of $30.3 million and in the fourth quarter 2016 of 3.1 million flow-through common shares for proceeds of $13.3 million. The flow-through common shares were issued to fund prescribed development expenditures on the Westwood mine and prescribed exploration expenditures on the Côté Gold project. As at December 31, 2016, the remaining unspent amount was $13.3 million.

On August 16, 2016, the Company completed an equity financing for gross proceeds of $230 million, including the exercise of a $30 million over-allotment option by the underwriters. A total of 44.7 million common shares were issued in the offering at $5.15 per share. The financing was done to strengthen the Company's balance sheet, by reducing indebtedness, and to fund organic growth, including the expansion of the Sadiola mine.

Working capital [1] as of December 31, 2016 was $817.4 million, up $115.8 million compared to December 31, 2015 due to higher current assets ($61.0 million) and lower current liabilities ($54.8 million).

Current assets as of December 31, 2016 were $1,012.9 million, up $61.0 million compared to December 31, 2015 mainly due to an increase in cash, cash equivalents and restricted cash ($196.0 million), partially offset by the sale of gold bullion ($97.4 million), lower receivables and other current assets ($18.5 million) and lower inventories ($16.0 million).

Current liabilities as of December 31, 2016 were $195.5 million, down $54.8 million compared to December 31, 2015 mainly due to the repayment of the unsecured revolving credit facility ($70.0 million), partially offset by an increase in accounts payable and accrued liabilities ($19.7 million).

Working Capital	**December 31, 2016**	December 31, 2015
Working capital [1] ($ millions)	**$ 817.4**	$ 701.6
Current working capital ratio [2]	**5.2**	3.8

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

During the third quarter of 2016, the Company closed a tender offer for the purchase of $145.9 million (face value) of its outstanding senior unsecured notes for cash consideration of $141.5 million, pursuant to a tender offer beginning on August 8, 2016. The resulting gain, net of transaction costs, was $4.0 million. As at December 31, 2016, the outstanding balance of senior unsecured notes was $489.1 million.

Under the indenture governing the senior unsecured notes previously issued by the Company, if the Company makes certain asset sales, it may use an amount equal to the net proceeds to repay certain debt obligations and/or reinvest, or commit to reinvest, in the Company's business, within 365 days after the applicable asset sale. At the end of the 365-day period, if there remains $50 million or more of the net proceeds that the Company has not used in this manner, the Company would be required to use any such excess proceeds to offer to purchase the senior unsecured notes at par in the manner described in the indenture. Regarding the use of proceeds from the disposition of certain assets, the Company reports it has kept, observed, performed and fulfilled its obligations under the indenture governing its previously-issued unsecured notes.

On February 1, 2016, the Company entered into a four-year $250 million credit facility consisting of a fully committed $100 million secured revolving credit facility and a $150 million accordion. During 2016, the Company amended the credit facility to increase the fully committed credit facility from $100 million to $170 million, resulting in $80 million remaining under the accordion. As of December 31, 2016, $2.8 million was drawn against the credit facility for the guarantee of certain asset retirement obligations. On February 7, 2017, the Company amended the credit facility, utilizing the remaining accordion and adding additional commitments of $80 million, bringing the total commitments under the facility to $250 million, with similar terms and conditions. The key terms of the new facility include limitations on incremental debt, restrictions on distributions and financial covenants including Net Debt to EBITDA, Tangible Net Worth, Interest Coverage and Minimum Liquidity. The credit facility provides for an interest rate margin above London Interbank Offered Rate ("LIBOR"), banker's acceptance ("BA") prime rate and base rate advances which varies according to the total net debt ratio of the Company. Fees related to the credit facility vary according to the total net debt ratio of the Company. This credit facility is secured by some of the Company's real assets, guarantees by some of the Company's subsidiaries and pledges of shares in some of the Company's subsidiaries. The maturity date of this credit facility is February 1, 2020. The Company was in compliance with its credit facility covenants as at December 31, 2016.

Upon entering into the $250 million credit facility described above, the Company terminated its four-year $500 million unsecured revolving credit facility. During the first quarter 2016 and prior to termination, the Company repaid the $70.0 million outstanding on this facility.

The Company had a $75 million revolving credit facility for the issuance of letters of credit which matured on April 22, 2016. Following the expiration of the $75 million credit facility, letters of credit worth $2.8 million were issued under the Company's revolving credit facility and $0.4 million under a separate letter of credit.

CONTRACTUAL OBLIGATIONS

Contractual obligations as of December 31, 2016 were $683.3 million, and comprise primarily of contractual cash flows on senior unsecured notes, purchase obligations, operating leases and capital expenditure obligations. Management believes these obligations will be met through available cash resources and net cash from operating activities.

	Payments due by period				
At December 31, 2016	Total	Less than 1 Year	1-2 Years	3-5 years	Thereafter
Long-term debt	$621.1	$ 33.0	$ 66.0	$ 522.1	$ —
Purchase obligations	53.2	50.0	2.5	0.6	0.1
Capital expenditure obligations	4.6	4.6	—	—	—
Finance leases	0.1	0.1	—	—	—
Operating leases	4.3	0.4	1.8	1.6	0.5
Total contractual obligations	683.3	88.1	70.3	524.3	0.6
Asset retirement obligations	265.2	9.9	29.5	19.5	206.3
	$948.5	$ 98.0	$ 99.8	$ 543.8	$ 206.9

The Company holds hedge derivative contracts that are included in the summary of outstanding derivative contracts in the Financial condition - Market risk section.

MARKET RISK

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

CURRENCY EXCHANGE RATE RISK

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

OIL CONTRACTS AND FUEL MARKET PRICE RISK

Low sulfur diesel and fuel oil are key inputs to extract tonnage and, in some cases, to wholly or partially power operations. Brent and West Texas Intermediate (“WTI”) are components of diesel and fuel oil, respectively, such that changes in the price of crude oil directly impacts diesel and fuel oil costs.

SUMMARY OF OUTSTANDING HEDGE DERIVATIVE CONTRACTS

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

At December 31, 2016, the Company's outstanding hedge derivative contracts were as follows:

Contracts	2017	2018
Foreign Currency		
Canadian dollar option contracts (millions of C$)	96	60
Option contracts rate range (C$/$)	1.30 - 1.35 [1]	1.30 - 1.45
Hedge ratio [2]	35%	22%
Euro option contracts (millions of €)	126	—
Option contracts rate range ($/€)	1.00 - 1.20	—
Hedge ratio [2]	48%	—
Commodities		
Brent crude oil option contracts (thousands of barrels)	504	344
Option contracts with strike prices at ($/barrel)	60 [3]	60 [3]
Hedge ratio [2]	74%	52%
WTI crude oil option contracts (thousands of barrels)	396	247
Option contracts with strike prices at ($/barrel)	60 [3]	60 [3]
Hedge ratio [2]	70%	63%

1 The Company purchased Canadian dollar call options at a strike price of $1.30, and put options at a strike price of $1.35 to protect against the U.S. dollar depreciating below $1.30 - $1.35 in 2017.

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

3 The Company purchased call options with a strike price of $60. If crude oil prices are greater than the call strike price ($60) in 2017 and 2018, the Company will benefit from the margin between the higher market price and the set call strike price.

SHAREHOLDERS' EQUITY

Number issued and outstanding (millions)	December 31, 2016	February 21, 2017
Common shares	**453.8**	**454.4**
Share options	**6.0**	**5.9**

CASH FLOW

($ millions)	Three months ended December 31, 2016	Three months ended December 31, 2015	Years ended December 31, 2016	Years ended December 31, 2015
Net cash from (used in) per consolidated financial statements:				
Operating activities	**$ 65.2**	$ (37.3)	**$ 314.4**	$ 38.3
Investing activities	**(51.1)**	(136.2)	**(164.7)**	266.1
Financing activities	**12.9**	27.5	**21.9**	25.6
Effects of exchange rate fluctuation on cash and cash equivalents	**(2.3)**	(5.8)	**(0.6)**	(19.5)
Increase (decrease) in cash and cash equivalents	**24.7**	(151.8)	**171.0**	310.5
Cash and cash equivalents, beginning of the period	**627.3**	632.8	**481.0**	158.5
Cash and cash equivalents held for sale, beginning of the period	**—**	—	**—**	12.0
Cash and cash equivalents, end of the period	**$ 652.0**	$ 481.0	**$ 652.0**	$481.0

OPERATING ACTIVITIES

Net cash from operating activities for 2016 was $314.4 million, up $276.1 million from the prior year. The increase was mainly due to lower net settlement of derivatives ($118.8 million), higher earnings after non-cash adjustments ($103.7 million) and a change in the movement of non-cash working capital ($65.5 million).

INVESTING ACTIVITIES

Net cash used in investing activities for 2016 was $164.7 million, up $430.8 million from the prior year. The increase was mainly due to proceeds on the sale of Niobec and the Diavik royalty asset in 2015 ($543.7 million), higher spending on Property, plant and equipment and exploration and evaluation assets including capitalized borrowing costs ($77.9 million) and the acquisition of the rights to the Saramacca property ($10.0 million), partially offset by the proceeds from the sale of gold bullion ($170.3 million) and lower funding of restricted cash ($34.3 million).

FINANCING ACTIVITIES

Net cash from financing activities for 2016 was $21.9 million, down $3.7 million from the prior year. The decrease was mainly due to the draw-down on the unsecured revolving credit facility in 2015 ($70.0 million) and its subsequent repayment in 2016 ($70.0 million), and higher repurchases of senior unsecured notes ($130.0 million), partially offset by net proceeds from the equity financing ($220.1 million), the purchase of assets under finance leases in 2015 ($28.3 million) and lower interest paid ($8.5 million).

DISCONTINUED OPERATIONS

On January 22, 2015, the Company completed the sale of Niobec. The Company received $504.1 million in cash, including working capital adjustments. The sale of Niobec included an adjacent rare earth element ("REE") deposit of which a 2% royalty on gross proceeds will be payable to the Company on any REE production.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

DISCLOSURE CONTROLS AND PROCEDURES

The Company's disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is communicated to senior management to allow timely decisions regarding required disclosure. An evaluation of the effectiveness of the Company's disclosure controls and procedures, as defined under the rules of the Canadian Securities Administration, was conducted as at December 31, 2016 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 at December 31, 2016 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.

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 consolidated financial statements in compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). 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 consolidated financial statements in accordance with IFRS as issued by the IASB;
- ensure the Company's receipts and expenditures are made only in accordance with authorization of management and the Company's directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized transactions that could have a material effect on the consolidated 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 based on the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, was conducted as of December 31, 2016 by the Company's management, including the Chief Executive Officer and Chief Financial Officer. Based on this evaluation, management has concluded that the Company's internal control over financial reporting was effective as of December 31, 2016.

LIMITATIONS OF CONTROLS AND PROCEDURES

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

CRITICAL JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The Company's management makes judgments in its process of applying the Company's accounting policies in the preparation of its consolidated 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 revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The critical judgments, estimates and assumptions applied in the preparation of the Company's consolidated financial statements are reflected in note 3 of the Company's audited annual consolidated financial statements for the year ended December 31, 2016.

Qualified Person and Technical information

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

Data verification involves data input and review by senior project geologists at site, scheduled weekly and monthly reporting to senior exploration management and the completion of project site visits by senior exploration management to review the status of ongoing project activities and data underlying reported results.
All drilling results for exploration projects or supporting resource and reserve estimates referenced in this MD&A have been previously reported in news releases disclosures either by the Company or the project operator as the case may be (see references news releases), and have been prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects. The sampling and assay data from drilling programs are monitored through the implementation of a quality assurance - quality control (QA-QC) program designed to follow industry best practice. Drill core (HQ and NQ size) samples are selected by the project geologists and sawn in half with a diamond saw at the project site. Half of the core is typically retained at the site for reference purposes. Generally, sample intervals are 1.0 to 1.5 metre in length and reverse circulation holes are sampled at 1.0 metre intervals at the drill rig. Samples are prepared and analyzed at site for the Company's producing mines and at accredited regional laboratories for the Company's exploration projects, using analysis techniques such as standard fire assay with a 50 gram charge; fire assay with gravimetric finish, or LeachWELL rapid cyanide leach with fire assay with a 50 gram charge.

NOTES TO INVESTORS REGARDING THE USE OF RESOURCES

Cautionary Note to Investors Concerning Estimates of Measured and Indicated Resources

This report uses the terms "measured resources" and "indicated resources". The Company advises investors that while those terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission ("the SEC") does not recognize them. Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.

Cautionary Note to Investors Concerning Estimates of Inferred Resources

This report also uses the term "inferred resources". The Company advises investors that while this term is recognized and required by Canadian regulations, the SEC does not recognize it. "Inferred resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that part or all of an inferred resource exists, or is economically or legally mineable.

Scientific and Technical Disclosure

IAMGOLD is reporting mineral resource and reserve estimates in accordance with the CIM guidelines for the estimation, classification and reporting of resources and reserves.

Cautionary Note to U.S. Investors

The United States Securities and Exchange Commission limits disclosure for U.S. reporting purposes to mineral deposits that a company can economically and legally extract or produce. IAMGOLD uses certain terms in this report, such as "measured," "indicated," or "inferred," which may not be consistent with the reserve definitions established by the SEC. U.S. investors are urged to consider closely the disclosure in the IAMGOLD Annual Reports on Forms 40-F. Investors can review and obtain copies of these filings from the SEC's website at http://www.sec.gov/edgar.shtml or by contacting the Investor Relations department.

The Canadian Securities Administrators' National Instrument 43-101 ("NI 43-101") requires mining companies to disclose reserves and resources using the subcategories of "proven" reserves, "probable" reserves, "measured" resources, "indicated" resources and "inferred" resources. Mineral resources that are not mineral reserves do not demonstrate economic viability.

A mineral reserve is the economically mineable part of a measured or indicated mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A mineral reserve includes diluting materials and allows for losses that may occur when the material is mined. A proven mineral reserve is the economically mineable part of a measured mineral resource demonstrated by at least a preliminary feasibility study. A probable mineral reserve is the economically mineable part of an indicated, and in some circumstances, a measured mineral resource demonstrated by at least a preliminary feasibility study.

A mineral resource is a concentration or occurrence of natural, solid, inorganic material, or natural, solid fossilized organic material including base and precious metals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge. A measured mineral resource is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity. An indicated mineral resource is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed. An inferred mineral resource is that part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

Investors are cautioned not to assume part or all of an inferred resource exists, or is economically or legally mineable.

A feasibility study is a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of realistically assumed mining, processing, metallurgical, economic, marketing, legal, environmental, social and governmental considerations together with any other relevant operational factors and detailed financial analysis, that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-Feasibility Study.

A pre-feasibility study is a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on mining, processing, metallurgical, economic, marketing, legal, environmental, social and governmental considerations and the evaluation of any other relevant factors which are sufficient for a qualified person, acting reasonably, to determine if all or part of the Mineral Resource may be classified as a Mineral Reserve.

Gold Technical Information and Qualified Person/Quality Control Notes

The mineral resource estimates contained in this MD&A have been prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and JORC. The "Qualified Person" responsible for the supervision of the preparation and review of all resource and reserve estimates for IAMGOLD is Lise Chénard, Eng., Director, Mining Geology.

She is a "Qualified Person" for the purposes of NI 43-101 with respect to the mineralization being reported on. The technical information has been included herein with the consent and prior review of the above noted Qualified Person. The Qualified person has verified the data disclosed, and data underlying the information or opinions contained herein.

NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

For a discussion of new accounting standards issued but not yet effective that may impact the Company, refer to note 4 of the Company's consolidated financial statements as at December 31, 2016.

RISKS AND UNCERTAINTIES

The Company is subject to various business, financial and operational risks which 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, while pursuing business approved strategies and as part of the execution of risk oversight responsibilities at the Management and Board of Directors level.

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

The following is a summary of the key risks which the Company is facing.

For a more comprehensive discussion of the risks faced by the Company, refer to the Company's latest AIF, 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 AIF, which is 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.

Financial Risks

Gold price fluctuations

The Company's revenues depend in part on the market gold prices for mine production from the Company's producing properties. Gold prices fluctuate widely and are affected by numerous factors beyond the Company's control including central bank lending, sales and purchases of gold, producer hedging activities, expectations of inflation, the level of demand for gold as an investment, speculative trading, the relative exchange rate of the U.S. dollar with other major currencies, interest rates, global and regional demand, political and economic conditions and uncertainties, industrial and jewellery demand, production costs in major gold producing regions and worldwide production levels. The aggregate effect of these factors is impossible to predict with accuracy. Fluctuations in gold prices may materially and adversely affect the Company's financial performance or results of operations and may result in adjustments to reserve estimates and life of mine plans. Continuous declining gold prices may result in declining production profile and adverse financial performance. The Company does not currently hedge its gold sales.

Insufficient financing

To fund growth, the Company may need to secure necessary capital through loans or other forms of permanent capital. The availability of this capital is subject to general economic conditions and lender and investor interest in the Company and its projects. The future construction of mining facilities and the commencement of mining operations, such as at the Côté Gold project in Canada, as well as the exploration and development of the Company's properties, such as Boto, Diahka and Pitangui, including continuing exploration projects around the world require substantial capital expenditures. In addition, a portion of the Company's activities may be directed to the search and exploration for new mineral deposits and their development.

The Company may be required to seek additional financing and continuation of the current financial arrangements with its lenders to maintain its capital expenditures at planned levels. Financing may not be available when needed or, if available, may not be available on terms acceptable to the Company or the Company may be unable to find a partner for financing. Failure to obtain any financing necessary for the Company's capital expenditure plans may result in a delay or indefinite postponement of exploration, development or production on any or all of the Company's properties.

In addition, there can be no certainty that the Company may be able to renew or replace its current credit facility on similar or favourable terms to the Company prior to or upon its maturity.

Cost reduction initiatives

The Company's ongoing cost reduction initiatives may be compromised by external factors which, when combined, could cause potentially declining margins and an escalation of other costs at the Company. The Company's revenues are affected by the volatility in gold price. The combined effect of a sustained decline in the gold price with any escalation of operating costs that are tied to labour, energy, fuel, other consumables and increasing rock hardness, or any increase in royalties, negatively impacts the Company's earnings. Additionally, certain cost reduction initiatives may not be sustainable over a longer period of time or aligned with declining revenues and the Company may face the risk of having to pursue other measures to achieve margin protection and efficiency improvements.

Capital allocation

The Company's cash flows and cash balances are materially impacted by changes to the price of gold. Lower gold prices in the future may result in limiting the amount of operating and free cash flow available to the Company. Declining cash flow limits capital allocation to sustain operations and new investment in growth opportunities internally and externally which could result in lower production output.

Project risks

The ability of the Company 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, but are not limited to, the accuracy of reserve estimates; metallurgical recoveries; geotechnical and other technical assumptions; capital and operating costs of such projects; and the future prices of the relevant minerals. The significant capital expenditures and long time period required to develop new mines or other projects are considerable and changes in costs and market conditions or unplanned events or construction schedules can affect project economics. Actual costs and economic returns may differ materially from the Company's estimates or the Company could fail to obtain the governmental approvals necessary for the operation of a project, in which case, the project may not proceed either on its original timing or at all. The Company may be unable to develop projects that demonstrate attractive economic feasibility at low gold prices.

Indebtedness and restrictive covenants of the Company's debt instruments

The Company's level of indebtedness could adversely affect the Company, including making it more difficult to satisfy obligations with respect to the 2012 Senior Unsecured Notes and other debt; limiting the ability of the Company to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements; requiring the Company to divest assets; requiring a substantial portion of cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions and other general corporate purposes; increasing the vulnerability to general adverse economic and industry conditions; exposing the Company to the risk of increased interest rates as borrowings under the 2016 Credit Facility are at variable rates of interest; limiting the flexibility in planning for and reacting to changes in the industry in which the Company competes; placing the Company at a disadvantage compared to other, less leveraged competitors who may be able to take advantage of opportunities that the Company's indebtedness would prevent it from pursuing; and increasing the cost of borrowing. Additionally, the indenture governing the 2012 Senior Unsecured Notes and the 2016 Credit Facility agreement contain restrictive covenants that limit the Company's ability to engage in activities that may be in its long-term best interest.

In addition, the amount of the Company's debt/leverage may exceed its ability to service or repay the 2012 Senior Unsecured Notes. The Company expects to obtain the funds to pay its expenses and to pay the principal and interest on its debt by utilizing cash flow from operations. The Company's ability to make scheduled payments on the 2012 Senior Unsecured Notes also depends on its financial condition and operating performance, which are subject to prevailing economic and competitive conditions beyond its control, including fluctuations in the gold price. Sustained falling gold prices may result in the deterioration of free cash flow generation. The Company cannot be certain that its future cash flow from operations will be sufficient to allow it to pay principal and interest on its debt and meet other obligations, including under the 2012 Senior Unsecured Notes.

Credit rating downgrade

The Company and the 2012 Senior Unsecured Notes have non-investment grade ratings, and any rating assigned could be lowered or withdrawn entirely by a rating agency if, in that rating agency's judgment, future circumstances relating to the basis of the rating, such as adverse changes, so warrant.

Any future lowering of the Company's ratings likely would make it more difficult or more expensive for the Company to obtain additional debt financing.

Inadequate controls over financial reporting

The Company assessed and tested, for its 2016 fiscal year, its internal control procedures in order to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act ("SOX"). SOX requires an annual assessment by management of the effectiveness of the Company's internal control over financial reporting and an attestation report by the Company's independent auditors addressing the effectiveness of the Company's internal control over financial reporting. The Company's failure to satisfy the requirements of Section 404 of SOX on an ongoing and timely basis could result in the loss of investor confidence in the reliability of its financial statements, which in turn could harm the Company's business and negatively impact the trading price of its Common Shares or market value of its other securities. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation could harm the Company's operating results or cause it to fail to meet its reporting obligations.

No evaluation can provide complete assurance that the Company's internal control over financial reporting will detect or uncover all failures of persons within the Company to disclose material information required to be reported. Accordingly, the Company's management does not expect that its internal control over financial reporting will prevent or detect all errors and all fraud. In addition, the challenges involved in implementing appropriate internal control over financial reporting will increase and will require that the Company continue to improve its internal control over financial reporting.

Asset valuations

The Company tests the valuation of its property, plant and equipment and exploration and evaluation assets when indications of potential impairment or reversal of a previously recognized impairment are identified. As at December 31, 2016, no indicators of impairment or reversal of impairment were identified and the Company did not test the valuation of these assets.

Management's assumptions and estimates of future cash flows are subject to risk and uncertainties, particularly in market conditions where higher volatility exists, and may be partially or totally outside of the Company's control. Therefore, it is reasonably possible that changes could occur with evolving economic conditions, which may affect the fair value of the Company's property, plant and equipment and exploration and evaluation assets resulting in either an impairment charge or reversal of impairment.

If the Company fails to achieve its valuation assumptions or if any of its property, plant and equipment, exploration and evaluation assets or cash generating units have experienced a decline in fair value, an impairment charge may be required to be recorded, causing a reduction in the Company's earnings.

Conversely, if there are observable indicators that any of its property, plant and equipment, exploration and evaluation assets or cash generating units have experienced an increase in fair value, a reversal of a prior impairment may be required to be recorded, causing an increase in the Company's earnings.

A pre-feasibility study for the Cote Gold project is underway and expected to be completed in the second quarter 2017.

The results of this study may or may not be an indication that a reversal of the $400 million impairment charge recognized in 2015 is required or that a further impairment is required.

Interest rates

The Company's financial results are affected by movements in interest rates. Interest payments under the 2016 Credit Facility are subject to fluctuation based on changes to specified interest rates. A copy of the credit agreement in connection with the 2016 Credit Facility is available under the Company's profile on SEDAR at www.sedar.com.

Taxes and tax audits

To provide a reasonable measure of protection against unforeseen changes to tax laws that apply to mining projects, stability agreements are in place with the governments of Burkina Faso, Mali and Suriname. The Company's interpretations of the stability agreement and the tax laws may not be the same as the regulatory authorities. Consequently, challenges to the Company's interpretations of the stability agreement and the tax laws by regulatory authorities could result in significant additional taxes, penalties and interest.

The Company is subject to routine tax audits by various tax authorities. Tax audits may result in additional tax, interest and penalties, which would negatively affect the Company's financial condition and operating results. Changes in tax rules and regulations or the interpretation of tax rules and regulations by the courts or the tax authorities may also have a substantial negative impact on the Company's business.

The Company periodically issues flow-through shares in respect of development and exploration expenditures. To be effective, such flow-through share issuances must comply with Canadian legislated tax requirements within specified time frames. In the event that the Company fails to comply with such legislated requirements, the Company may be subject to tax penalties and also may be obligated to compensate the purchasers of such flow-through shares for foregone tax benefits related to those shares.

Currency fluctuations

Currency fluctuations may affect the earnings and cash flows from the Company's operations since gold is sold in the world market in U.S. dollars but the costs of the Company are incurred principally in non-U.S. dollars (Canadian dollars, Euros, CFA francs and Surinamese dollars). The appreciation of currencies against the U.S. dollar increases the cost of gold production in U.S. dollar terms. While CFA francs currently have a fixed exchange rate to the Euro and the currency is currently convertible into Canadian and U.S. dollars, it may not always have a fixed exchange rate which may be changed to a floating rate and the fixed exchange rate may be reset by the governing bodies. The Surinamese dollar was changed from a fixed currency, pegged to the US dollar to a floating currency. As a result, the Surinamese dollar is subject to changes that could impact the financial results of the Company's operations in Suriname.

Derivatives

The Company regularly employs derivative financial instruments to hedge in respect of input costs such as fuel oil, interest rates and/or currencies. Hedge products are generally used to manage the risks associated with, among other things, changes in fuel oil prices, interest rates and foreign currency exchange rates. Where the Company holds such derivative positions, the Company will deliver into such arrangements in the prescribed manner. The use of derivative instruments involves certain inherent risks including:

a) credit risk - the risk of default on amounts owing to the Company by the counterparties with which the Company has entered into such transactions;

b) market liquidity risk - the risk that the Company has entered into a derivative position that cannot be closed out quickly, by either liquidating such derivative instrument or by establishing an offsetting position; and

c) price/valuation risk - the risk that, in respect of certain derivative products, an adverse change in market prices for commodities, currencies or interest rates will result in the Company incurring a realized or unrealized (mark-to-market) loss in respect of such derivative products.

Litigation

The Company is subject to litigation arising in the normal course of business and may be involved in disputes with other parties, including governments and its workforce, in the future which may result in litigation. The causes of potential future litigation cannot be known and may arise from, among other things, business activities, environmental laws, volatility in stock price, failure to comply with disclosure obligations or the presence of illegal miners or labour disruptions at its mine sites. The results and costs of litigation cannot be predicted with certainty. If the Company is unable to resolve these disputes favourably, it may have a material adverse impact on the Company's financial performance, cash flow and results of operations.

In the event of a dispute involving the foreign operations of the Company, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. The Company's ability to enforce its rights or its potential exposure to the enforcement in Canada or locally of judgments from foreign courts could have an adverse effect on its future cash flows, earnings, results of operations and financial condition.

Cash management in foreign subsidiaries

The Company conducts its operations through subsidiaries, including foreign subsidiaries. Accordingly, any limitation on the transfer of cash or other assets between the parent corporation and subsidiary entities as well as requirements by local governments to sell gold bullion to local central banks could restrict the Company's ability to fund its operations effectively. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and stock price.

Operational Risks

Mineral Reserves and Mineral Resources

Mineral reserves and mineral resources are based on estimates of mineral content and quantity derived from limited information acquired through drilling and other sampling methods and requires judgmental interpretations of geology, structure, grade distributions and trends, and other factors. These estimates may change as more information is obtained. No assurance can be given that the estimates are accurate or that the indicated level of metal will be produced. Actual mineralization or formations may be different from those predicted. Further, it may take many years from the initial phase of drilling before production is possible, and during that time the economic feasibility of exploiting a discovery may change.

The SEC does not permit mining companies to disclose estimates other than mineral reserves in their filings with the SEC. However, because the Company prepares its Annual Information Form, and other continuous disclosure documents, in accordance with Canadian disclosure requirements, it contains resource estimates, which are required by NI 43-101. Mineral resources that are not mineral reserves do not have demonstrated economic viability. It cannot be assumed that all or any part of the Company's mineral resources will be converted into reserves.

Market price fluctuations of gold as well as increased production and capital costs, reduced recovery rates or technical, economic, regulatory or other factors may render the Company's proven and probable reserves unprofitable to develop or continue to exploit at a particular site or sites for periods of time or may render mineral reserves containing relatively lower grade mineralization uneconomic. Successful extraction requires safe and efficient mining and processing. Moreover, short-term operating factors relating to the mineral reserves, such as the need for the orderly development of ore bodies or the processing of new or different ore types, may cause mineral reserves to become uneconomical or the Company to be unprofitable in any particular reporting period. Estimated reserves may have to be recalculated based on actual production experience. Any of these factors may require the Company to reduce its mineral reserves and resources, which could have a negative impact on the Company's financial results. Failure to obtain or maintain necessary permits or government approvals, or revocation of or regulatory changes affecting necessary permits or government approvals, or environmental concerns could also cause the Company to reduce its mineral reserves. There is also no assurance that the Company will achieve indicated levels of gold recovery or obtain the prices for gold production assumed in determining the amount of such reserves. Anticipated levels of production may be impacted by numerous factors, including mining conditions, labour availability and relations, weather, seismic events and supply shortages.

Mine closure

In the event of a sustained decline of the gold price and declining revenues, the Company may consider putting operation(s) on temporary care and maintenance whereby the Company would cease production, but keep the site in a condition to possibly reopen it at a later date. Additionally, closure plans may materialize earlier than planned to reflect market conditions. An unplanned catastrophic event such as an underground seismic activity or a major tailings breach could occur and cause a temporary or permanent mine closure. The closure costs may not be fully known for a period of time. The closure plan and site rehabilitation plan may be incomplete and not fully documented.

Production costs

The Company's production and cost estimates depend on many factors outside the Company's control and may vary from actual production and costs, which could have an adverse impact on the Company's financial results.

Actual production and costs may vary from estimates for a variety of reasons, including actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; revisions to mine plans; risks and hazards associated with mining; natural phenomena, such as inclement weather conditions, and unexpected labour shortages or strikes. Costs of production may also be affected by a variety of factors such as changing strip ratios, ore grade metallurgy, labour costs, the cost of supplies and services, general inflationary pressures and currency exchange rates.

Equipment malfunctions

The Company's various operations may encounter delays in or losses of production due to the delay in the delivery of equipment, key equipment or component malfunctions or breakdowns, damage to equipment through accident or misuse, including potential complete write-off of damaged units, or delay in the delivery or the lack of availability of spare parts, which may impede maintenance activities on equipment. In addition, equipment may be subject to aging, if not replaced, or through inappropriate use or misuse may become obsolete. Any one of these factors could adversely impact the Company's operations, profitability and financial results.

Legislative changes

The Company is subject to continuously evolving legislation, including, but not limited to, the areas of labour, environment, land titles, mining practices and taxation. Any amendment to current laws and regulations, for example, as they pertain to the environment, the rights of leaseholders or the payment of royalties, net profits interests or similar amounts, or an overly strict enforcement thereof in countries where the Company has operations could have a material adverse impact on the Company's financial condition and/or results of operations. The Company participates in a number of industry associations to monitor changing legislation and quantify the impact of the changes in legislation and maintains a good dialogue with governmental authorities in that respect. However, the Company is unable to predict what legislation or revisions may be proposed that might affect its business or when any such proposals, if enacted, might become effective. Such changes, however, could require increased capital and operating expenditures or result in reduced revenues and could prevent, delay or prohibit certain operations of the Company.

Key employees

The Company's ability to effectively manage its corporate, exploration and operations teams depends in large part on the Company's ability to attract and retain key individuals in management positions and as senior leaders within the organization. This may be challenging especially in locations experiencing political or civil unrest and increasing levels of security threat. The success of the Company also depends on the technical expertise of its professional employees. The Company faces competition for qualified management, professionals, executives and skilled personnel from other companies. There can be no assurance that the Company will continue to be able to compete successfully with its competitors in attracting and retaining senior leaders, qualified management and technical talent with the necessary skills and experience to manage its current needs. The length of time required to recruit key personnel and fill a position may be longer than anticipated.

The failure to attract and retain capable leaders and key management professionals as well as qualified talent to manage the existing operations and projects effectively could have a material adverse effect on the Company's business, financial condition and/or operational results.

The Company faces an ageing workforce which may impact productivity and operational experience.

The Company is dependent on a relatively small number of key management personnel. Accordingly, the loss of one or more management staff could have an adverse effect on the Company. While the Company has succession plans in place for the Board of Directors and senior leadership organization including the Chief Executive Officer, in the event of a loss of one or more individuals, there can be no assurance that key personnel may be replaced in a timely manner.

Labour disruptions

The Company is dependent on its workforce to extract and process minerals. Relations between the Company and its employees may be impacted by changes in labour relations which may be introduced by, among other things, employee groups, unions and the relevant governmental authorities in whose jurisdictions the Company carries on business. Labour disruptions at any of the Company's material properties could have a material adverse impact on its business, results of operations and financial condition. A number of the Company's employees are represented by labour unions under various collective labour agreements. In addition, existing labour agreements may not prevent a strike or work stoppage at the Company's facilities in the future, and any such work stoppage could have a material adverse effect on the Company's earnings and financial condition.

Political and legal risks

Mining investments are subject to the risks normally associated with any conduct of business in foreign and/or emerging countries including political; civil disturbance risks; changes in laws or policies of particular countries, including those relating to royalties, duties, imports, exports and currency; the cancellation or renegotiation of contracts; the imposition of royalties, net profits payments, tax increases or other claims by government entities, including retroactive claims; a disregard for due process and the rule of law by local courts; the risk of expropriation and nationalization; delays in obtaining or the inability to obtain necessary governmental permits or the reimbursement of refundable tax from fiscal authorities.

Threats or instability in a country caused by political events including elections, change in government, changes in personnel or legislative bodies, foreign relations or military control present serious political and social risk and instability causing interruptions to the flow of business negotiations and influencing relationships with government officials. Changes in policy or law may negatively impact operations and revenues. The risks include increased "unpaid" state participation, higher energy costs, higher taxation levels and potential expropriation. There is increasing regional and external pressure for higher levels of taxation.

Other risks include the potential for fraud and corruption by suppliers or personnel or government officials which may implicate the Company, compliance with applicable anti-corruption laws, including the U.S. Foreign Corrupt Practices Act and the Canadian Corruption of Foreign Public Officials Act by virtue of the Company operating in jurisdictions that may be vulnerable to the possibility of bribery, collusion, kickbacks, theft, improper commissions, facilitation payments, conflicts of interest and related party transactions and the Company's possible failure to identify, manage and mitigate instances of fraud, corruption, or violations of its code of conduct and applicable regulatory requirements.

There is also the risk of increased disclosure requirements, including those pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act; currency fluctuations; restrictions on the ability of local operating companies to sell gold offshore for U.S. dollars, and on the ability of such companies to hold U.S. dollars or other foreign currencies in offshore bank accounts; import and export regulations, including restrictions on the export of gold or on the import, for further gold processing, of by-products from the gold extraction process having residual gold content; limitations on the repatriation of earnings or on the Company's ability to assist in minimizing its expatriate workforce's exposure to double taxation in both the home and host jurisdictions; and increased financing costs.

These risks may limit or disrupt operating mines or projects, restrict the movement of funds, cause the Company to have to expend more funds than previously expected or required, or result in the deprivation of contract rights or the taking of property by nationalization or expropriation without fair compensation, and may materially adversely affect the Company's financial position and/or results of operations. In addition, the enforcement by the Company of its legal rights in foreign countries, including rights to exploit its properties or utilize its permits and licenses and contractual rights may not be recognized by the court systems in such foreign countries or enforced in accordance with the rule of law.

The Company also currently conducts mining, development and exploration activities in countries with developing economies. It is difficult to predict the future political, social and economic direction of the countries in which the Company operates, and the impact government decisions may have on its business. Any political or economic instability in the countries in which the Company currently operates could have a material and adverse effect on its business and results of operations.

Operations in Burkina Faso, Mali and Suriname are governed by mineral agreements with local governments that establish the terms and conditions under which the Company's affairs are conducted. These agreements are subject to international arbitration and cover a number of items, including the duration and renewal terms of exploration permits and mining licenses/operating permits; supply and repayment of funds for capital investments; the right to export production; distribution of dividends; shareholder rights and obligations for the Company, joint venture partners, and the government in respect of their ownership; labour matters; the right to hold funds in foreign bank accounts and in foreign currencies; taxation rates; and the right to repatriate capital and profits.

While the governments of most of the countries the Company operates in have modernized or are in the process of modernizing their mining regimes and are generally considered by the Company to be mining friendly, no assurances can be provided that this will continue in the future. The economy and political systems of Suriname, Burkina Faso and Mali should be considered to be less predictable than in countries such as Canada and the United States.

It is possible that a current or future government may adopt substantially different policies or take arbitrary action which might halt exploration or production, nationalize assets or cancel contracts and/or mining and exploration rights and/or make changes in taxation treatment any of which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and/or financial condition.

Security risks

The Company has operations in foreign countries which may present security risks such as civil unrest, war or terrorism. The Company may be exposed to situations or persons that may pose security threats to personnel and facilities. Loss of life, intellectual property, physical assets and reputation can have a devastating impact on the business.

There has been an increase of terrorist incidents and activities around the world, including in the Sahel area in Africa, in which the Company's Essakane mine is located. Jihadist activity in Mali and Burkina Faso has increased, presenting a serious security risk to the Company's Burkinabe and Malian operations and its employees.

Acquisitions and divestitures

The Company may pursue the acquisition or disposition of producing, development or advanced or early stage exploration properties and companies. The search for attractive acquisition opportunities and dispositions of existing assets and the completion of suitable transactions are time consuming and expensive, and may be unsuccessful. The Company's success in its acquisition and disposition activities depends on its ability to identify suitable candidates, negotiate acceptable terms for any such transaction, obtain necessary regulatory approvals and integrate the acquired operations successfully with those of the Company. Any acquisition or disposition that the Company may choose to complete may be of a significant size, may change the scale of the Company's business and operations and may expose the Company to new geographic, political, operational, financial and geological risks. For example, there may be a significant change in commodity prices after the Company has committed to complete an acquisition and established the purchase price or share exchange ratio; a material ore body may prove to be below expectations; the Company may have difficulty integrating and assimilating the operations and personnel of any acquired companies, realizing anticipated synergies, maximizing the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls across the organization; the integration of the acquired business or assets may disrupt the Company's ongoing business and its relationships with employees, suppliers and contractors; and the acquired business or assets may have unknown liabilities which may be significant. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions or dispositions.

Environmental and health and safety issues

The Company's mining and processing operations and exploration activities are subject to extensive laws and regulations, including, but not limited to, those governing the protection and rehabilitation or remediation of the environment, exploration, mine development, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, mine and worker safety, relations with neighbouring communities, protection of endangered and other special status species and other matters.

A major spill or failure of the tailings facilities may cause damage to the environment and the communities. Poor design or poor maintenance of the tailings dam structures or improper management of site water may contribute to dam failure or tailings release and could also result in damage or injury. Failure to comply with applicable environmental, health and safety laws and regulations may result in injunctions, fines, suspension or revocation of permits and other penalties. The costs and delays associated with compliance with these laws, regulations and permits could prevent the Company from proceeding with the development of a project or the operation or further development of a mine or increase the costs of development or production and may materially adversely affect the Company's business, results of operations or financial condition. The Company may also be held responsible for the costs of investigating and addressing contamination (including claims for natural resource damages) or for fines or penalties to governmental authorities relating to contamination issues at current or former sites, either owned directly or by third parties. The Company could also be held liable for claims relating to exposure to hazardous and toxic substances and major spills or failure of the tailing facilities, which could include a breach of a tailings dam. The costs associated with such responsibilities and liabilities may be significant, be higher than estimated and involve a lengthy clean-up.

Despite all measures undertaken by the Company on its own accord and/or implementing recommendations from external reviews, the Company may be liable to third parties for exposure through contamination, emissions and hazardous materials. The costs associated from such liabilities can be substantial and the payment of such liabilities could have a material adverse effect on the Company's ongoing operations. Should the Company be unable to fully fund the cost of remedying such environmental concerns, the Company may be required to suspend operations temporarily or permanently. The Company mitigates the likelihood and potential severity of these environmental risks through the application of high operating standards and proactive governance and oversight measures including engagement of third party specialists.

The Company has undertaken a review of its long-term tailings disposition plan, which included an assessment of the benefits of operating the plant as part of the Essakane mine's long-term tailings strategy and the development of a regional hydrology model.

Cyanide is used in the gold leaching process, which makes emissions, effluents and waste a key issue for the Company. Such measures, including corrective action taken to address the detection of cyanide and other metals in the groundwater near the Essakane mine, and any additional measures required to address effluent compliance, fines and costs and/or the effluent quality at any location may have a negative impact on the Company's financial condition and/or results of operations.

In certain countries in which the Company has operations, it is required to submit, for government approval, a reclamation plan for each of its mining sites that establishes the Company's obligation to reclaim property after minerals have been mined from the site. In some jurisdictions, bonds, letters of credit or other forms of financial assurances are required as security for these reclamation activities. The Company may incur significant costs in connection with these reclamation activities, which may materially exceed the provisions the Company has made for such reclamation. In addition, the unknown nature of possible future additional regulatory requirements and the potential for additional reclamation activities create further uncertainties related to future reclamation costs, which may have a material adverse effect on the Company's financial condition, liquidity or results of operations.

Failure of the hydrostatic plug at the Westwood mine

With the closure of the Doyon mine, a hydrostatic plug was built and installed to separate the underground workings of the Doyon and Westwood mines permanently and completely and allow disposal of the Westwood mine tailings in the Doyon pit. It is possible that over time, the plug might deteriorate or there might be some fracture of the rock mass which may damage the hydrostatic plug and cause it to fail resulting in flooding of the Westwood mine and unwanted discharge and contamination. If such an event were to occur, or if extraordinary mitigation activities are required to prevent such an occurrence, it may have a material adverse effect on the Company's financial condition, liquidity or results of operations.

Permitting

The operations and exploration and development projects of the Company require licenses and permits from various governmental authorities to exploit and expand its properties, and the process for obtaining and renewing licenses and permits from governmental authorities often takes an extended period of time and is subject to numerous delays, costs and uncertainties. Any unexpected delays or costs or failure to obtain such licenses or permits associated with the permitting process could delay or prevent the development of the Côté Gold or other development projects or impede the operation of a mine or the expansion of the Sadiola mine, which could adversely impact the Company's operations, profitability and financial results. In the case of the Sadiola Sulphide Project ("SSP") at the Sadiola mine, the current mining convention agreement with the Government of Mali will expire in 2020 and the Company may be unable to obtain an extension of it under favourable terms or appropriate permit and power agreement approvals and fiscal terms from the Government of Mali in which case the SSP may not proceed.

The licenses and permits described above are subject to change in various circumstances. Failure to comply with applicable laws and regulations may result in injunctions, fines, suspensions or revocation of permits and licenses, and other penalties. There can be no assurance that the Company has been or will be at all times in compliance with all such laws and regulations and with its licenses and permits or that the Company has all required licenses and permits in connection with its operations. The Company may be unable, on a timely basis, to obtain, renew or maintain in the future all necessary licenses and permits that may be required to explore and develop its properties, maintain the operation of mining facilities and properties under exploration or development or to maintain continued operations that economically justify the cost.

The Company’s ability to obtain and maintain required permits and approvals and to successfully operate in particular communities may be adversely impacted by real or perceived detrimental events associated with the Company’s activities or those of other resource companies affecting the environment, human health and safety of the surrounding communities. Delays in obtaining or failure to obtain, renew, or retain government permits and approvals may adversely affect the Company’s operations, including its ability to explore or develop properties, commence production or continue operations.

Land title

The validity of exploration, development and mining interests and the underlying mineral claims, mining claims, mining leases, tenements and other forms of land and mineral tenure held by the Company, which fundamentally constitute the Company’s property holdings, can be uncertain and may be contested and the Company’s properties are subject to various encumbrances, including royalties. The loss of any such exploration, development, mining or property interests, individually or in the aggregate, could have a material adverse effect on the Company, which could cause a significant decline in the Company’s stock price.

The acquisition of an interest in mineral properties is a very detailed and time consuming process, and the Company’s interest in its properties may be affected by prior unregistered encumbrances, agreements or transfers, or undetected defects. Several of the Company’s claims, leases, licenses, permits or authorizations will need to be renewed and on renewal, if renewed, the claim, lease, license, permit or authorization may cover a smaller area. There is a risk that the Company may not have free and clear or good and marketable title to all of its property interests, or that they may be subject to challenge or impugned in the future. Although the Company has attempted to acquire satisfactory interests in its properties, some risk exists that some interests, particularly interests to exploration and undeveloped properties, may be defective. A successful challenge to the Company’s interests in its properties could result in the Company being unable to operate on its properties as anticipated or being unable to enforce its rights with respect to its properties which could have a material adverse effect on the Company. Assuming the Company has good and marketable title to its immediate operating interests, in order to operate efficiently, the Company may further need to acquire additional interests, such as surface rights, easements or rights of way, which may encroach on the title to property of third parties. There is no guarantee that such further interests, easements or rights of way necessary for the Company’s operations may be acquired by the Company and the failure to acquire same, or to acquire the same in a timely fashion, may materially impede the Company’s operations or development projects, which could have a material adverse effect on the Company and which could cause a significant decline in the Company’s stock price.

Failure by the Company to meet its payment and other obligations pursuant to laws governing its mineral claims, mining claims, mining leases, tenements and other forms of land and mineral tenure could result in the loss of its material property interests which could have a material adverse effect on the Company and which could cause a significant decline in the Company’s stock price.

Competitors

The Company competes with other mining companies and individuals, including competitors with greater financial, technical or other resources, for mining interests on attractive exploration properties and the acquisition of mining assets. This may increase the risk of higher costs when acquiring suitable claims, properties and assets or of even making such acquisitions on terms acceptable to the Company. There can be no assurance that the Company will be able to compete successfully with its competitors in acquiring such properties and assets.

Force majeure

The Company’s business is subject to a number of risks and hazards generally, including, without limitation, adverse environmental conditions and hazards, unavailability of materials and equipment, adverse property ownership claims, unusual or unexpected geological conditions, ground or slope failures, pit wall failures, rock bursts, rock falls, landslides, cave-ins, deterioration of the surrounding ground, dam failures, floods, fire, seismic activity, earthquakes, changes in the regulatory environment, industrial accidents, including those involving personal injuries or fatalities, labour force disruptions or disputes, gold bullion losses due to natural disasters or theft and other natural or human-provoked incidents that could affect the mining of ore and the Company’s mining operations and development projects, most of which are beyond the Company’s control, and many of which are not economically insurable. In addition, the Company has encountered other natural phenomena such as severe weather conditions which include considerable rainfall at the Rosebel and Sadiola mines or drought, water shortages or sand storms at the Essakane mine. These risks and hazards could result in damage to, or destruction of, mineral properties or production facilities, personal injury or death, environmental damage to the Company’s properties or the properties of others, delays in mining, monetary losses and possible legal liability.

As a result, production could fall below historic or estimated levels and the Company may incur significant costs or experience significant delays that could have a material adverse effect on the Company’s financial performance, liquidity and results of operations.

Geotechnical

Mining, by its very nature, involves the excavation of soils and rocks. The stability of the ground during and after excavation involves a complicated interaction of static and dynamic stresses (including induced stresses such as blasting), gravity, rock strength, rock structures (such as faults, joints, and bedding), groundwater pressures and other geomechanical factors. Underground workings, pit slopes, and other excavations may be subject to local or widespread geotechnical failure should the forces acting on the rock mass exceed the strength of that rock mass.

Additionally, excavated ore and waste may be deposited in dumps or stockpiles, or used in the construction of tailings dams and roads or other civil structures, which may be very large. These dumps, stockpiles, dams, etc. may also be subject to geotechnical failure due to over-steepening, seismically induced destabilization, water saturation, material degradation, settling, overtopping, foundation failure or other factors.

The Company employs internal geotechnical experts, external consultants and third party reviewers and auditors who use industry-standard engineering data gathering, analyses, techniques and processes to manage the geotechnical risks associated with the design and operation of a mine and the related civil structures. However, due to unforeseen situations and to the complexity of these rock masses and large rock and soil civil structures, geotechnical failures may still occur which could result in the temporary or permanent closure of all or part of a mining operation and/or damage to mine infrastructure, equipment or facilities, which materially impacts mineral production and/or results in additional costs to repair or recover from such geotechnical failures and the resulting damage.

In January and May of 2015, localized falls of ground occurred at the Westwood mine in Quebec caused by seismic events. In both instances, miners were temporarily trapped as a result and, once the fallen ground material was removed, were able to exit the mine safely. Subsequent to the May 2015 event, mining in the affected area was suspended until December 2015. In-house and external experts in rock mechanics rigorously investigated the causes of the seismic event and made recommendations for changes to mine designs, enhanced ground control measures and recovery of the damaged sections of the mine. These recommendations have been subsequently reviewed and accepted by both a group of independent geotechnical experts and by another independent geotechnical expert on behalf of the Quebec provincial health and safety authorities (Commission des normes, de l'équité, de la santé et de la sécurité du travail ("CNESST")). During 2016, work has been undertaken to stabilize, re-access and rehabilitate the affected zone to permit future mining of the ore in that zone.

The Company cannot guarantee that another severe seismic event would not occur which could impact the production ramp-up due to deep mining, rock strength, variability of the rock mass and regional seismic activity.

Insurance and uninsured risks

Where economically feasible and based on availability of coverage, a number of operational, financial and political risks are transferred to insurance companies. The availability of such insurance is dependent on the Company's past insurance losses and records and general market conditions. Available insurance does not cover all of the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover insurable risks at economically feasible premiums, insurance coverage may not be available in the future or may not be adequate to cover any resulting loss, and the ability to claim under existing policies may be contested. Moreover, insurance against risks such as the validity and ownership of unpatented mining claims and mill sites and environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. As a result, the Company might become subject to liability for environmental damage or other hazards for which it is completely or partially uninsured or for which it elects not to insure because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

Joint ventures

The Company operates certain of its properties through joint ventures and is subject to the risks normally associated with the conduct of joint ventures.

Risks relating to joint ventures include reduced ability to exert control over strategic, tactical and operational decisions made in respect of such properties; disagreement with partners on how to develop and operate mines efficiently; inability of partners to meet their obligations to the joint venture or third parties; and litigation between partners regarding joint venture matters. Any failure of such joint venture partners to meet their obligations to the Company or to third parties, or any disputes with respect to the parties' respective rights and obligations, could have a material adverse effect on the joint ventures or their respective properties, which could have a material adverse effect on the Company's financial condition and/or results of operations.

Non-controlled assets

Some of the Company's assets are controlled and managed by other companies or joint venture partners. Some of the Company's partners may have divergent business objectives and/or practices which may impact business and financial results. Management of the Company's joint venture assets may not comply with the Company's management and operating standards, controls and procedures (including with respect to health, safety and the environment). Failure to adopt equivalent standards, controls and procedures at these assets or improper management or ineffective policies, procedures or controls could not only adversely affect the value of the related non-managed assets and operations but could also lead to higher costs and reduced production and adversely impact the Company's results and reputation and future access to new assets.

The Sadiola mine has a limited number of options to continue operations, as oxide ore is being depleted and any delays or failure to develop the "SSP" will lead to an early closure of the mine or put the operation on temporary care and maintenance. The delay or lack of approval of the SSP by the Government of Mali and the failure to reach an agreement with the Company's joint venture partner has changed the economics of the SSP's development in light of the current life of mine for the SSP. In addition, there may be insufficient availability and reliability of the grid power to supply the SSP and the electricity costs might be higher than planned. The SSP may become uneconomic and mining may cease in 2018, or earlier which will lead to an early closure of the mine. This will probably result in potential write-offs of assets and adjustment to the estimated restoration and closure costs for the Sadiola mine.

Information systems security threats

The Company is reliant on the continuous and uninterrupted operation of its Information Technology ("IT") systems. The majority of the fixed and mobile major equipment at the mining operations is operated and controlled through extensive, integrated instrumentation systems which are linked to the Company's other IT networks. User access and security of all IT systems can be critical elements to the operations of the Company. Protection against cyber security incidents, cloud security and security of all of the Company's IT systems are critical to the operations of the Company. Any IT failure pertaining to availability, access or system security could result in disruption for personnel and could adversely affect the reputation, operations or financial performance of the Company.

The Company's IT systems could be compromised by unauthorized parties attempting to extract business sensitive, confidential or personal information, purposefully or inadvertently damaging operating equipment, interfering with normal equipment operation, corrupting information or disrupting business processes or by inadvertent or intentional actions by the Company's employees or vendors. A cyber security incident resulting in a security breach or failure to identify a security threat could disrupt business and could result in the loss of business sensitive, confidential or personal information or other assets, as well as litigation, regulatory enforcement, violation of privacy or securities laws and regulations, and remediation costs, which could materially impact the Company's business or reputation.

Climate change

The Company acknowledges climate change and that the increased regulation of greenhouse gas emissions (such as carbon taxes) may adversely affect the Company's operations and related legislation is becoming more stringent. The effects of climate change or extreme weather events may cause prolonged disruption to operations and/or the delivery of essential commodities which could negatively affect production efficiency.

The Company makes efforts to mitigate climate risks by ensuring that extreme weather conditions are included in its emergency response plans. However, there is no assurance that the response will be effective or that the physical risks of climate change will not have an adverse effect on the Company's operations and profitability. Canada's federal and provincial legislation impose mandatory greenhouse gas emissions reporting requirements and the Company's Westwood mine in the Province of Quebec is subject to a cap-and-trade regulation.

Preliminary economic assessments of greenfield projects

The Company internally and/or along with third party specialists conducts preliminary economic assessments on greenfield projects such as Côté Gold to evaluate the economic viability of the project and to identify additional work necessary to complete more advanced mining studies. The results of the preliminary economic assessment represent forward-looking information that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such information. Such information speaks only as of the date of the assessment report, and is based on a number of assumptions which are believed to be true as of that date but which may prove to be incorrect in the future. The preliminary economic assessment is exploratory in nature and it may include inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. A preliminary economic assessment may show a positive financial return and can be used to support a decision to proceed to more advanced mining studies, however, there is no certainty that the preliminary economic assessment may be realized. Further details on the Côté Gold Report is provided in Section 1.2 of the AIF, including the qualifications and assumptions made in connection with the preliminary economic assessment.

The analyses in preliminary economic assessments are based on, among other things, royalty rates, mineral resources included in the mine plan, ore treated in the process plant, support from the projected infrastructure requirements, doré marketing assumptions, permitting, social and environmental regime considerations and capital and operating cost estimates.

NON-GAAP [1] PERFORMANCE MEASURES

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

GOLD MARGIN

The Company's MD&A refers to gold margin per ounce, a non-GAAP performance measure, in order to provide investors with

1 GAAP – Generally accepted accounting principles.

information about the measure used by management to monitor the performance of its gold mines. 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 gold margins also change at a similar rate. While mining lower-grade ore results in less gold being processed in any given period, over the long-run it allows the Company to optimize the production of profitable gold, thereby maximizing the Company's total financial returns over the life of the to maximize the total value of the asset going forward. At the same time, the site operating teams seek to achieve the best performance in terms of cost per tonne mined, cost per tonne processed and overheads.

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

	Three months ended December 31,		Years ended December 31,	
($/oz of gold)	**2016**	2015	**2016**	2015
Average realized gold price [1]	**$ 1,190**	$ 1,101	**$1,244**	$1,158
Total cash costs [2,3]	**740**	825	**739**	835
Gold margin	**$ 450**	$ 276	**$ 505**	$ 323

1 Refer to the section below.
2 Refer to page 39 for calculation.
3 Consists of Essakane, Rosebel, Westwood and the Joint Ventures on an attributable basis.

AVERAGE REALIZED GOLD PRICE PER OUNCE SOLD

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

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

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

	Three months ended December 31,		Years ended December 31,	
($ millions, except where noted)	**2016**	2015	**2016**	2015
Revenues	**$ 252.5**	$ 238.2	**$987.1**	$917.0
Royalty revenues	**(0.1)**	(0.1)	**(0.4)**	(0.4)
By-product credits and other revenues (expenses)	**(0.8)**	(0.3)	**(3.9)**	(1.8)
Revenues - owner-operator	**$ 251.6**	$ 237.8	**$982.8**	$914.8
Sales - owner-operator (000s oz)	**212**	217	**790**	790
Average realized gold price per ounce [1] - owner-operator ($/oz)	**$ 1,187**	$ 1,100	**$1,244**	$1,158
Revenues - Joint Ventures	**$ 25.9**	$ 21.8	**$ 93.4**	$ 88.4
Sales - Joint Ventures (000s oz)	**21**	20	**75**	76
Average realized gold price per ounce [1] - Joint Ventures ($/oz)	**$ 1,217**	$ 1,112	**$1,244**	$1,165
Average realized gold price per ounce [1,2] ($/oz)	**$ 1,190**	$ 1,101	**$1,244**	$1,158

1 Average realized gold price per ounce sold may not calculate based on amounts presented in this table due to rounding.
2 Average realized gold price per ounce sold, consists of Essakane, Rosebel, Westwood and the Joint Ventures on an attributable basis.

ADJUSTED NET EARNINGS (LOSS) ATTRIBUTABLE TO EQUITY HOLDERS

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

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

($ millions, except where noted)	Three months ended December 31, 2016	Three months ended December 31, 2015	Years ended December 31, 2016	Years ended December 31, 2015
Earnings (loss) from continuing operations before income taxes and non-controlling interests	**$ (3.8)**	$(702.5)	**$ 95.2**	$(783.8)
Adjusted items:				
Impairment of Property, plant and equipment and Exploration and evaluation assets	**—**	621.3	**—**	621.3
Gain on sale of gold bullion	**—**	—	**(72.9)**	—
Changes in estimates of asset retirement obligations at closed sites	**(13.1)**	(0.9)	**(9.8)**	3.6
Unrealized derivative (gains) losses	**3.0**	(7.5)	**(3.5)**	4.6
Realized derivative losses	**1.2**	11.0	**3.6**	11.0
Normalization of costs at Westwood	**9.4**	7.8	**26.4**	28.2
Write-down of assets	**1.9**	9.8	**5.2**	17.4
Restructuring and other charges	**—**	3.9	**0.2**	5.4
Foreign exchange (gain) loss	**6.2**	3.4	**5.2**	(0.5)
(Gain) loss on sale of assets	**—**	—	**1.2**	(42.8)
Gain on purchase of senior unsecured notes	**—**	—	**(4.0)**	(3.5)
Impairment of investments	**—**	0.9	**—**	1.2
Write-down of financing charges	**—**	—	**1.4**	—
	8.6	649.7	**(47.0)**	645.9
Adjusted earnings (loss) from continuing operations before income taxes and non-controlling interests	**4.8**	(52.8)	**48.2**	(137.9)
Income taxes	**1.0**	25.0	**(33.4)**	(11.5)
Tax adjustments	**—**	(36.6)	**(1.7)**	(18.8)
Non-controlling interests	**(2.5)**	1.6	**(9.2)**	(1.8)
Adjusted net earnings (loss) from continuing operations attributable to equity holders of IAMGOLD	**$ 3.3**	$ (62.8)	**$ 3.9**	$(170.0)
Adjusted net earnings (loss) from continuing operations attributable to equity holders of IAMGOLD per share ($/share)	**$ 0.01**	$ (0.16)	**$ 0.01**	$ (0.44)
Including discontinued operations:				
Adjusted net earnings (loss) from continuing operations attributable to equity holders of IAMGOLD	**$ 3.3**	$ (62.8)	**$ 3.9**	$(170.0)
Net earnings from discontinued operations attributable to equity holders of IAMGOLD, net of tax	**—**	—	**—**	41.8
Adjusted items:				
Gain on disposal of discontinued operations	**—**	—	**—**	(39.0)
Adjusted net earnings (loss) including discontinued operations	**$ 3.3**	$ (62.8)	**$ 3.9**	$(167.2)
Adjusted net earnings (loss) including discontinued operations per share ($/share)	**$ 0.01**	$ (0.16)	**$ 0.01**	$ (0.43)
Basic weighted average number of common shares outstanding (millions)	**451.8**	391.6	**420.8**	389.9
Effective adjusted tax rate (%)	**(21)%**	(22)%	**73%**	(22)%

After adjusting reported earnings from continuing operations for those items not considered representative of the Company's core business or indicative of future continuing operations, the Company had adjusted net earnings from continuing operations in the fourth quarter and year ended 2016 of $3.3 million and $3.9 million, respectively.

TOTAL CASH COSTS PER OUNCE PRODUCED

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

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

The measure, along with revenues, is considered to be one of the key indicators of a Company's ability to generate operating earnings and cash flow from its mining operations. Total cash costs 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 as a substitute for measures of performance prepared in accordance with IFRS. These measures are not necessarily indicative of net earnings or cash flow from operating activities as determined under IFRS.

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

($ millions, except where noted)	Three months ended December 31, 2016	Three months ended December 31, 2015	Years ended December 31, 2016	Years ended December 31, 2015
Continuing operations				
Cost of sales [1], excluding depreciation expense	**$ 165.2**	$ 219.6	**$ 623.6**	$ 710.7
Less: cost of sales for non-gold segments [2], excluding depreciation expense	**(0.1)**	0.9	**0.9**	2.7
Cost of sales for gold segments, excluding depreciation expense	**165.3**	218.7	**622.7**	708.0
Adjust for:				
By-product credit (excluded from cost of sales)	**(0.6)**	(0.3)	**(2.2)**	(1.8)
Stock movement	**(0.1)**	(20.4)	**(5.3)**	(6.3)
Realized derivative losses [3]	**(0.8)**	10.2	**(3.1)**	31.2
Normalization of costs at Westwood	**(9.4)**	(7.8)	**(26.4)**	(28.2)
Other mining costs	**(7.6)**	(39.4)	**(20.8)**	(42.7)
Cost attributed to non-controlling interests [4]	**(10.2)**	(11.8)	**(39.4)**	(47.2)
	(28.7)	(69.5)	**(97.2)**	(95.0)
Total cash costs - owner-operator	**$ 136.6**	$ 149.2	**$ 525.5**	$ 613.0
Attributable gold production - owner-operator (000s oz)	**197**	181	**738**	730
Total cash costs [5,6] - owner-operator ($/oz)	**$ 695**	$ 820	**$ 712**	$ 840
Total cash costs - Joint Ventures	**$ 22.4**	$ 15.6	**$ 74.9**	$ 59.7
Attributable gold production - Joint Ventures (000s oz)	**18**	18	**75**	76
Total cash costs [5,6] - Joint Ventures ($/oz)	**$ 1,231**	$ 877	**$ 996**	$ 787
Total cash costs [5,6]	**$ 159.0**	$ 164.8	**$ 600.4**	$ 672.7
Total attributable gold production (000s oz)	**215**	199	**813**	806
Total cash costs [5,6] ($/oz)	**$ 740**	$ 825	**$ 739**	$ 835

1 As per note 35 of the Company's consolidated financial statements.
2 Non-gold segments consist of Exploration and evaluation and Corporate.
3 Excluded from the fourth quarter and year ended 2016 was the amortization of the loss on early termination of derivative contracts. Included in the fourth quarter and year ended 2015 were non-hedge derivative losses (excluding early termination of derivative contracts).
4 Adjustments for the consolidation of Essakane (90%) and Rosebel (95%) to their attributable portion of cost of sales.
5 Total cash costs per ounce produced may not calculate based on amounts presented in this table due to rounding.
6 Consists of Essakane, Rosebel, Westwood and the Joint Ventures on an attributable basis.

NET CASH FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL

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

Net cash from operating activities before changes in working capital 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 as a substitute for measures of performance prepared in accordance with IFRS.

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

($ millions, except where noted)	Three months ended December 31, 2016	Three months ended December 31, 2015	Years ended December 31, 2016	Years ended December 31, 2015
Net cash from (used in) operating activities	**$ 65.2**	$ (37.3)	**$314.4**	$38.3
Adjusting items from non-cash working capital items and non-current ore stockpiles				
Receivables and other current assets	**6.2**	10.0	**6.7**	3.7
Inventories and non-current ore stockpiles	**(3.5)**	(42.7)	**(10.9)**	6.2
Accounts payable and accrued liabilities	**(4.6)**	10.1	**(20.1)**	31.3
Net cash from (used in) operating activities before changes in working capital	**$ 63.3**	$ (59.9)	**$290.1**	$79.5

ALL-IN SUSTAINING COSTS PER OUNCE SOLD

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

The all-in sustaining costs ("AISC") per ounce sold measure better meets the needs of analysts, investors and other stakeholders of the Company in assessing its operating performance and its ability to generate free cash flow. The definition of AISC, on an attributable basis, commences with cost of sales, excluding depreciation expense, and includes sustaining capital expenditures, sustaining exploration and evaluation expenses, environmental rehabilitation accretion and depreciation, by-product credits, corporate general and administrative costs. Classified as sustaining capital are expenditures which are required to maintain existing operations, including capitalized stripping, underground mine development costs relating to producing areas, ongoing replacement of mine equipment and capital spares, tailings and other facilities, capitalized brownfield exploration costs and other capital expenditures.

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

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

The Company reports the measure with and without a deduction for by-product credits and reports the measure for its owner-operator mines (includes Essakane, Rosebel, Westwood), and in total (includes owner-operator mines and Joint Ventures).

AISC 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 as a substitute for measures of performance prepared in accordance with IFRS. This measure is not necessarily indicative of net earnings or cash flow from operating activities as determined under IFRS.

($ millions, attributable, except where noted)	Three months ended December 31, 2016	Three months ended December 31, 2015	Years ended December 31, 2016	Years ended December 31, 2015
Continuing operations				
AISC - owner-operator				
Cost of sales [1], excluding depreciation expense	**$ 154.2**	$ 202.2	**$ 580.7**	$ 659.7
Sustaining capital expenditures [1]	**34.4**	54.6	**178.2**	151.1
By-product credit, excluded from cost of sales	**(0.6)**	(0.2)	**(2.1)**	(1.7)
Corporate general and administrative costs [2]	**9.3**	8.4	**35.1**	35.8
Realized derivative losses [3]	**(0.8)**	9.3	**(3.0)**	28.7
Environmental rehabilitation accretion and depreciation	**2.6**	2.6	**11.3**	11.2
Normalization of costs at Westwood	**(9.4)**	(7.8)	**(26.4)**	(28.2)
Other	**—**	(26.4)	**—**	(18.1)
	$ 189.7	$ 242.7	**$ 773.8**	$ 838.5
AISC - Joint Ventures				
Cost of sales for Joint Ventures, excluding depreciation expense	**$ 25.5**	$ 17.4	**$ 76.5**	$ 60.1
Adjustments to cost of sales [4] - Joint Ventures	**1.4**	3.1	**3.5**	5.3
	$ 26.9	$ 20.5	**$ 80.0**	$ 65.4
AISC [5]	**$ 216.6**	$ 263.2	**$ 853.8**	$ 903.9
Attributable gold sales - owner-operator (000s oz)	**197**	199	**733**	732
AISC - owner-operator [6] ($/oz)	**$ 966**	$ 1,218	**$ 1,056**	$ 1,145
AISC - owner-operator, excluding by-product credit ($/oz) [6]	**$ 969**	$ 1,219	**$ 1,059**	$ 1,147
Attributable gold sales (000s oz)	**218**	219	**808**	808
AISC [5,6] ($/oz)	**$ 995**	$ 1,202	**$ 1,057**	$ 1,118
AISC excluding by-product credit [5,6] ($/oz)	**$ 998**	$ 1,203	**$ 1,059**	$ 1,120

1 Includes Essakane and Rosebel at their attributable amounts of 90% and 95% respectively. Refer to note 35 of the consolidated financial statements for cost of sales of total gold mines excluding Joint Ventures at 100% basis and refer to the capital expenditures table of the MD&A on page 11 for 2016 sustaining capital expenditures at 100% basis.

2 Corporate general and administrative costs excludes depreciation expense and amortization of realized derivative losses related to contracts terminated in 2015.

3 Excluded from the fourth quarter and year ended 2016 was the amortization of the loss on early termination of derivative contracts. Included in the fourth quarter and year ended 2015 were non-hedge derivative losses (excluding early termination of derivative contracts).

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

5 Consists of Essakane, Rosebel, Westwood and the Joint Ventures on an attributable basis.

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

Exhibit 99.3

IAMGOLD CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2016

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Management's Responsibility For Financial Reporting

To the Shareholders and Directors of IAMGOLD Corporation

The accompanying consolidated financial statements of IAMGOLD Corporation ("the Company"), their presentation and the information contained in Management's Discussion and Analysis including information determined by specialists, are the responsibility of management. The Consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial information of the Company presented in Management's Discussion and Analysis is consistent with that in the Consolidated financial statements.

The integrity of the Consolidated financial reporting process is the responsibility of management. Management maintains systems of internal controls designed to provide reasonable assurance that transactions are authorized, assets are safeguarded, and reliable financial information is produced. Management selects accounting principles and methods that are appropriate to the Company's circumstances, and makes certain determinations of amounts reported in which estimates or judgments are required.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting. The Board of Directors carries out this responsibility principally through its Audit Committee which consists of independent directors. The Board of Directors has also designated the Chairman of the Audit Committee as the Company's financial expert. The Audit Committee meets periodically with management and the external auditors to discuss internal controls, auditing matters and financial reporting requirements. The Audit Committee satisfies itself that each party is properly discharging its responsibilities; reviews the quarterly and annual Consolidated financial statements and any reports by the external auditors; and recommends the appointment of the external auditors for review by the Board of Directors and approval by the shareholders.

The external auditors audit the Consolidated financial statements annually on behalf of the shareholders. The external auditors have full and free access to management and the Audit Committee.

/s/ Stephen J. J. Letwin

Stephen J. J. Letwin
Chief Executive Officer
February 22, 2017

/s/ Carol T. Banducci

Carol T. Banducci
Chief Financial Officer
February 22, 2017

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Consolidated financial statements for external purposes in accordance with IFRS as issued by the IASB.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The CEO and CFO conducted an evaluation of the design, implementation and operating effectiveness of the Company's internal control over financial reporting as of December 31, 2016. This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, management has concluded that the Company's internal control over financial reporting was effective as of December 31, 2016, based on the criteria set forth in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2016 has been audited by KPMG LLP, Chartered Professional Accountants, as stated in their report located on page 47 of the Consolidated financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of IAMGOLD Corporation

We have audited the accompanying consolidated financial statements of IAMGOLD Corporation, which comprise the consolidated balance sheets as at December 31, 2016 and December 31, 2015, the consolidated statements of earnings, comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of IAMGOLD Corporation as at December 31, 2016 and December 31, 2015, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Other Matter

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), IAMGOLD Corporation's internal control over financial reporting as of December 31, 2016, based on the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 22, 2017 expressed an unqualified opinion on the effectiveness of IAMGOLD Corporation's internal control over financial reporting.

/s/ KPMG LLP

Chartered, Professional Accountants, Licensed Public Accounts

February 22, 2017

Toronto, Canada

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To the Shareholders of IAMGOLD Corporation

We have audited IAMGOLD Corporation's internal control over financial reporting as of December 31, 2016, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). IAMGOLD Corporation's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in management's report on internal control over financial reporting in Form 40-F for the year ended December 31, 2016. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, IAMGOLD Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2016, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of IAMGOLD Corporation as of December 31, 2016 and December 31, 2015, and the related consolidated statements of earnings, comprehensive income, changes in equity, and cash flows for the years then ended, and our report dated February 22, 2017 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

February 22, 2017

CONSOLIDATED BALANCE SHEETS

(In millions of U.S. dollars)	Notes	December 31, 2016	December 31, 2015
Assets			
Current assets			
Cash and cash equivalents		**$ 652.0**	$ 481.0
Restricted cash	6(a)	**92.0**	67.0
Gold bullion (market value - $nil; December 31, 2015 - $143.3)	7	**—**	97.4
Income taxes receivable		**—**	3.1
Receivables and other current assets	8	**61.0**	79.5
Inventories	9	**207.9**	223.9
		1,012.9	951.9
Non-current assets			
Investments in associates and joint ventures	10	**52.6**	56.6
Property, plant and equipment	11	**1,868.2**	1,853.8
Exploration and evaluation assets	12	**169.2**	155.1
Income taxes receivable		**29.2**	35.1
Restricted cash	6(b)	**18.7**	9.1
Other assets	13	**249.7**	189.8
		2,387.6	2,299.5
		$ 3,400.5	$ 3,251.4
Liabilities and Equity			
Current liabilities			
Bank indebtedness	17(b)	**$ —**	$ 70.0
Accounts payable and accrued liabilities		**162.9**	143.2
Income taxes payable		**14.7**	14.6
Current portion of provisions	14	**15.8**	13.4
Current portion of other liabilities	15	**2.1**	9.1
		195.5	250.3
Non-current liabilities			
Deferred income tax liabilities	16	**159.0**	145.8
Provisions	14	**289.8**	289.3
Long-term debt	17(a)	**485.1**	628.1
		933.9	1,063.2
		1,129.4	1,313.5
Equity			
Equity attributable to IAMGOLD Corporation shareholders			
Common shares	21	**2,628.2**	2,366.2
Contributed surplus		**40.1**	38.2
Deficit		**(409.7)**	(461.2)
Accumulated other comprehensive loss		**(36.9)**	(47.4)
		2,221.7	1,895.8
Non-controlling interests	22	**49.4**	42.1
		2,271.1	1,937.9
Contingencies and commitments	14(b), 33		
		$ 3,400.5	$ 3,251.4

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

Signed on behalf of the Board of Directors,

/s/ Donald K. Charter /s/ Stephen J. J. Letwin

Donald K. Charter, Chairman Stephen J. J. Letwin, Director

CONSOLIDATED STATEMENTS OF EARNINGS

(In millions of U.S. dollars, except per share amounts)	Notes	Years ended December 31, 2016	2015
Continuing Operations			
Revenues		**$ 987.1**	$ 917.0
Cost of sales	25	**884.9**	971.6
Gross profit (loss)		**102.2**	(54.6)
General and administrative expenses	26	**(38.8)**	(39.1)
Exploration expenses		**(31.7)**	(30.7)
Impairment charges	32	**—**	(621.3)
Other income (expenses)	27	**0.8**	(16.3)
Earnings (loss) from operations		**32.5**	(762.0)
Share of net earnings from investments in associates and joint ventures, net of income taxes	10	**6.1**	9.7
Finance costs	28	**(25.2)**	(38.3)
Foreign exchange gain (loss)		**(5.2)**	0.5
Interest income and derivatives and other investment gains	29	**87.0**	6.3
Earnings (loss) before income taxes		**95.2**	(783.8)
Income taxes	16	**(33.4)**	(11.5)
Net earnings (loss) from continuing operations		**61.8**	(795.3)
Net earnings from discontinued operations	5	**—**	41.8
Net earnings (loss)		**$ 61.8**	$ (753.5)
Net earnings (loss) from continuing operations attributable to			
Equity holders of IAMGOLD Corporation		**$ 52.6**	$ (797.1)
Non-controlling interests		**9.2**	1.8
Net earnings (loss) from continuing operations		**$ 61.8**	$ (795.3)
Net earnings (loss) attributable to			
Equity holders of IAMGOLD Corporation		**$ 52.6**	$ (755.3)
Non-controlling interests		**9.2**	1.8
Net earnings (loss)		**$ 61.8**	$ (753.5)
Attributable to equity holders of IAMGOLD Corporation			
Weighted average number of common shares outstanding (in millions)			
Basic	23	**420.8**	389.9
Diluted	23	**423.9**	389.9
Earnings (loss) per share from continuing operations ($ per share)			
Basic	23	**$ 0.13**	$ (2.04)
Diluted	23	**$ 0.12**	$ (2.04)
Basic and diluted earnings per share from discontinued operations ($ per share)	23	**$ —**	$ 0.11
Basic and diluted earnings (loss) per share ($ per share)			
Basic	23	**$ 0.13**	$ (1.93)
Diluted	23	**$ 0.12**	$ (1.93)

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In millions of U.S. dollars)	Notes	Years ended December 31, 2016	2015
Net earnings (loss)		**$ 61.8**	$ (753.5)
Other comprehensive income (loss), net of income taxes			
Items that will not be reclassified to the statements of earnings			
Movement in marketable securities fair value reserve			
Net unrealized change in fair value of marketable securities		**7.5**	(0.1)
Net realized change in fair value of marketable securities	18(b)	**(2.8)**	(1.2)
Tax impact		**(1.2)**	0.7
		3.5	(0.6)
Items that may be reclassified to the statements of earnings			
Movement in cash flow hedge fair value reserve from continuing operations			
Effective portion of changes in fair value of cash flow hedges	18(c)	**5.2**	(36.3)
Time value of options and forward contracts excluded from hedge relationship	18(c)	**(4.2)**	3.8
Net change in fair value of cash flow hedges reclassified to the statements of earnings	18(c)	**6.4**	20.6
Time value of options and forward contracts reclassified to the statements of earnings	18(c)	**—**	(0.6)
Tax impact		**(0.2)**	0.1
Movement in cash flow hedge fair value reserve from discontinued operations, net of income taxes		**—**	1.6
		7.2	(10.8)
Currency translation adjustment		**(0.3)**	(0.8)
Other		**—**	(0.3)
Total other comprehensive income (loss)		**10.4**	(12.5)
Comprehensive income (loss)		**$ 72.2**	$ (766.0)
Comprehensive income (loss) attributable to:			
Equity holders of IAMGOLD Corporation		**$ 63.0**	$ (767.8)
Non-controlling interests		**9.2**	1.8
Comprehensive income (loss)		**$ 72.2**	$ (766.0)
Comprehensive income (loss) arises from:			
Continuing operations		**$ 72.2**	$ (809.1)
Discontinued operations		**—**	43.1
Comprehensive income (loss)		**$ 72.2**	$ (766.0)

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In millions of U.S. dollars)	Notes	Years ended December 31, 2016	2015
Common shares			
Balance, beginning of the year		**$ 2,366.2**	$ 2,322.7
Issuance of common shares	21	**220.1**	—
Issuance of flow-through common shares	21	**38.9**	38.1
Issuance of common shares for share-based compensation		**3.0**	5.4
Balance, end of the year		**2,628.2**	2,366.2
Contributed surplus			
Balance, beginning of the year		**38.2**	38.2
Issuance of common shares for share-based compensation		**(3.2)**	(5.6)
Share-based compensation	24	**5.1**	5.6
Balance, end of the year		**40.1**	38.2
Retained earnings (deficit)			
Balance, beginning of the year		**(461.2)**	301.2
Net earnings (loss) attributable to equity holders of IAMGOLD Corporation		**52.6**	(755.3)
Acquisition of non-controlling interests	22	**—**	(6.8)
Other		**(1.1)**	(0.3)
Balance, end of the year		**(409.7)**	(461.2)
Accumulated other comprehensive income (loss)			
Marketable securities fair value reserve			
Balance, beginning of the year		**(32.5)**	(31.9)
Net change in fair value of marketable securities, net of income taxes		**3.5**	(0.6)
Balance, end of the year		**(29.0)**	(32.5)
Cash flow hedge fair value reserve			
Balance, beginning of the year		**(11.1)**	(8.7)
Net change in fair value of cash flow hedges recognized in property, plant and equipment	18(c)	**0.1**	8.4
Net change in fair value of cash flow hedges recognized in other comprehensive income (loss), net of income taxes		**7.2**	(10.8)
Balance, end of the year		**(3.8)**	(11.1)
Currency translation adjustment			
Balance, beginning of the year		**(3.8)**	(3.0)
Change for the year	10	**(0.3)**	(0.8)
Balance, end of the year		**(4.1)**	(3.8)
Total accumulated other comprehensive loss		**(36.9)**	(47.4)
Equity attributable to equity holders of IAMGOLD Corporation		**2,221.7**	1,895.8
Non-controlling interests			
Balance, beginning of the year		**42.1**	45.1
Net earnings attributable to non-controlling interests		**9.2**	1.8
Dividends paid to non-controlling interests		**(1.5)**	(3.2)
Acquisition of non-controlling interests	22	**—**	(1.6)
Other		**(0.4)**	—
Balance, end of the year		**49.4**	42.1
		$ 2,271.1	$ 1,937.9

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions of U.S. dollars)	Notes	Years ended December 31, 2016	2015
Operating activities			
Net earnings (loss)		**$ 61.8**	$ (753.5)
Adjustments for:			
Finance costs		**25.2**	38.8
Depreciation expense		**263.5**	264.2
Changes in asset retirement obligations at closed sites	14(a)	**(9.8)**	3.6
Income tax expense		**33.4**	11.5
Derivative loss (gain)		**3.0**	66.6
Gain on sale of gold bullion	7	**(72.9)**	—
Share of net earnings from investments in associates and joint ventures, net of income taxes	10	**(6.1)**	(9.7)
Impairment charges	32	**—**	621.3
Gain on sale of royalty asset	29	**—**	(43.5)
Gain on disposal of discontinued operations	5	**—**	(39.0)
Effects of exchange rate fluctuation on restricted cash		**(1.0)**	0.5
Effects of exchange rate fluctuation on cash and cash equivalents		**0.6**	19.5
Other non-cash items	31(a)	**9.6**	23.3
Adjustments for cash items:			
Dividends from joint ventures	10	**11.3**	12.3
Settlement of derivatives		**(9.5)**	(128.3)
Disbursements related to asset retirement obligations	14(a)	**(2.7)**	(2.5)
Other		**—**	(0.1)
Movements in non-cash working capital items and non-current ore stockpiles	31(b)	**24.3**	(41.2)
Cash from operating activities, before income taxes paid		**330.7**	43.8
Income tax paid		**(16.3)**	(5.5)
Net cash from operating activities		**314.4**	38.3
Investing activities			
Property, plant and equipment			
Capital expenditures		**(269.5)**	(191.4)
Capitalized borrowing costs		**(17.3)**	(12.3)
Proceeds from sale of gold bullion	7	**170.3**	—
Net proceeds from disposal of discontinued operations	5	**—**	491.2
Proceeds from sale of royalty asset		**—**	52.5
Increase in restricted cash	6	**(33.6)**	(67.9)
Acquisition of Saramacca exploration and evaluation asset	12	**(10.0)**	—
Capital expenditures for exploration and evaluation assets		**(4.1)**	(9.3)
Acquisition of non-controlling interests	22	**—**	(8.4)
Other investing activities	31(c)	**(0.5)**	11.7
Net cash from (used in) investing activities		**(164.7)**	266.1
Financing activities			
Interest paid		**(24.6)**	(33.1)
Net proceeds from issuance of common shares	21	**220.1**	—
Proceeds from issuance of flow-through common shares	21	**43.6**	43.0
Purchase of senior unsecured notes	17(a)	**(141.5)**	(11.5)
Proceeds (repayment) of credit facility	17(b)	**(70.0)**	70.0
Repayment of finance leases		**—**	(28.3)
Other financing activities	31(d)	**(5.7)**	(14.5)
Net cash from financing activities		**21.9**	25.6
Effects of exchange rate fluctuation on cash and cash equivalents		**(0.6)**	(19.5)
Increase in cash and cash equivalents		**171.0**	310.5
Cash and cash equivalents, beginning of the year		**481.0**	158.5
Cash and cash equivalents held for sale, beginning of the year		**—**	12.0
Cash and cash equivalents, end of the year		**$ 652.0**	$ 481.0

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

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

1. CORPORATE INFORMATION

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

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

2. BASIS OF PREPARATION

(a) Statement of compliance

These consolidated financial statements, as at and for the years ended December 31, 2016 and 2015, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements were prepared on a going concern basis. The significant accounting policies applied in these consolidated financial statements are presented in note 3 and have been consistently applied in each of the years presented.

The consolidated financial statements of IAMGOLD were authorized for issue in accordance with a resolution of the Board of Directors on February 22, 2017.

(b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for items measured at fair value as discussed in note 19.

(c) Basis of consolidation

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

Name	Property – Location	**December 31, 2016**	December 31, 2015	Type of Arrangement	Accounting Method
Essakane S.A.	Essakane mine (Burkina Faso)	**90%**	90%	Subsidiary	Consolidation
Rosebel Gold Mines N.V.	Rosebel mine (Suriname)	**95%**	95%	Subsidiary	Consolidation
Doyon division including the Westwood mine	Doyon division (Canada)	**100%**	100%	Division	Consolidation
Trelawney Mining and Exploration Inc. [1]	Côté Gold project (Canada)	**100%**	100%	Subsidiary	Consolidation
Euro Ressources S.A.	France	**90%**	90%	Subsidiary	Consolidation
Société d'Exploitation des Mines d'Or de Sadiola S.A.	Sadiola mine (Mali)	**41%**	41%	Joint venture	Equity accounting

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

(i) Subsidiaries

Subsidiaries are entities over which the Company has the ability to exercise control. Control of an entity is defined to exist when the Company is exposed to variable returns from involvement with the entity and has the ability to affect those returns through power over the entity. Specifically, the Company controls an entity if the Company has all of the following: power over the entity (i.e. existing rights that give the Company the current ability to direct the relevant activities of the entity); exposure, or rights, to variable returns from involvement with the entity; and the ability to use power over the entity to affect its returns. Subsidiaries are consolidated from the acquisition date, which is the date on which the Company obtains control of the acquired entity. Where the Company's interest in a subsidiary is less than 100%, the Company recognizes a non-controlling interest. All intercompany balances, transactions, income, expenses and profits or losses have been eliminated on consolidation.

(ii) Associates

An associate is an entity over which the Company has significant influence but neither control nor joint control. Significant influence is presumed to exist where the Company has between 20% and 50% of the voting rights, but can also arise where the Company has less than 20% of voting rights but has the power to be actively involved and influence in policy decisions affecting the entity. The Company's share of net assets and net income or loss of associates is accounted for in the consolidated financial statements using the equity method. The Company has concluded that it has significant influence over its investments in INV Metals Inc. ("INV Metals") and Merrex Gold Inc. ("Merrex") through the level of ownership of voting rights (refer to note 10). The Company has assessed additional facts and circumstances, including voting rights and board appointments, and concluded that there is no clear evidence of control of either INV Metals or Merrex.

Share of net losses from associates is recognized in the consolidated financial statements until the carrying amount of the interest in the associate is reduced to nil. Thereafter, losses are recognized only to the extent that the Company has an obligation to fund the associate's operations or has made payments on behalf of the associate.

(iii) Joint arrangements

Joint arrangements are those arrangements over which the Company has joint control established by contractual agreement and requiring unanimous consent of the joint venture parties for financial and operating decisions. The Company's significant joint arrangements consist of joint ventures, which are structured through separate legal entities. The financial results of joint ventures are accounted for using the equity method from the date that joint control commences until the date that joint control ceases, and are prepared for the same reporting period as the Company, using consistent accounting policies. There are no significant judgments and assumptions made in determining the existence of joint control of either Société d'Exploitation des Mines d'Or de Sadiola S.A. or Société d'Exploitation des Mines d'Or de Yatela S.A.

Share of net losses from joint ventures are recognized in the consolidated financial statements until the carrying amount of the interest in the joint venture is reduced to nil. Thereafter, losses are recognized only to the extent that the Company has an obligation to fund the joint venture's operations or has made payments on behalf of the joint venture.

Dividends received from the Company's joint ventures are presented in the Company's consolidated statements of cash flows as operating activities.

(d) Functional and presentation currency

The functional currency of the Company's subsidiaries, joint ventures and associates is the U.S. dollar, other than INV Metals and Merrex, whose functional currency is the Canadian dollar. The presentation currency of the Company's consolidated financial statements is the U.S. dollar.

For the associates whose functional currency is other than the U.S. dollar, assets and liabilities are translated at the exchange rate in effect at the balance sheet date. Revenues and expenses are translated at average exchange rates throughout the reporting period or at rates that approximate the actual exchange rates. Exchange gains or losses on translation are included in other comprehensive income ("OCI"). The cumulative amount of the exchange differences is presented as a separate component of equity until disposal of the foreign operation.

Transactions denominated in foreign currencies are translated into the entity's functional currency as follows:

- Monetary assets and liabilities are translated at the exchange rate in effect at the balance sheet date;
- Non-monetary assets and liabilities are translated at historical exchange rates prevailing at each transaction date; and
- Deferred tax assets and liabilities are translated at the exchange rate in effect at the balance sheet date with translation gains and losses recorded in income tax expense; and
- Revenues and expenses are translated at the average exchange rates throughout the reporting period, except depreciation, which is translated at the rates of exchange applicable to the related assets, and share-based compensation expense, which is translated at the rates of exchange applicable at the date of grant of the share-based compensation.

Exchange gains or losses on translation of transactions are included in the consolidated statements of earnings. When a gain or loss on certain non-monetary items, such as financial assets at fair value through other comprehensive income, is recognized in OCI, the translation differences are also recognized in OCI.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently by the Company, its subsidiaries, joint arrangements and associates in all periods presented in these Consolidated financial statements.

(a) Financial instruments

The Company recognizes financial assets and financial liabilities on the date the Company becomes a party to the contractual provisions of the instruments. A financial asset is derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset or when cash flows expire. A financial liability is derecognized when the obligation specified in the contract is discharged, canceled or expired. Certain financial instruments are recorded at fair value in the Consolidated balance sheet. Refer to note 19 on fair value measurements.

(i) Non-derivative financial instruments

Non-derivative financial instruments are recognized initially at fair value plus attributable transaction costs, where applicable for financial instruments not classified as fair value through profit or loss. Subsequent to initial recognition, non-derivative financial instruments are classified and measured as described below.

Financial assets at fair value through profit or loss

Cash and cash equivalents, restricted cash, short-term investments, bond fund investments and warrants are classified as financial assets at fair value through profit or loss and are measured at fair value. Cash equivalents are short-term investments with initial maturities of three months or less. Short-term investments have initial maturities of more than three months and less than 12 months. The unrealized gains or losses related to changes in fair value are reported in Interest income and derivatives and other investment gains in the Consolidated statements of earnings.

Amortized cost

Trade and other receivables and fixed rate investments are classified as and measured at amortized cost using the effective interest rate method, less impairment losses, if any.

Financial assets at fair value through other comprehensive income

The Company's investments in equity marketable securities are designated as financial assets at fair value through other comprehensive income and are recorded at fair value on the trade date with directly attributable transaction costs included in the recorded amount. Subsequent changes in fair value are recognized in other comprehensive income.

Non-derivative financial liabilities

Accounts payable, accrued liabilities, senior unsecured notes, and borrowings under the credit facility are accounted for at amortized cost, using the effective interest rate method. The amortization of senior unsecured notes issue costs is calculated using the effective interest rate method, and the amortization of credit facility issue costs is calculated on a straight-line basis over the term of the credit facility.

(ii) Non-hedge derivatives

The Company may hold derivative financial instruments to hedge its risk exposure to fluctuations of other currencies compared to the U.S. dollar, and fluctuations in commodity prices such as for oil and fuel. All derivative financial instruments not designated in a hedge relationship that qualifies for hedge accounting are classified as financial instruments at fair value through profit or loss. Derivative financial instruments at fair value through profit or loss, including embedded derivatives, requiring separation from its host contact, are recorded in the Consolidated balance sheet at fair value.

Changes in the estimated fair value of non-hedge derivatives at each reporting date are included in the Consolidated statements of earnings as non-hedge derivative gain or loss.

Embedded derivatives in financial liabilities measured at amortized cost are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related.

(iii) Hedge derivatives

The Company uses derivative financial instruments to hedge its exposure to exchange rate fluctuations on foreign currency denominated revenues, operating expenses and purchases of non-financial assets and its exposure to price fluctuations of consumable purchases.

The Company formally documents all relationships between hedging instruments and hedged items, as well as its risk management objectives and strategies for undertaking hedge transactions. This process includes linking all derivative hedging instruments to forecasted transactions. Hedge effectiveness is assessed based on the degree to which the cash flows from the derivative contracts are expected to offset the cash flows of the underlying transaction being hedged.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in fair value is recognized in other comprehensive income, net of tax. For hedged items other than the purchase of non-financial assets, the amounts accumulated in other comprehensive income are reclassified to the Consolidated statements of earnings when the underlying hedged transaction, identified at contract inception, affects profit or loss. When hedging a forecasted transaction that results in the recognition of a non-financial asset, the amounts accumulated in equity are removed and added to the carrying amount of the non-financial asset.

Any ineffective portion of a hedge relationship is recognized immediately in the Consolidated statements of earnings. The Company has elected to exclude the time value component of options and the forward element of forward contracts from the hedging relationships, with changes in these amounts recorded in other comprehensive income and treated as a cost of hedging. For hedged items other than the purchase of non-financial assets, the cost of hedging amounts is reclassified to the Consolidated statements of earnings when the underlying hedged transaction affects profit or loss. When hedging a forecasted transaction that results in the recognition of a non-financial asset, the cost of hedging is added to the carrying amount of the non-financial asset.

When derivative contracts designated as cash flow hedges are terminated, expired, sold or no longer qualify for hedge accounting, hedge accounting is discontinued prospectively. Any amounts recorded in other comprehensive income up until the time the contracts do not qualify for hedge accounting remain in other comprehensive income. Amounts recognized in other comprehensive income are recognized in the Consolidated statements of earnings in the period in which the underlying hedged transaction is completed. Gains or losses arising subsequent to the derivative contracts not qualifying for hedge accounting are recognized in the period incurred in the Consolidated statements of earnings.

If the forecasted transaction is no longer expected to occur, then the amounts accumulated in other comprehensive income are reclassified to the Consolidated statements of earnings immediately.

(b) Gold bullion

Investments in gold bullion are measured at the lower of average cost and net realizable value.

(c) Inventories

Finished goods and ore stockpiles are measured at the lower of weighted average production cost and net realizable value. Mine supplies are measured at the lower of average purchase cost and net realizable value. Net realizable value is calculated as the difference between the estimated selling price and estimated costs to complete processing into a saleable form plus variable selling expenses.

Production costs include the cost of materials, labour, mine site production overheads and depreciation to the applicable stage of processing. Production overheads are allocated to inventory based on the normal capacity of production facilities.

The cost of ore stockpiles is increased based on the related current cost of production for the period, and decreases in stockpiles are charged to cost of sales using the weighted average cost per tonne. Stockpiles are segregated between current and non-current inventories in the Consolidated balance sheet based on the period of planned usage.

The cost of inventory is reduced to net realizable value to reflect changes in grades, quantity or other economic factors and to reflect current intentions for the use of redundant or slow-moving items. Provisions for redundant and slow-moving items are made by reference to specific items of inventory. The Company reverses write-downs when there is a subsequent increase in net realizable value and where the inventory is still on hand.

Spare parts, stand-by and servicing equipment held are generally classified as inventories. Major capital spare parts and stand-by equipment (insurance spares) are classified as a component of property, plant and equipment.

(d) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment charges.

The initial cost of an asset comprises its purchase or construction cost, any costs directly attributable to bringing the asset to a working condition for its intended use, the initial estimate of the asset retirement obligation, and for qualifying assets, borrowing costs.

The purchase price or the construction cost is the aggregate cash paid and the fair value of any other consideration given to acquire the asset.

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the Consolidated statements of earnings in other expenses.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognized. Costs of the day-to-day servicing of property, plant and equipment are recognized in the Consolidated statements of earnings as incurred.

Property, plant and equipment presented in the Consolidated balance sheets represents the capitalized expenditures related to: construction in progress; mining properties, including stripping costs; and plant and equipment, including corporate assets.

(i) Construction in progress

Upon determination of technical feasibility and commercial viability of extracting a mineral resource, the related exploration and evaluation assets (refer to note 3(f) below) are transferred to construction in progress costs. These amounts plus all subsequent mine development costs are capitalized. Costs are not amortized until the project is ready for use as intended by management.

Mine construction costs include expenditures to develop new ore bodies, define further mineralization in existing ore bodies, and construct, install and complete infrastructure facilities.

Borrowing costs are capitalized and allocated specifically to qualifying assets when funds have been borrowed, either to specifically finance a project or for general borrowings during the period of construction.

Qualifying assets are defined as assets that require more than six months to be brought to the location and condition intended by management. Capitalization of borrowing costs ceases when such assets are ready for their intended use.

The date of transition from construction to production accounting is based on both qualitative and quantitative criteria such as substantial physical project completion, sustained level of mining, sustained level of processing activity, and passage of a reasonable period of time. Upon completion of mine construction activities (based on the determination of the commencement of production), costs are removed from construction in progress assets and classified into the appropriate categories of property, plant and equipment and supplies inventories.

(ii) Mining properties

Capitalized costs for evaluation on or adjacent to sites where the Company has mineral deposits, are classified as mining properties within property, plant and equipment.

(iii) Stripping costs

Costs associated with stripping activities in an open pit mine are expensed within cost of sales unless the stripping activity can be shown to improve access to further quantities of ore that will be mined in future periods, in which case, the stripping costs are capitalized to mining properties within property, plant and equipment. Furthermore, stripping costs are capitalized to inventory to the extent that the benefits of the stripping activity relate to gold production inventories, concentrate inventory or ore stockpiles.

(iv) Plant and equipment

Plant and equipment located at corporate locations includes the following categories of assets: furniture and equipment, computer equipment, software, scientific instruments and equipment, vehicles and leasehold improvements and at the mine site includes land and buildings, plant equipment, capital spares, and other equipment.

(e) Depreciation and amortization

Effective from the point an asset is available for its intended use, property, plant and equipment are depreciated or amortized, respectively, using either the straight line or units-of-production methods over the shorter of the estimated economic life of the asset or the mining operation. Depreciation and amortization are determined based on the method which best represents the use of the assets.

The reserve and resource estimates for each mining operation are the prime determinants of the life of a mine. In general, when the useful life of property, plant and equipment is akin to the life of the mining operation and the ore body's mineralization is reasonably well defined, the asset is depreciated on a units-of-production basis over its proven and probable mineral reserves. Non-reserve material may be included in depreciation calculations in limited circumstances where there is a high degree of confidence in its economic extraction. The Company evaluates the estimate of mineral reserves and resources at least on an annual basis and adjusts the units-of-production method calculation prospectively. In 2016 and 2015, the Company has not incorporated any non-reserve material in its depreciation calculations on a units-of-production basis. When property, plant and equipment are depreciated on a straight line basis, the useful life of the mining operation is determined based on the most recent life of mine ("LOM") plan. LOM plans are typically developed annually and are based on management's current best estimates of optimized mine and processing plans, future operating costs and the assessment of capital expenditures of a mine site.

Estimated useful lives normally vary from three to fifteen years for items of plant and equipment to a maximum of twenty years for buildings.

Amounts related to expected economic conversions of resources to reserves recorded in a business combination or an asset acquisition are not amortized until resources are converted into reserves. Amounts related to capitalized costs of exploration and evaluation assets and construction in progress are not amortized as the assets are not available for use.

Capitalized stripping costs are depreciated over the reserves that directly benefit from the specific stripping activity using the units-of-production method.

Capitalized borrowing costs are amortized over the useful life of the related asset.

Residual values, useful lives and amortization methods are reviewed at least annually and adjusted if appropriate. The impact of changes to the estimated useful lives, change in depreciation method or residual values is accounted for prospectively.

(f) Mineral exploration and evaluation expenditures

Exploration activities relate to the collection of exploration data which consists of geological, geophysical, geochemical, sampling, drilling, trenching, analytical test work, assaying, mineralogical, metallurgical, and other similar information that is derived from activities undertaken to locate, investigate, define or delineate a mineral prospect or mineral deposit. Mineral exploration costs are expensed as incurred.

Evaluation costs are capitalized and relate to activities to evaluate the potential technical feasibility and commercial viability of extracting a mineral resource on sites where the Company does not have mineral deposits already being mined or constructed. The technical feasibility and commercial viability is based on management's evaluation of the geological properties of an ore body based on information obtained through evaluation activities, including metallurgical testing, resource and reserve estimates and economic assessment whether the ore body can be mined economically. Exploration properties acquired through asset acquisitions or business combinations are also recognized as exploration and evaluation assets.

(g) Business combinations and goodwill

Business combinations relate to the acquisition of an asset or a group of assets that constitute a business. For an integrated set of activities and assets to be considered a business, it needs to contain inputs and processes. If the set of activities and assets acquired relate to an exploration stage property, the Company considers other factors to determine whether the set of activities and assets is a business such as the extent to which the acquired project has resources or reserves, and the extent and nature of the additional work to identify resources or convert resources into reserves. The Company also assesses whether the entity acquired has begun planned principal activities, has employees, necessary permits for production, intellectual property, and is pursuing a plan to produce outputs and will be able to obtain access to customers that will purchase the outputs.

Business combinations are accounted for using the acquisition method of accounting whereby identifiable assets acquired and liabilities assumed are recorded at fair value as of the date of acquisition. Mineral rights that can be reliably valued are recognized in the assessment of fair values on acquisition, including amounts attributable to expected economic conversions of resources to reserves. The excess of the purchase price over the fair value of net assets acquired is recorded as goodwill. Acquisition-related costs, other than costs to issue debt or equity securities of the acquirer, are expensed as incurred. The costs to issue equity securities of the Company as consideration for the acquisition are reduced from share capital as share issue costs.

For non-wholly owned subsidiaries, non-controlling interests are initially recorded at the fair value of the non-controlling interests' share holdings or the non-controlling interests' proportion of the fair values of the assets and liabilities recognized at acquisition.

When a subsidiary is acquired in a number of stages, the carrying amount of interests prior to acquisition of control is re-measured to fair value on the date control is acquired. Amounts previously recognized in other comprehensive income in respect of the subsidiary are reversed, and the difference is recognized in earnings. For non-wholly owned subsidiaries, non-controlling interests are adjusted to reflect the change in ownership.

When the net of the amounts assigned to assets acquired and liabilities assumed exceeds the cost of purchase, the excess is recognized as a gain and recorded in the Consolidated statements of earnings at the date of acquisition.

Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment charges. For the purposes of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to cash generating units ("CGU") that are expected to benefit from the synergies of the combination.

If a transaction does not meet the definition of a business under IFRS, the transaction is recorded as an asset acquisition. Accordingly, the net identifiable assets acquired and liabilities assumed are measured at the fair value of the consideration paid, based on their relative fair values at the acquisition date. Acquisition-related costs are included in the consideration paid and capitalized. No goodwill and no deferred tax asset or liability arising from the assets acquired and liabilities assumed are recognized upon the acquisition of assets.

(h) Other intangible assets

Other intangible assets pertain to the fair value of favourable supplier contracts related to a prior acquisition. The fair value was determined using a differential cost method based on cost savings expected from favourable terms of supplier contracts. Other intangible assets are amortized under the straight-line method based on the terms of each contract, which range from 2 to 20 years. Other intangible assets are classified in Other non-current assets in the Consolidated balance sheet.

(i) Impairment

(i) Financial assets

Financial assets measured at amortized cost are tested for impairment at each reporting date to determine whether there is any objective evidence of impairment. A financial asset is considered to be impaired if objective evidence, that can be estimated reliably, indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment charge in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

A prior period impairment charge is tested for possible reversal of impairment whenever an event or change in circumstance indicates the impairment may have reversed. If it has been determined that the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount to a maximum of the carrying amount that would have been determined had no impairment charge been recognized in prior periods. Impairment charge reversals are recognized in the Consolidated statements of earnings.

(ii) Non-financial assets

The carrying amounts of the Company's non-current assets, including property, plant and equipment and exploration and evaluation assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indicator exists, the Company performs an impairment review.

An impairment review requires the Company to determine the recoverable amount. For non-current assets, including property, plant and equipment and exploration and evaluation assets, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, the individual assets are grouped together into a CGU for impairment testing purposes. A CGU for impairment testing is typically considered to be an individual mine site or a development project.

The recoverable amount is determined as the higher of the CGU's fair value less costs of disposal ("FVLCD") and value in use ("VIU"). If the carrying amount of the asset or CGU exceeds its recoverable amount, an impairment charge is recorded to the other long-lived assets in the CGU on a pro rata basis.

A prior period impairment charge is tested for possible reversal of impairment whenever an event or change in circumstance indicates the impairment may have reversed. If it has been determined that the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount to a maximum of the carrying amount that would have been determined had no impairment charge been recognized in prior periods. An impairment charge reversal is recognized in the Consolidated statements of earnings. Impairment charges recognized in relation to goodwill are not reversed for subsequent increases in a CGU's recoverable amount.

In the absence of market related comparative information, the FVLCD is determined based on the present value of estimated future cash flows from each long-lived asset or CGU. The assumptions used in determining the FVLCD for the CGU's are typically life-of-mine ("LOM") production profiles, long-term commodity prices, reserves and resources, discount rates, foreign exchange rates, values of un-modeled mineralization, capital expenditures, net asset value ("NAV") multiples and expected commencement of production for exploration and evaluation projects. Management's assumptions and estimate of future cash flows are subject to risk and uncertainties, particularly in market conditions where higher volatility exists, and may be partially or totally outside of the Company's control. Therefore, it is reasonably possible that changes could occur with evolving economic conditions, which may affect the recoverability of the Company's long-lived assets. If the Company fails to achieve its valuation assumptions or if any of its long-lived assets or CGUs experience a decline in their fair value, this may result in an impairment charge in future periods, which would reduce the Company's earnings.

(j) Asset retirement obligations

The Company records the present value of estimated costs of legal and constructive obligations required to restore locations in the period in which the obligation is incurred with a corresponding increase in the carrying amount of the related property, plant and equipment. For locations where mining activities have ceased, changes to obligations are charged directly to the Consolidated statements of earnings. The obligation is generally considered to have been incurred when mine assets are constructed or the ground environment is disturbed at the production location. The discounted liability is adjusted at the end of each period to reflect the passage of time, based on a risk-free discount rate that reflects current market assessments, and changes in the estimated future cash flows underlying the obligation.

The Company also estimates the timing of the outlays, which is subject to change depending on continued operation or newly discovered reserves.

The periodic unwinding of the discount is recognized in earnings as accretion expense included in finance costs in the Consolidated statements of earnings. Additional disturbances or changes in restoration costs or in discount rates are recognized as changes to the corresponding assets and asset retirement obligation when they occur. Environmental costs at operating mines, as well as changes to estimated costs and discount rates for closed sites, are charged to earnings in the period during which they occur.

(k) Other provisions

Provisions are recognized when a legal or constructive present obligation exists as a result of a past event, for which it is probable that an outflow of economic resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at the end of each reporting period and adjusted to reflect management's current best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Provisions are reduced by actual expenditures for which the provision was originally recognized.

Certain conditions may exist as of the date of the financial statements, which may result in a loss to the Company, but which will only be resolved when one or more future events will occur or fail to occur. If the assessment of a contingency determines that a loss is probable, and the amount can be reliably estimated, then a provision is recorded. When a contingent loss is not probable but is reasonably possible, then details of the contingent loss are disclosed.

(l) Income taxes

(i) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current income tax assets and current income tax liabilities are only offset if a legally enforceable right exists to set off the amounts, and the Company intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

Current income taxes related to items recognized directly in equity are recognized directly in equity.

(ii) Deferred income tax

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities in the Consolidated balance sheet and tax bases.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss); and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled by the parent or venture and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be used, except:

- When the temporary difference results from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss); and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be used.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be used. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will be available to allow the deferred tax asset to be recovered.

A translation gain or loss may arise for deferred income tax purposes where the local tax currency is not the same as the functional currency for non-monetary assets. A deferred tax asset or liability is recognized on the difference between the carrying amount for accounting purposes (which reflects the historical cost in the entity's functional currency and the underlying tax basis) and the underlying tax basis (which reflects the current local tax cost, translated into the functional currency using the current foreign exchange rate). The translation gain or loss is recorded in Income taxes on the Consolidated statements of earnings.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is expected to be realized or the liability settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred income taxes related to items recognized directly in equity are recognized directly in equity.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

There is no certainty that future income tax rates will be consistent with current estimates.

(m) Flow-through common shares

The Company recognizes flow-through common shares in equity based on the quoted market price of the existing shares on the date of issue. The difference between the amount recognized in common shares and the amount the investors pay for the shares is recognized as a deferred gain which is reversed into earnings as eligible expenditures are incurred. The deferred income tax impact is recorded as eligible expenditures are incurred.

(n) Earnings per share

The Company presents basic and diluted earnings per share data for its common shares. Basic earnings per share are calculated by dividing earnings attributable to equity holders by the weighted average number of common shares outstanding during the period. Diluted earnings per share are determined by adjusting the weighted average number of common shares for the dilutive effect of share-based payments, employee incentive share units, and warrants using the treasury stock method. Under this method, share options whose exercise price is less than the average market price of the Company's common shares, are assumed to be exercised and the proceeds used to repurchase common shares at the average market price for the period. The incremental number of common shares issued under share options and restricted share units and repurchased from proceeds is included in the calculation of diluted earnings per share.

(o) Share-based compensation

The Company has the following share-based compensation plans with related costs included in general and administrative expenses.

(i) Share options, share bonus plan, and deferred share plan

The Company operates a number of equity-settled share-based compensation plans in respect to its employees. Share-based compensation costs are measured based on the grant date fair value of the equity-settled instruments and recognized upon grant date over the related service period in the Consolidated statements of earnings and credited to contributed surplus within shareholders' equity. The Company uses the graded vesting method for attributing share option expense over the vesting period.

The grant date fair value is based on the underlying market price of the shares of the Company taking into account the terms and conditions upon which those equity-settled instruments were granted. The fair value of equity-settled instruments granted is estimated using the Black-Scholes model or other appropriate method and assumptions at grant date. Equity-settled awards are not re-measured subsequent to the initial grant date.

Determination of the grant date fair value requires management estimates such as risk-free interest rate, volatility and weighted average expected life. Share option expense incorporates an expected forfeiture rate which is estimated based on historical forfeiture rates and expectations of future forfeiture rates. The Company makes adjustments if the actual forfeiture rate differs from the expected rate.

The weighted average grant date fair value is the basis for which share-based compensation is recognized in earnings.

Upon exercise of options and/or issuance of shares, consideration paid by employees, as well as the grant date fair value of the equity-settled instruments, are transferred to common shares.

(ii) Share purchase plan

The Company provides a share purchase plan where the Company contributes towards the purchase of shares on the open market. The Company's contribution vests on December 31 of each year and is charged to earnings in the year of contribution.

(p) Revenue recognition

Revenues include sales of gold and by-products.

Revenue is recognized when the significant risks and rewards of ownership have passed to the buyer; it is probable that economic benefits associated with the transaction will flow to the Company; the sale price can be measured reliably; the Company has no significant continuing involvement; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(q) Assets held for sale and discontinued operations

A discontinued operation is a component of the Company that either has been disposed of or is classified as held for sale, and: (i) represents a separate major line of business or geographical area of operation; (ii) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operation; or (iii) is a subsidiary acquired exclusively with a view to resell. A component of the Company comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Company. Net earnings from discontinued operations and any gain or loss on the disposal are disclosed separately as net earnings from discontinued operations in the Consolidated statements of earnings and comparative periods are reclassified accordingly.

Non-current assets and disposal groups are classified as held for sale from the date the qualifying criteria are met and are measured at the lower of the carrying amount and fair value less costs of disposal. If the fair value less costs of disposal is lower than the carrying amount, an impairment charge is recognized in the Consolidated statements of earnings. Upon classification as held for sale, non-current assets are no longer depreciated.

(r) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the contractual arrangement at inception date, including whether the arrangement contains the use of a specific asset and the right to use that asset. Where the Company receives substantially all the risks and rewards of ownership of the asset, these arrangements are classified as finance leases. Finance leases are recorded as an asset with a corresponding liability at an amount equal to the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance costs using the effective interest method, with the interest element of the lease charged to the Consolidated statements of earnings as a finance cost. Property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease term.

All other leases are classified as operating leases. Operating lease payments are recognized in the Consolidated statements of earnings on a straight-line basis over the lease term.

(s) Segmented information

The Company's operating segments are those operations whose operating results are reviewed by the Company's chief operating decision maker ("CODM") to make resource allocation decisions and assess their performance. The Company's CODM is its Executive Committee. Operating segments whose revenues, net earnings or losses or assets exceed 10% of the total consolidated revenues, net earnings or losses or assets, are reportable segments.

In order to determine the reportable operating segments, various factors are considered, including geographical location and managerial structure. It was determined that the Company's gold segment is divided into reportable geographic segments. The Company's other reportable segments have been determined to be the exploration and evaluation and Corporate operating segments, which includes royalty interests located in Canada and investments in associates and joint ventures. The Company discloses segmented information for its joint ventures as it is reviewed regularly by the CODM as part of the performance assessment and resource allocation decision making processes. The operations for the joint ventures in Sadiola and Yatela have been combined for segmented information purposes as they operate in the same geographical location and share production resources and facilities.

(t) Significant accounting judgments, estimates and assumptions

The preparation of Consolidated financial statements in conformity with IFRS 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 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.

Assumptions about the future and other major sources of estimation uncertainty at the end of the reporting period have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities, within the next financial year. The most significant judgments and sources of estimation uncertainty that the Company believes could have a significant impact on the amounts recognized in its Consolidated financial statements are described below.

(i) Mineral reserves and resources

Key sources of estimation uncertainty

Mineral reserves and resources have been estimated by qualified persons as defined in accordance with Canadian Securities Administrators' National Instrument 43-101 Standards of Disclosure for Mineral Projects requirements. Mineral reserve and resource estimates include numerous uncertainties and depend heavily on geological interpretations and statistical inferences drawn from drilling and other data, and require estimates of the future price for the commodity and the future cost of operations. The mineral reserve and resource estimates are subject to uncertainty and actual results may vary from these estimates. Results from drilling, testing and production, as well as material changes in metal prices and operating costs subsequent to the date of an estimate, may justify revision of such estimates.

A number of accounting estimates, as described in the relevant accounting policy notes, are impacted by the Mineral reserves and resources estimates:

- Capitalization and amortization of stripping costs (note 3(d)(iii));
- Determination of the useful life of property, plant and equipment and measurement of the depreciation expense (note 3(e));
- Exploration and evaluation of mineral resources and determination of technical feasibility and commercial viability (note 3(f)). The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether future economic benefits may be realized, which are based on assumptions about future events and circumstances;
- Fair value of mineral rights acquired in a business combination (note 3(g));

- Consideration of whether assets acquired meet the definition of a business or should be accounted for as an asset acquisition (note 3(g));
- Impairment analysis of non-financial assets including evaluation of estimated future cash flows of CGUs (note 3(i)(ii)); and
- Estimates of the timing of the outlays for asset retirement obligations (note 3(j)).

(ii) Determination of the date of transition from construction to production accounting

Judgments made in relation to accounting policies

Commencement of production is an important " point in time" determination, for accounting purposes, of when a constructed asset has reached a level of function indicative of its readiness to be considered a viable operation and accounted for as such, including accounting recognition of revenues and expenses from the operation in the Consolidated statements of earnings. The date of transition from construction to production accounting is based on both qualitative and quantitative criteria such as substantial physical project completion, sustained level of mining, sustained level of processing activity, and passage of a reasonable period of time.

(iii) Impairment assessment of non-financial assets

Key sources of estimation uncertainty

Management's assumptions and estimate of future cash flows used in the Company's impairment assessment of non-financial assets are subject to risk and uncertainties, particularly in market conditions where higher volatility exists, and may be partially or totally outside of the Company's control.

If an indication of impairment exists, an estimate of a CGUs recoverable amount is calculated. The recoverable amount is based on the higher of FVLCD and VIU using a discounted cash flow methodology taking into account assumptions that would be made by market participants. Cash flows are for periods up to the date that mining is expected to cease which depends on a number of variables including recoverable mineral reserves and resources, expansion plans and the forecasted selling prices for such production.

In estimating the net realizable value of inventories, significant estimate is made regarding the quantities of saleable metals included in stockpiles based on the quantities of ore, the grade of ore and the estimated recovery percentage. There can be no assurance that actual quantities will not differ significantly from estimates used.

Judgments made in relation to accounting policies

Both internal and external sources of information are required to be considered when determining whether an impairment indicator or indicator of a previous impairment has reversed may be present. Judgment is required around significant adverse changes in the business climate which may be indicators for impairment such as a significant decline in the asset's market value, decline in resources and/or reserves as a result of geological re-assessment or change in timing of extraction of resources and/or reserves which would result in a change in the discounted cash flow obtained from the site, and lower metal prices or higher input cost prices than would have been expected since the most recent valuation of the site. Judgment is also required when considering whether significant changes in any of these items indicate a previous impairment may have reversed.

Judgment is required to determine whether there are indications that the carrying amount of an exploration project is unlikely to be recovered in full from successful development of the project or by sale. Judgment is also required when considering whether significant changes indicate that a previous impairment may have reversed.

(iv) Determination of control by one entity over another entity

Judgments made in relation to accounting policies

Subsidiaries are entities controlled by the Company and are consolidated. Investments in associates are those entities in which the Company has significant influence, but no control or joint control, and are accounted for using the equity method.

(v) Derivative financial instruments

Judgments made in relation to accounting policies

Judgment is required to determine if an effective hedging relationship exists throughout the financial reporting period for derivative financial instruments classified as either a fair value or cash flow hedge. Management assesses the relationships on an ongoing basis to determine if hedge accounting is appropriate.

Key sources of estimation uncertainty

The Company monitors on a regular basis its hedge position for its risk exposure to fluctuations of the U.S. dollar compared to other currencies, and fluctuations in commodity prices such as for oil, and gold. Forecasts are based on estimates of future transactions. For its derivative contracts, 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. Refer to note 18 for more detailed information and sensitivity analyses based on changes in currencies and commodity prices.

(vi) Provisions and recognition or not of a liability for loss contingencies

Judgments made in relation to accounting policies

Judgments are required to determine if a present obligation exists at the end of the reporting period and by considering all available evidence, including the opinion of experts. The most significant provisions that require judgment to determine if a present obligation exists are asset retirement obligations (AROs). This includes assessment of how to account for obligations based on the most recent closure plans and environmental regulations.

Key sources of estimation uncertainty

Provisions related to present obligations, including AROs, are management's best estimate of the amount of probable future outflow, expected timing of payments, and discount rates. Refer to note 14.

(vii) Determination of deferred income tax assets

Key sources of estimation uncertainty

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be used. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will be available to allow the deferred tax asset to be recovered. There is no certainty that future income tax rates will be consistent with current estimates. Changes in tax rates increase the volatility of the Company's earnings. For more information, refer to notes 3(l)(ii) and 16.

4. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following new accounting standards were not yet effective for the year ended December 31, 2016, and have not been applied in preparing these Consolidated financial statements.

IFRS 15 - Revenue from Contracts with Customers

The IASB has issued IFRS 15, Revenue from Contracts with Customers, which will replace IAS 11, Construction Contracts and IAS 18, Revenue. The mandatory effective date of IFRS 15 is January 1, 2018. The objective of IFRS 15 is to establish a single, principles based model to be applied to all contracts with customers in determining how and when revenue is recognized. IFRS 15 also requires entities to provide users of financial statements with more informative and relevant disclosures. The Company is currently evaluating the impact the standard is expected to have on its Consolidated financial statements and expects to report more detailed information in its 2017 Consolidated financial statements.

IFRS 9 - Financial Instruments

On July 24, 2014, the IASB issued the complete IFRS 9 ("IFRS 9 (2014)"), Financial Instruments. IFRS 9 (2014) differs in some regards from IFRS 9 (2013) which the Company early adopted effective April 1, 2014. IFRS 9 (2014) includes updated guidance on the classification and measurement of financial assets. The final standard also amends the impairment model by introducing a new 'expected credit loss' model for calculating impairment. The mandatory effective date of IFRS 9 (2014) is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. Early adoption is permitted. The Company is currently evaluating the impact the standard is expected to have on its Consolidated financial statements and expects to report more detailed information in its 2017 Consolidated financial statements.

IFRS 16 - Leases

In January 2016, the IASB issued IFRS 16, Leases. The objective of IFRS 16 is to bring all leases on balance sheet for lessees. IFRS 16 requires lessees to recognize a "right of use" asset and a lease liability calculated using a prescribed methodology. The mandatory effective date of IFRS 16 is for annual periods beginning on or after January 1, 2019. Early adoption is permitted provided that IFRS 15, Revenue from Contracts with Customers, is also adopted. The Company is currently evaluating the impact the standard is expected to have on its Consolidated financial statements and expects to report more detailed information in its 2017 Consolidated financial statements.

IFRIC 22 - Foreign Currency Transactions and Advance Consideration

In December 2016, the IASB issued IFRIC Interpretation 22, Foreign Currency Transactions and Advance Consideration. The Interpretation clarifies which date should be used for translation when a foreign currency transaction involves an advance payment or receipt. The Interpretation is applicable for annual periods beginning on or after January 1, 2018. Earlier application is permitted. The Company is currently evaluating the impact the standard is expected to have on its Consolidated financial statements and expects to report more detailed information in its 2017 Consolidated financial statements.

5. DISCONTINUED OPERATIONS

On January 22, 2015, the Company sold its Niobec mine and the adjacent rare earth element ("REE") deposit resulting in a final after-tax gain of $39.0 million after working capital adjustments. Net earnings, including the after-tax gain on disposal, for the Niobec mine were $41.8 million during 2015. The final proceeds consisted of $504.1 million in cash, as well as an additional $30.0 million when the adjacent REE deposit goes into commercial production. A 2% gross proceeds royalty will be payable on any REE production.

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

	January 22, 2015
Cash and cash equivalents	$ 12.9
Receivables, income taxes receivable and other current assets	27.9
Inventories	34.1
Property, plant and equipment	549.3
Other non-current assets	5.3
Accounts payable and accrued liabilities	(28.4)
Deferred income tax liabilities	(111.5)
Provisions and other liabilities	(24.5)
Net carrying amount	$ 465.1
Consideration received	
Cash	504.1
Less: Cash and cash equivalents disposed	12.9
Net proceeds from disposal	$ 491.2

(a) Net earnings from discontinued operations

	Years ended December 31, 2016	2015
Niobec		
Revenues	$ —	$ 9.4
Cost of sales	—	(4.3)
Other expenses	—	(3.4)
	—	1.7
Income tax benefit	—	1.1
Net earnings from discontinued operations before disposal	—	2.8
Gain on disposal of discontinued operations	—	39.0
Net earnings from discontinued operations	$ —	$ 41.8

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

Cash flows from (used in):	Years ended December 31, 2016	2015
Operating activities	$ —	$ 2.9
Investing activities	—	(1.6)
Financing activities	—	(0.4)
Net cash from discontinued operations	$ —	$ 0.9

6. RESTRICTED CASH

(a) Short-term restricted cash

At December 31, 2016, the Company had short-term restricted cash held by the Government of Quebec in the amount of C$123.5 million (December 31, 2016 - $92.0 million; December 31, 2015 - $67.0 million) to guarantee the asset retirement obligation related to the Doyon mine. The Company has the right to replace the cash collateral with another form of acceptable collateral as prescribed by Government regulations.

(b) Long-term restricted cash

The Company had long-term restricted cash of $13.7 million and $5.0 million as at December 31, 2016 (December 31, 2015 - $4.1 million and $5.0 million) for the guarantee of the asset retirement obligations related to Essakane and Rosebel, respectively.

7. GOLD BULLION

		December 31, 2016	December 31, 2015
Ounces held	(oz)	—	135,148
Weighted average acquisition cost	($/oz)	$ —	$ 721
Acquisition cost	($ millions)	$ —	$ 97.4
Spot price for gold, end of the year	($/oz)	$ —	$ 1,060
Market value, end of the year	($ millions)	$ —	$ 143.3

During the year ended December 31, 2016, the Company sold all 135,148 ounces of gold bullion with a weighted average acquisition cost of $721 per ounce for proceeds of $1,239 - $1,275 per ounce for a total of $170.3 million. The resulting gain of $72.9 million, net of transaction costs, was included in Interest income and derivatives and other investment gains in the Consolidated statements of earnings (refer to note 29).

8. RECEIVABLES AND OTHER CURRENT ASSETS

	Notes	December 31, 2016	December 31, 2015
Gold receivables		$ 2.7	$ 2.3
Receivables from governments [1]		40.4	33.1
Receivables from related parties [2]	34	1.2	29.5
Other receivables		4.9	3.1
Total receivables		49.2	68.0
Marketable securities and warrants		0.2	0.2
Prepaid expenses		7.2	10.3
Derivatives		4.4	0.6
Other current assets		—	0.4
		$ 61.0	$ 79.5

1 Receivables from governments relate primarily to value added tax.

2 Loan receivable from Sadiola was extended in the fourth quarter, 2016, to December 31, 2020, and has been presented under Other non-current assets as of December 31, 2016 (Note 13).

For the year ended December 31, 2016, the Company recognized a write down of receivables of 0.3 million (note 29), comprised of a net reversal of allowance for doubtful non-trade receivables of $1.6 million (December 31, 2015 - $0.8 million), and a write down of non-trade receivables of $1.9 million (December 31, 2015 - $1.0 million). In addition, $2.5 million of non-trade receivables previously provided for were determined to be uncollectible and were written off from the allowance for doubtful non-trade receivables (December 31, 2015 - $nil).

As at December 31, 2016, the allowance for doubtful non-trade receivables (excluding receivables from related parties) was$nil (December 31, 2015 - $4.1 million).

As at December 31, 2016, there was no allowance for doubtful current non-trade receivables from related parties, as the balance was reclassified to Other non-current assets (December 31, 2015 - $36.0 million).

9. INVENTORIES

	Notes	December 31, 2016	December 31, 2015
Finished goods		**$ 49.1**	$ 56.2
Ore stockpiles		**9.1**	4.3
Mine supplies		**149.7**	163.4
		207.9	223.9
Ore stockpiles included in other non-current assets	13	**156.0**	147.0
		$ 363.9	$ 370.9

For the year ended December 31, 2016, the Company recognized a write-down in inventories amounting to $1.0 million (December 31, 2015 - $17.6 million). During the year, $26.4 million was recognized in Cost of sales for costs related to operating below normal capacity at Westwood (December 31, 2015 - $28.2 million).

10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	Notes	Associates [1,2,3,4]	Sadiola [5]	Yatela [5]	Total
Balance, January 1, 2015		$ 6.8	$ 49.6	$ —	$ 56.4
Acquisition		5.1	—	—	5.1
Impairment		(1.2)	—	—	(1.2)
Currency translation adjustment		(0.8)	—	—	(0.8)
Share of net earnings (loss), net of income taxes		(2.5)	11.9	0.3	9.7
Share of net earnings reversed to provision		—	—	(0.3)	(0.3)
Share of dividends received		—	(12.3)	—	(12.3)
Balance, December 31, 2015		**7.4**	**49.2**	**—**	**56.6**
Currency translation adjustment		**(0.3)**	**—**	**—**	**(0.3)**
Share of net earnings (loss), net of income taxes		**(0.8)**	**9.0**	**(2.1)**	**6.1**
Share of net loss recorded as provision	14	**—**	**—**	**2.1**	**2.1**
Share of dividends received		**—**	**(11.3)**	**—**	**(11.3)**
Disposal [2]		**(0.6)**	**—**	**—**	**(0.6)**
Balance, December 31, 2016		**$ 5.7**	**$ 46.9**	**$ —**	**$ 52.6**

1 Associates include INV Metals and Merrex which are publicly traded companies incorporated in Canada. The Company's ownership interest in associates as at December 31, 2016 was INV Metals - 35.6% (December 31, 2015 - 46.8%), and Merrex - 23.0% (December 31, 2015 - 25.2%). The decline in the Company's ownership interest in associates since December 31, 2015 was due to the dilution in ownership, which resulted from the issuance of additional shares to third parties by the associates.

2 On December 21, 2016, the Company signed a definitive agreement with Merrex to acquire, in an all-share transaction, all of the issued and outstanding shares of Merrex not already owned by IAMGOLD (the "Transaction"). IAMGOLD agreed to issue 6.9 million shares, amounting to less than 1.5% of its issued and outstanding shares, in connection with the transaction. The transaction is subject to regulatory and security holder approval.

3 On March 16, 2016, the Company disposed of its 41% ownership interest in Galane Gold Ltd. ("Galane") which had a carrying amount of $0.6 million on the date of disposal for cash proceeds of $0.2 million. The resulting loss of $0.4 million, net of transaction costs, was recognized in Interest income and derivatives and other investment gains in the Consolidated statements of earnings (refer to note 29).

4 IAMGOLD includes results based on the latest publicly available information.

5 The Company's joint ventures are not publicly listed.

The following table reconciles the summarized balance sheet to the carrying amount of the Company's interest in joint ventures:

		December 31, 2016		December 31, 2015	
		Sadiola	Yatela	Sadiola	Yatela
Company's equity percentage of net assets of joint ventures	Notes	**41%**	**40%**	41%	40%
Share of net assets (liabilities) of joint ventures		**$ 46.9**	**$ (30.8)**	$ 49.2	$ (28.7)
Loss applied to loans receivable		**—**	**16.0**	—	16.0
Loss recognized in provision	14	**—**	**15.0**	—	12.9
Other		**—**	**(0.2)**	—	(0.2)
Carrying amount of interest in joint ventures		**$ 46.9**	**$ —**	$ 49.2	$ —

Financial information for investments in Sadiola and Yatela, not adjusted for the percentage held by the Company, is summarized below:

Joint Ventures	**Years ended December 31, 2016** Sadiola	**Years ended December 31, 2016** Yatela	Years ended December 31, 2015 Sadiola	Years ended December 31, 2015 Yatela
Summarized statements of earnings				
Revenues	**$ 213.5**	**$ 14.7**	$ 196.7	$ 19.5
Depreciation expense	**(7.1)**	**(2.0)**	(22.7)	(4.4)
Other expenses	**(179.0)**	**(18.0)**	(132.8)	(14.3)
Income taxes	**(5.4)**	**(0.1)**	(12.2)	(0.2)
Net earnings (loss) and other comprehensive income (loss)	**$ 22.0**	**$ (5.4)**	$ 29.0	$ 0.6

Summarized balance sheet	**December 31, 2016**		December 31, 2015	
Assets				
Cash and cash equivalents	**$ 50.8**	**$ 6.5**	$ 34.6	$ 5.9
Other current assets	**41.9**	**7.7**	66.0	14.6
Non-current assets	**284.2**	**—**	269.9	2.1
	$ 376.9	**$ 14.2**	$ 370.5	$ 22.6
Liabilities				
Current liabilities	**$ 41.2**	**$ 50.5**	$ 46.3	$ 72.0
Non-current liabilities	**221.2**	**40.8**	204.1	22.3
	$ 262.4	**$ 91.3**	$ 250.4	$ 94.3
Net assets (liabilities)	**$ 114.5**	**$(77.1)**	$ 120.1	$(71.7)

Associates' combined financial information as reported by INV Metals and Merrex (2015 - INV Metals, Merrex, and Galane), are summarized below:

	12 Months ended [1] **2016**	2015
Net loss	**$ (3.5)**	$ (5.9)
Other comprehensive loss	**(0.6)**	(1.8)
Comprehensive loss	**$ (4.1)**	$ (7.7)

1 IAMGOLD includes results based on the latest publicly available information.

11. PROPERTY, PLANT AND EQUIPMENT

	Construction in progress	Mining properties	Plant and equipment	Total
Cost				
Balance, January 1, 2015	$ 79.8	$ 1,932.4	$ 1,767.4	$3,779.6
Additions	20.8	133.0	64.8	218.6
Changes in asset retirement obligations	—	(10.3)	—	(10.3)
Disposals	—	—	(25.1)	(25.1)
Transfers within Property, plant and equipment	(92.7)	78.5	14.2	—
Balance, December 31, 2015	**7.9**	**2,133.6**	**1,821.3**	**3,962.8**
Additions	**34.9**	**172.1**	**87.3**	**294.3**
Changes in asset retirement obligations	**—**	**11.7**	**—**	**11.7**
Disposals	**—**	**—**	**(42.6)**	**(42.6)**
Transfers within Property, plant and equipment	**(40.0)**	**19.1**	**20.9**	**—**
Balance, December 31, 2016	**$ 2.8**	**$ 2,336.5**	**$ 1,886.9**	**$4,226.2**

	Construction in progress	Mining properties	Plant and equipment	Total
Accumulated Depreciation and Impairment				
Balance, January 1, 2015	$ —	$ 1,062.3	$ 564.4	$1,626.7
Depreciation expense [1]	—	106.3	176.7	283.0
Impairment	3.5	214.4	3.4	221.3
Disposals	—	—	(22.0)	(22.0)
Balance, December 31, 2015	**3.5**	**1,383.0**	**722.5**	**2,109.0**
Depreciation expense [1]	**—**	**98.5**	**187.5**	**286.0**
Disposals	**—**	**—**	**(37.0)**	**(37.0)**
Transfers within property, plant and equipment	**(3.5)**	**—**	**3.5**	**—**
Balance, December 31, 2016	**$ —**	**$ 1,481.5**	**$ 876.5**	**$2,358.0**
Carrying amount, December 31, 2015	$ 4.4	$ 750.6	$ 1,098.8	$1,853.8
Carrying amount, December 31, 2016	**$ 2.8**	**$ 855.0**	**$ 1,010.4**	**$1,868.2**

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

In 2016, borrowing costs attributable to qualifying assets associated with the Essakane, Rosebel and Westwood mines capitalized totaled $19.3 million (2015 - $13.2 million) at a weighted average interest rate of 6.99% (2015 - 6.99%).

As at December 31, 2016, mining properties included capitalized stripping costs of $214.8 million (2015 - $181.6 million). Stripping costs of $75.7 million were capitalized during 2016 (2015 - $43.0 million), and $42.5 million were depreciated during 2016 (2015 - $50.4 million).

As at December 31, 2016, the carrying amount of plant and equipment included $0.2 million (December 31, 2015 - $1.8 million) of equipment held under finance leases.

12. EXPLORATION AND EVALUATION ASSETS

	Notes	Years ended December 31, 2016	2015
Balance, beginning of the year		**$ 155.1**	$ 544.8
Exploration and evaluation expenditures [1]		**14.1**	10.3
Impairment	32	**—**	(400.0)
Balance, end of the year		**$ 169.2**	$ 155.1

1 During 2016, the Company acquired the rights to the Saramacca property from the Government of Suriname in exchange for an initial cash payment of $10.0 million which has been accounted for as an Exploration and evaluation asset (note 21).

Exploration and evaluation assets primarily relate to Trelawney Mining and Exploration's Côté Gold project. The Company completed a review of the Côté Gold project in the fourth quarter of 2015 and determined that the carrying amount of the asset exceeded its recoverable amount. The Company recognized a $400.0 million pre-tax impairment charge against the asset in 2015.

13. OTHER NON-CURRENT ASSETS

	Notes	December 31, 2016	December 31, 2015
Ore stockpiles	9	**$ 156.0**	$ 147.0
Receivables from related parties	34	**31.3**	—
Marketable securities and warrants		**21.7**	14.9
Advances for the purchase of capital equipment		**19.9**	5.7
Bond fund investments		**5.9**	6.4
Royalty interests		**5.6**	5.6
Derivatives		**4.1**	2.1
Other		**5.2**	8.1
		$ 249.7	$ 189.8

As at December 31, 2016, the allowance for doubtful non-current non-trade receivables from related parties was $36.0 million, previously presented under Receivables and other currents assets (Note 8) (December 31, 2015 - $nil).

14. PROVISIONS

	Notes	December 31, 2016	December 31, 2015
Asset retirement obligations		**$ 285.1**	$ 285.3
Yatela loss provision	10	**15.0**	12.9
Other		**5.5**	4.5
		$ 305.6	$ 302.7
Current portion of provisions		**$ 15.8**	$ 13.4
Non-current provisions		**289.8**	289.3
		$ 305.6	$ 302.7

(a) Asset retirement obligations

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

The following table presents the reconciliation of the provision for asset retirement obligations:

	Notes	Years ended December 31, 2016	2015
Balance, beginning of the year		**$ 285.3**	$ 293.7
Revision of estimated cash flows and discount rates:			
Capitalized in (reduction of) property, plant and equipment	11	**11.7**	(10.3)
Changes in asset retirement obligations at closed sites	27	**(9.8)**	3.6
Accretion expense	28	**0.6**	0.8
Disbursements		**(2.7)**	(2.5)
Balance, end of the year		**285.1**	285.3
Less current portion		**(12.5)**	(8.4)
Non-current portion		**$ 272.6**	$ 276.9

As at December 31, 2016, the Company had letters of credit in the amount of $3.2 million to guarantee asset retirement obligations (December 31, 2015 - $2.7 million). In addition, the Company had restricted cash of $110.7 million (December 31, 2015 - $76.1 million) as collateral for asset retirement obligations (refer to note 6).

As at December 31, 2016, the schedule of estimated future disbursements for rehabilitation was as follows:

	C$ [1]	$ [1]
2017	$ 10.3	$ 2.2
2018	17.8	2.0
2019	16.4	1.1
2020	7.7	2.1
2021	9.2	4.5
2022 onwards	108.3	123.1
	$169.7	$135.0

1 Disbursements in US$ relate to the Essakane and Rosebel mines and C$ disbursements relate to the Doyon mine and Other Canadian sites.

As at December 31, 2016, estimated undiscounted amounts of cash flows required to settle the obligations, expected timing of payments and the average real discount rates assumed in measuring the asset retirement obligations were as follows:

	Undiscounted Amounts Required (C$)	Undiscounted Amounts Required ($)	Expected Timing of Payments	Average Real Discount Rates
Rosebel mine	$ —	$ 56.9	2017 - 2029	0.1%
Essakane mine	—	78.1	2017 - 2028	0.1%
Doyon mine	145.2	—	2017 - 2045	0.1%
Other Canadian sites	24.5	—	2017 - 2116	0.1%
	$ 169.7	$ 135.0		

(b) Provisions for litigation claims and regulatory assessments

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

The Company operates in various countries 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 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. Management assesses the potential outcome of litigation and regulatory assessments based on input from in-house counsel, outside legal advisors, and other subject matter experts. Accordingly, the Company establishes provisions for future disbursements considered probable.

As at December 31, 2016, 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.

15. OTHER LIABILITIES

	Note	December 31, 2016	December 31, 2015
Finance lease liabilities		$ 0.1	$ 1.1
Derivatives	19(a)	2.0	8.0
Current other liabilities		$ 2.1	$ 9.1

16. INCOME TAXES

The effective tax rates for the years ended December 31, 2016 and 2015 were 35.1% and (1.5%), respectively.

Income tax expenses/(recoveries) consisted of the following components:

	Years ended December 31, 2016	2015
Current income tax		$ —
Canadian current income taxes	$ 0.8	$ 2.4
Foreign current income taxes	20.9	28.0
	21.7	30.4
Deferred income tax:		
Canadian deferred income tax - origination and reversal of temporary differences	(1.5)	(25.9)
Foreign income taxes - origination and reversal of temporary differences	14.3	7.0
Changes in tax rates or imposition of new taxes	(1.1)	—
	11.7	(18.9)
Total income tax expense	$ 33.4	$ 11.5

Income tax expenses/(recoveries) related to OCI consisted of the following components:

	Years ended December 31, 2016	2015
Unrealized change in fair value of marketable securities	$ 1.2	$ (0.7)
Hedges	0.2	(0.1)
Total income taxes related to OCI	$ 1.4	$ (0.8)

The Company is subject to income tax in several jurisdictions, at various tax rates. A number of factors other than the current year tax rates affect the relationship between the income or losses in a jurisdiction for financial accounting reporting purposes and the income tax provision required to be recognized for those same reporting purposes.

These factors are illustrated below on all of the consolidated earnings from continuing operations before income taxes after applying a tax rate of 26.7%, reflecting the combined Canadian statutory corporate income tax rate which applies to the Company as a legal entity for the year ended December 31, 2016 (December 31, 2015 - 26.7%):

	Years ended December 31, 2016	2015
Earnings (loss) before income taxes	**$ 95.2**	$ (783.8)
Income tax provision (26.7%)	**$ 25.4**	$ (208.9)
Increase (reduction) in income taxes resulting from:		
Earnings in foreign jurisdictions subject to a different tax rate than 26.7%	**(20.4)**	(3.0)
Permanent items that are not included in income / losses for tax purposes:		
Non-deductible expenses	**22.2**	12.6
Income / losses not recognized for tax purposes	**(5.8)**	0.6
Tax provisions not based on legal entity income or losses for the period:		
Provincial mining duty tax	**—**	(25.6)
Non-resident withholding tax	**2.8**	2.6
Foreign exchange adjustments of tax receivable / payable balances	**(0.2)**	—
Under/(over) tax provisions	**(7.6)**	5.7
Tax benefit of losses recognized	**(5.8)**	—
Additions to accounting costs not included for statutory tax purposes	**1.2**	—
Changes in tax rates	**(1.1)**	
Other	**(0.6)**	—
Other adjustments:		
Tax benefits not recognized for deferred income tax purposes	**18.4**	200.9
Foreign exchange related to deferred income taxes	**3.8**	26.5
Other	**1.1**	0.1
Total income tax expense	**$ 33.4**	$ 11.5

The components that give rise to deferred income tax assets and liabilities are as follows:

	December 31, 2016	December 31, 2015
Deferred income tax assets:		
Exploration and evaluation assets	**$ 109.1**	$ 72.6
Non-capital losses	**—**	14.1
Asset retirement obligations	**3.7**	4.1
Other	**10.3**	11.3
	123.1	102.1
Deferred income tax liabilities:		
Property, plant and equipment	**(213.6)**	(161.0)
Royalty interests	**(7.7)**	(9.5)
Other intangible assets	**(0.5)**	(0.7)
Mining duties	**(19.7)**	(21.0)
Marketable securities	**(0.9)**	(0.3)
Inventory and Reserves	**(10.1)**	(6.0)
Other	**(29.6)**	(49.4)
	(282.1)	(247.9)
Net deferred income tax liabilities	**$ (159.0)**	$ (145.8)
Classification:		
Non-current assets	**$ —**	$ —
Non-current liabilities	**(159.0)**	(145.8)
	$ (159.0)	$ (145.8)

Unrecognized Deferred Income Tax Assets

Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

	December 31, 2016	December 31, 2015
Non-capital losses	**$ 981.9**	$ 911.2
Net capital losses	**47.7**	60.2
Exploration and evaluation assets	**163.7**	99.6
Deduction for future mining duty taxes	**19.7**	21.0
Asset retirement obligations	**153.4**	147.8
Other deductible temporary differences	**30.7**	83.2
	$ 1,397.1	$ 1,323.0

As at December 31, 2016, the Company did not recognize the benefit related to the deferred income tax assets for the above related items in its Consolidated financial statements, as management did not consider it probable that the Company will be able to realize the deferred income tax assets in the future.

The net capital loss carry forwards are restricted in use against capital gains but may be carried forward indefinitely. The exploration and evaluation assets may be carried forward indefinitely. The non-capital loss carry forwards expire as follows:

Expiry Date	2017	2018	2019	2020	2021+	No Expiry	Total
Total unrecognized losses	$18.1	$28.6	$12.2	$14.2	$711.3	$ 197.5	$981.9

The Company has not recognized a deferred income tax liability on temporary differences of $722.1 million (December 31, 2015 - $362.1 million) related to investments in certain subsidiaries and joint ventures because the Company can control the reversal of the temporary differences and the temporary differences are not expected to reverse in the foreseeable future.

The Company designates all dividends paid to its shareholders to be eligible dividends.

The 2016 movement for net deferred income tax liabilities is summarized as follows:

		From Continuing Operations			
	December 31, 2015	**Statements of earnings**	**Other comprehensive income**	**Other**	**December 31, 2016**
Deferred income tax assets:					
Exploration and evaluation assets	**$ 72.6**	**$ 36.5**	**$ —**	**$ —**	**$ 109.1**
Non-capital losses	**14.1**	**(14.1)**	**—**	**—**	**—**
Net capital losses	**—**	**—**	**—**	**—**	**—**
Asset retirement obligations	**4.1**	**(0.4)**	**—**	**—**	**3.7**
Other assets	**11.3**	**(1.0)**	**—**	**—**	**10.3**
Deferred income tax liabilities:					
Property, plant and equipment	**(161.0)**	**(52.6)**			**(213.6)**
Royalty interests	**(9.5)**	**1.8**			**(7.7)**
Other intangible assets	**(0.7)**	**0.2**	**—**	**—**	**(0.5)**
Mining duties	**(21.0)**	**1.3**	**—**	**—**	**(19.7)**
Marketable securities	**(0.3)**	**0.6**	**(1.2)**	**—**	**(0.9)**
Investment in subsidiary	**—**	**—**		**—**	**—**
Inventory and Reserves	**(6.0)**	**(4.1)**		**—**	**(10.1)**
Other	**(49.4)**	**20.1**	**(0.2)**	**(0.1)**	**(29.6)**
	$ (145.8)	**$ (11.7)**	**$ (1.4)**	**$ (0.1)**	**$ (159.0)**

The 2015 movement for net deferred income tax liabilities is summarized as follows:

		From Continuing Operations			
	December 31, 2014	Statements of earnings	Other comprehensive income	Other	December 31, 2015
Deferred income tax assets:					
Exploration and evaluation assets	$ 73.6	$ (1.0)	$ —	$—	$ 72.6
Non-capital losses	83.3	(69.2)	—	—	14.1
Net capital losses	29.8	(29.8)	—	—	—
Asset retirement obligations	1.1	3.0	—	—	4.1
Other assets	8.0	3.2	0.1	—	11.3
Deferred income tax liabilities:					
Property, plant and equipment	(220.8)	59.8	—	—	(161.0)
Royalty interests	(8.8)	(0.7)	—	—	(9.5)
Other intangible assets	(0.9)	0.2	—	—	(0.7)
Mining duties	(46.6)	25.6	—	—	(21.0)
Marketable securities	(0.4)	(0.6)	0.7	—	(0.3)
Investment in subsidiary	(29.8)	29.8	—	—	—
Inventory and Reserves	(3.3)	(2.7)	—	—	(6.0)
Other	(50.7)	1.3			(49.4)
	$ (165.5)	$ 18.9	$ 0.8	$—	$ (145.8)

17. LONG-TERM DEBT AND CREDIT FACILITIES

(a) Senior unsecured notes

On September 21, 2012, the Company issued at face value $650 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.

In April 2016, the Company canceled at face value the $15.0 million of Notes it purchased in 2015.

In the third quarter of 2016, the Company purchased at face value, pursuant to a tender offer, an additional $145.9 million of its Notes for cash consideration of $141.5 million. The resulting gain, net of transaction costs was $4.0 million and was recognized in Interest income and derivatives and other investment gains in the Consolidated statements of earnings (refer to note 29). As at December 31, 2016, remaining outstanding Notes totaled $489.1 million.

Under the indenture governing the Notes, if the Company makes certain asset sales, such as the sale of the Niobec mine and the Diavik royalty in 2015, it may use an amount equal to the net proceeds to repay certain debt obligations and/or reinvest, or commit to reinvest, in the Company's business, within 365 days after the applicable asset sale. At the end of the 365-day period, if there remains $50 million or more of the net proceeds that the Company has not used in this manner, the Company would be required to use any such excess proceeds to offer to purchase the Notes at par in the manner described in the indenture.

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

		Payments due by period				
Notes, balance as at	**Carrying amount [1]**	**Contractual cash flows**	**<1 yr**	**1-2 yrs**	**3-5 yrs**	**>5 yrs**
December 31, 2016	**$ 489.1**	**$ 621.1**	**$33.0**	**$ 66.0**	**$522.1**	**$ —**
December 31, 2015	$ 635.0	$ 849.3	$42.9	$ 85.7	$720.7	$ —

1 The carrying amount of the long-term debt excludes unamortized deferred transaction costs of $4 million as at December 31, 2016 (December 31, 2015 – $6.9 million).

(b) Credit facilities

On February 1, 2016, the Company entered into a four-year $250 million credit facility consisting of a fully committed $100 million secured revolving credit facility and a $150 million accordion. During the year, the Company amended the credit facility to increase the fully committed credit facility from $100 million to $170 million, resulting in $80 million remaining under the accordion. As of December 31, 2016, letters of credit worth $2.8 million were drawn against the credit facility for the guarantee of certain asset retirement obligations. On February 7, 2017, the Company amended the credit facility, utilizing the remaining accordion and adding additional commitments of $80.0 million, bringing the total commitments under the facility to $250.0 million, with similar terms and conditions. The key terms of the new facility include limitations on incremental debt, restrictions on distributions and financial covenants including Net Debt to EBITDA, Tangible Net Worth, Interest Coverage and Minimum Liquidity. The credit facility provides for an interest rate margin above London Interbank Offered Rate ("LIBOR"), banker's acceptance ("BA") prime rate and base rate advances which varies according to the total net debt ratio of the Company. Fees related to the credit facility vary according to the total net debt ratio of the Company. This credit facility is secured by some of the Company's real assets, guarantees by some of the Company's subsidiaries and pledges of shares in some of the Company's subsidiaries. The maturity date of this credit facility is February 1, 2020. The Company was in compliance with its credit facility covenants as at December 31, 2016.

Upon entering into the $250 million credit facility described above, the Company terminated its four-year $500 million unsecured revolving credit facility. During the first quarter 2016 and prior to termination, the Company repaid the $70.0 million outstanding on this facility.

The Company had a $75 million revolving credit facility for the issuance of letters of credit which matured on April 22, 2016. Following the expiration of the $75 million credit facility, letters of credit worth $2.8 million were issued under the Company's revolving credit facility, as noted above, and $0.4 million under a separate letter of credit.

18. FINANCIAL INSTRUMENTS

(a) Risks

The Company is subject to various financial risks that could have a significant impact on profitability, levels of operating cash flow and financial conditions. Ongoing financial market conditions may have an impact on interest rates, gold prices and currency rates.

The Company is exposed to various liquidity, credit and market risks associated with its financial instruments, and manages those risks as follows:

(i) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's approach to managing this risk is to ensure that there is sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damages.

As at December 31, 2016, in addition to the available credit facility (Note 17(b)), the Company's cash and cash equivalents was $652.0 million (December 31, 2015 cash and cash equivalents, and gold bullion position - $624.3 million). The Company had notes payable of $489.1 million as at December 31, 2016 (December 31, 2015 - $635.0 million).

The Company has a treasury policy designed to support management of liquidity risk as follows:

- Invest in financial instruments in order to preserve capital, maintain required liquidity and realize a competitive rate of return while considering an appropriate and tolerable level of credit risk;
- Evaluate, review and monitor on a periodic basis, credit ratings and limits for counterparties with whom funds are invested;
- Monitor cash balances within each operating entity;
- Perform short to medium-term cash flow forecasting, as well as medium and long-term forecasting incorporating relevant budget information; and
- Determine market risks inherent in the business, including currency, fuel and other non-gold commodities and evaluate, implement and monitor hedging strategies through the use of derivative instruments.

Under the terms of the Company's derivative agreements, counterparties cannot require the immediate settlement of outstanding derivatives, except upon the occurrence of customary events of default such as covenant breaches, including financial covenants, insolvency or bankruptcy. The Company generally mitigates liquidity risk associated with these instruments by spreading out the maturity of its derivatives over time.

(ii) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The maximum amount of credit risk is equal to the balance of cash and cash equivalents, receivables, derivative assets and restricted cash. Where applicable, the measurement of the fair value of derivatives accounts for counterparty credit risk.

The Company holds cash and cash equivalents and restricted cash in credit worthy financial institutions that comply with the Company's investment policy and its credit risk parameters. The Company also has restricted cash held by the Government of Quebec.

For derivatives, the Company mitigates credit risk by entering into derivatives with high quality counterparties, limiting the exposure per counterparty, and monitoring the financial condition of the counterparties.

The credit risk related to gold receivables is considered minimal as gold is sold to creditworthy counterparties and settled promptly, usually within the following month.

The credit risk is also related to receivables from related parties and governments. The receivables from governments primarily relate to value added tax. The Company has rights to these receivables based on application of tax laws and regularly monitors collection of the amounts. Receivables from related parties relate to the Company's investments in associates and joint ventures and the Company monitors collection in line with the terms of the underlying agreements.

(iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. For hedging activities, it is the risk that the fair value of a derivative might be adversely affected by a change in underlying commodity prices or currency exchange rates, and that this in turn affects the Company's financial condition.

The Company mitigates market risk by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken, establishing trading agreements with counterparties under which there are 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. Market risk comprises the following types of risks: share and commodity market price risk, currency risk, and interest rate risk.

(b) Financial assets measured at fair value through other comprehensive income

Marketable securities fair value reserve

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

During the years ended December 31, 2016 and 2015, the Company disposed of certain marketable securities which were no longer considered to be strategic to the Company.

	Years ended December 31, 2016	Years ended December 31, 2015
Proceeds from sale of marketable securities	**$ 0.1**	$ 22.2
Acquisition date fair value of marketable securities sold	**(2.9)**	(23.4)
Loss on sale of marketable securities recorded in OCI	**$ (2.8)**	$ (1.2)

As at December 31, 2016, the impact of a 10% increase or a 10% decrease in the fair value of marketable securities and warrants would have resulted in an increase or decrease, respectively in unrealized gains, net of tax of $1.3 million that would have been included in OCI and $0.4 million in net earnings.

(c) Cash flow hedge fair value reserve

(i) Hedge gains/losses

	Hedge gain (loss) recognized in cash flow hedge reserve		**(Gain) loss reclassified or adjusted from cash flow hedge reserve**	
	Year ended December 31, 2016	Year ended December 31, 2015	**Year ended December 31, 2016**	Year ended December 31, 2015
Exchange rate risk				
Canadian dollar contracts				
Forward contracts	**$ —**	$ (6.8)	**$ —**	$ 10.9
Option contracts	**0.7**	(12.3)	**6.0**	5.8
Euro contracts				
Option contracts	**0.9**	(11.8)	**(1.3)**	12.5
Oil and fuel market price risk				
Crude oil option contracts	**3.6**	(5.4)	**1.8**	—
	5.2	(36.3)	**6.5**	29.2
Time value of options and forward contracts excluded from hedge relationship	**(4.2)**	3.8	**—**	(0.8)
	$ 1.0	$ (32.5)	**$ 6.5**	$ 28.4

	(Gain) loss reclassified from cash flow hedge reserve to:	
	Year ended December 31, 2016	Year ended December 31, 2015
Consolidated balance sheets		
Property, plant and equipment	**$ 0.1**	$ 8.4
Consolidated statements of earnings		
Cost of sales	**4.4**	16.8
General and administrative expenses	**2.0**	3.2
Total	**$ 6.5**	$ 28.4

In the fourth quarter of 2015, the Company early terminated certain currency hedge contracts associated with hedged future operating cash flows which were expected to occur in 2016. Related to these contracts, losses of $1.1 million and $4.7 million were reclassified from cash flow hedge reserve to operating costs, during the three and twelve months ended December 31, 2016, respectively.

There was no hedge ineffectiveness for the year ended December 31, 2016 and 2015.

(ii) Currency exchange rate risk

Movements in the Canadian dollar (C$) and the Euro (€) against the U.S. dollar ($) have a direct impact on the Company's consolidated financial statements.

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

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

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

As at December 31, 2016, the Company had outstanding derivative contracts which qualified for hedge accounting. The periods in which the cash flows are expected to occur and impact the Consolidated statements of earnings, are as follows:

	2017	2018	Total
Cash flow hedges			
Exchange rate risk			
Canadian dollar option contracts (millions of C$)	**96**	**60**	**156**
Contract rate range (C$/$)	**1.30-1.35**[1]	**1.30-1.45**[2]	
Euro option contracts (millions of €)	**126**	**—**	**126**
Contract rate range ($/€)	**1.00-1.20**[3]	**—**	

1 The Company purchased Canadian dollar call options at a strike price of $1.30, and put options at a strike price of $1.35 to protect against the U.S. dollar depreciating below $1.30-1.35 in 2017.

2 The Company purchased U.S dollar put options and sold U.S dollar call options with strike prices within the given range in 2018. If U.S dollar to C$ market prices are below the low end of the range of the put strike prices in 2018, the Company will benefit from the margin between the lower market price and the set put strike price. If U.S dollar to C$ market prices are above the high end of the range of the call strike prices in 2018, the Company will incur a loss from the margin between the higher market price and the set call strike price.

3 The Company purchased Euro call options and sold Euro put options with strike prices within the given range in 2017. If EUR to U.S. Dollar market prices are below the low end of the range in 2017, the Company will incur a loss from the margin between the lower market price and the set put strike price. If EUR to U.S. Dollar market prices are above the high end of the range of the call strike price in 2017, the Company will benefit from the margin between the higher market price and the set call strike price.

The fair value as at December 31, 2016, and the fair value based on an increase or a decrease of 10% of the U.S. dollar exchange rate would have been as follows. The entire change in fair value would be recorded in the consolidated statements of comprehensive income.

	December 31, 2016	Increase of 10%	Decrease of 10%
Canadian dollar (C$)	**$ 2.1**	**$ (1.8)**	**$ 11.4**
Euro (€)	**$ (1.8)**	**$ (10.2)**	**$ 6.5**

Additional information on hedging instruments and hedged forecast transactions related to currency exchange rate risk as at December 31, 2016 and December 31, 2015 was as follows:

	Carrying amount			Fair value changes used for calculating hedge ineffectiveness	
As at December 31, 2016	**Assets**	**Liabilities**	**Accumulated cash flow hedge fair value reserve (before tax)**	**Hedging instruments**	**Hedged items**
Canadian option contracts	**$ 2.1**	**$ —**	**$ 0.2**	**$ 0.2**	**$ (0.2)**
Euro option contracts	**0.2**	**(2.0)**	**(0.4)**	**(0.4)**	**0.4**
	$ 2.3	**$ (2.0)**	**$ (0.2)**	**$ (0.2)**	**$ 0.2**

	Carrying amount			Fair value changes used for calculating hedge ineffectiveness	
As at December 31, 2015	Assets	Liabilities	Accumulated cash flow hedge fair value reserve (before tax)	Hedging instruments	Hedged items
Canadian option contracts	$ —	$ (3.5)	$ (1.8)	$ (1.8)	$ 1.8
Euro option contracts	0.6	(0.3)	—	—	—
	$ 0.6	$ (3.8)	$ (1.8)	$ (1.8)	$ 1.8

(iii) Oil and fuel market price risk

Low sulfur diesel and fuel oil are key inputs to extract tonnage and, in some cases, to wholly or partially power operations. Brent crude oil and West Texas Intermediate (WTI) are components of diesel and fuel oil, respectively, such that changes in the price of crude oil directly impacts diesel and fuel oil costs. The Company established a hedging strategy to limit the impact of fluctuations in crude oil prices and to economically hedge future consumption of diesel and fuel oil at the Rosebel and Essakane mines. The Company has designated option contracts as cash flow hedges for the crude oil component of its highly probable forecasted low sulfur diesel and fuel oil purchases.

As at December 31, 2016, the Company's outstanding crude oil derivative contracts, which qualified for hedge accounting, and the periods in which the cash flows are expected to occur and impact the consolidated statements of earnings, are as follows:

	2017	2018	Total
Brent crude oil option contracts (barrels) [1]	**504**	**344**	**848**
Option contracts with strike prices at ($/barrel)	**60**[2]	**60**[2]	
WTI crude oil option contracts (barrels) [1]	**396**	**247**	**643**
Option contracts with strike prices at ($/barrel)	**60**[2]	**60**[2]	

1 Quantities of barrels are in thousands.

2 The Company purchased call options with a strike price of $60. If crude oil prices are greater than the call strike price ($60) in 2017 and 2018, the Company will benefit from the margin between the higher market price and the set call strike price.

The fair value as at December 31, 2016, and the fair value based on an increase or a decrease of 10% of the price, would have been as follows. The entire change in fair value would be recorded in the consolidated statements of comprehensive income.

	December 31, 2016	Increase of 10%	Decrease of 10%
Brent crude oil option contracts	**$ 4.0**	**$ 7.3**	**$ 1.8**
WTI crude oil option contracts	**$ 2.2**	**$ 4.4**	**$ 0.9**

Additional information on hedging instruments and hedged forecast transactions related to oil and fuel market price risk as at December 31, 2016 and December 31, 2015 were as follows:

	Carrying amount			Fair value changes used for calculating hedge ineffectiveness	
As at December 31, 2016	**Assets**	**Liabilities**	**Accumulated cash flow hedge fair value reserve (before tax)**	**Hedging instruments**	**Hedged items**
Brent crude oil option contracts	**$ 4.0**	**$ —**	**$ —**	**$ —**	**$ —**
WTI crude oil option contracts	**2.2**	**—**	**—**	**—**	**—**
	$ 6.2	**$ —**	**$ —**	**$ —**	**$ —**

	Carrying amount			Fair value changes used for calculating hedge ineffectiveness	
As at December 31, 2015	Assets	Liabilities	Accumulated cash flow hedge fair value reserve (before tax)	Hedging instruments	Hedged items
Brent crude oil option contracts	$ 1.3	$ (3.2)	$ (4.3)	$ (4.3)	$ 4.5
WTI crude oil option contracts	0.8	(1.0)	(1.1)	(1.1)	1.1
	$ 2.1	$ (4.2)	$ (5.4)	$ (5.4)	$ 5.6

(d) Non-hedge derivative gain (loss)

Gain (loss) on non-hedge derivatives and warrants are included in Interest income and derivatives and other investment gains (Note 29) in the Consolidated statements of earnings. These gains (loss) relate to contracts and warrants associated with the mine sites, development projects and corporate offices.

	Notes	Years ended December 31, 2016	2015
Net gain (loss) on:			
Non-hedge derivatives - crude oil contracts		$ —	$ (43.7)
Warrants	29	**2.3**	(1.8)
		$ 2.3	$ (45.5)

19. FAIR VALUE MEASUREMENTS

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

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

There were changes in the classification of Level 1 and Level 3 financial instruments in the fair value hierarchy since December 31, 2015. During 2016, equity investments reclassified from Level 3 to Level 1 amounted to $0.3 million (2015 - $2.0 million).

(a) Financial assets and liabilities measured at fair value on a recurring basis

As at December 31, 2016, the Company's fair value of financial assets and liabilities were as follows:

	December 31, 2016 Carrying Amount	Level 1	Level 2	Level 3	Total Fair Value	December 31, 2015 Total Fair Value
Assets						
Cash and cash equivalents	**$ 652.0**	**$ 652.0**	**$ —**	**$ —**	**$ 652.0**	$ 481.0
Restricted cash	**110.7**	**110.7**	**—**	**—**	**110.7**	76.1
Marketable securities and warrants	**21.9**	**17.0**	**4.9**	**—**	**21.9**	15.1
Bond fund investments	**5.9**	**5.9**	**—**	**—**	**5.9**	6.4
Derivatives						
Currency contracts	**2.3**	**—**	**2.3**	**—**	**2.3**	0.6
Crude oil contracts	**6.2**	**—**	**6.2**	**—**	**6.2**	2.1
	$ 799.0	**$ 785.6**	**$ 13.4**	**$ —**	**$ 799.0**	$ 581.3
Liabilities						
Derivatives						
Currency contracts	**$ (2.0)**	**$ —**	**$ (2.0)**	**$ —**	**$ (2.0)**	$ (3.8)
Crude oil contracts	**—**	**—**	**—**	**—**	**—**	(4.2)
Long-term debt	**(485.1)**	**(482.2)**	**—**	**—**	**(482.2)**	(400.8)
	$ (487.1)	**$(482.2)**	**$ (2.0)**	**$ —**	**$ (484.2)**	$ (408.8)

(b) Valuation techniques

Marketable securities and warrants

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

Bond fund investments

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

Derivatives

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

Long-term debt

The long-term debt (senior unsecured notes) is accounted for at amortized cost, using the effective interest rate method. The fair value required to be disclosed is determined using quoted prices (unadjusted) in active markets, and is therefore classified within Level 1 of the fair value hierarchy. The fair value of Notes as at December 31, 2016 was $482.2 million (December 31, 2015 - $400.8 million).

Investments in associates

Investments in associates are measured at fair value on a non-recurring basis when an impairment charge or reversal is to be recorded. After application of the equity method, the fair value of an investment in associate is determined for purposes of assessing whether an impairment charge or reversal of a previously recorded impairment charge is required. For publicly traded companies, the Company determines the fair value of its investments in associates based on a market approach reflecting the closing price of the investments in the associates' shares at the balance sheet date. Since there is a quoted market price, this is classified within Level 1 of the fair value hierarchy. As at December 31, 2016, no investments in associates were measured at fair value.

Finance lease liabilities

Finance lease liabilities are accounted for at amortized cost, using the effective interest rate method. The fair value required to be disclosed is determined using market interest rate inputs and is therefore classified within Level 2 of the fair value hierarchy (refer to note 15). The fair value of the Company's finance lease liabilities approximates its carrying amount of $0.1 million.

FVLCD of CGUs

The FVLCD of CGUs were determined for purposes of the impairment assessment. The FVLCD was largely determined by calculating the net present value ("NPV") of the future cash flows expected to be generated by the CGUs. FVLCD is classified within level 3 on the fair value hierarchy. Refer to note 32.

Other financial assets and liabilities

The fair value of all other financial assets and liabilities of the Company approximate their carrying amounts.

20. CAPITAL MANAGEMENT

IAMGOLD's objectives when managing capital are to:

- Ensure the Company has sufficient financial capacity to support its operations, current mine development plans, and long-term growth strategy;
- Ensure the Company complies with its long-term debt covenants; and
- Protect the Company's value with respect to market and risk fluctuations.

	Notes	**December 31, 2016**	December 31, 2015
Cash and cash equivalents		**$ 652.0**	$ 481.0
Gold bullion at market value		**—**	143.3
		$ 652.0	$ 624.3
Capital items:			
Credit facilities available for use	17(b)	**$ 167.2**	$ 430.0
Long-term debt [1]	17(a)	**489.1**	635.0
Common shares		**2,628.2**	2,366.2
		$ 3,284.5	$ 3,431.2

1 The carrying amount of the long-term debt excludes unamortized deferred transaction costs of $4.0 million as at December 31, 2016 (December 31, 2015 – $6.9 million).

The Company is in a capital intensive industry that experiences lengthy development lead times as well as risks associated with capital costs and timing of project completion. Factors affecting these risks, which are beyond the Company's control, include the availability of resources, the issuance of necessary permits, costs of various inputs and the volatility of the gold price.

The adequacy of the Company's capital structure is assessed on an ongoing basis and adjusted as necessary after taking into consideration the Company's strategy, the forward gold price, the mining industry, economic conditions and associated risks. In order to maintain or adjust its capital structure, the Company may adjust its capital spending, adjust the amount of dividend distributions, issue new shares, purchase shares for cancellation pursuant to normal course issuer bids, extend its credit facility, issue new debt, repay existing debt, or purchase or sell gold bullion.

The Notes indenture contains a restriction on the use of proceeds from the sale of certain assets. Refer to note 17(a).

21. SHARE CAPITAL

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

Number of common shares (in millions)	**Years ended December 31, 2016**	2015
Outstanding, beginning of the year	**393.4**	376.9
Equity issuance	**44.7**	—
Issuance of flow-through common shares	**15.1**	15.8
Issuance of shares for share-based compensation	**0.6**	0.7
Outstanding, end of year	**453.8**	**393.4**

Equity issuance

On August 8, 2016, the Company entered into a public equity offering of 38.9 million common shares at a price of $5.15 per common share for gross proceeds of $200.0 million. On August 16, 2016, the underwriters elected to exercise an option to purchase up to an additional 15% of the offering, and as a result, an additional 5.8 million common shares were issued at a price of $5.15 per common share. The issuance was completed on August 16, 2016 and increased the gross proceeds from the offering to $230.0 million, less transaction costs of $9.9 million for net proceeds of $220.1 million for a total of 44.7 million common shares.

Contingently issuable shares

On December 12, 2016, the Company finalized the agreement with the Government of Suriname to acquire the rights to the Saramacca property. Under the terms of the agreement, the rights to the Saramacca property were transferred to Rosebel in exchange for an initial cash payment of $10.0 million which has been accounted for as an Exploration and evaluation asset (note 12). The purchase consideration also includes 3.125 million contingently issuable IAMGOLD common shares to be delivered in three approximately equal tranches in 12 month intervals, from the date the rights to the Saramacca property were transferred to Rosebel. In addition, the agreement provides for a potential upward adjustment to the purchase price based on the contained gold ounces identified by Rosebel in National Instrument 43-101 indicated and measured resource categories, within a certain Whittle shell, over the first 24 months, to a maximum of $10 million. Under the terms of the agreement, the Company can at any time during the course of the agreement provide 60 days' notice to the Government of Suriname and terminate the agreement. In such an event, any contingently issuable IAMGOLD common shares not already issued will no longer be required to be delivered to the Government of Suriname.

Flow-through common shares

During the fourth quarter, 2016, the Company issued 0.9 million flow-through common shares at prices ranging between C$6.56 and C$6.63 per share for net proceeds of $4.4 million (C$5.9 million), which included a $1.1 million premium reported as a deferred gain on the balance sheet to be recognized in earnings as eligible expenditures are made. A total of $3.3 million was recognized in equity based on the quoted price of the shares on the date of the issue less issuance costs. The flow-through common shares were issued to fund prescribed exploration expenditures on the Côté Gold project. Flow-through common shares require the Company to incur an amount equivalent to the proceeds of the issue on prescribed expenditures in accordance with the applicable tax legislation. As at December 31, 2016, the remaining unspent amount was $4.4 million.

Additionally, during the fourth quarter, 2016, the Company issued 2.2 million flow-through common shares at prices ranging between C$5.34 and C$5.60 per share for net proceeds of $8.9 million (C$11.9 million), which included a $0.8 million premium reported as a deferred gain on the balance sheet to be recognized in earnings as eligible expenditures are made. A total of $8.1 million was recognized in equity based on the quoted price of the shares on the date of the issue less issuance costs. The flow-through common shares were issued to fund prescribed development expenditures on the Westwood mine. As at December 31, 2016, the remaining unspent amount was $8.9 million.

In March 2016, the Company issued 12.0 million flow-through common shares at prices ranging between C$3.11 and C$3.59 per share for net proceeds of $30.3 million (C$41.0 million), which included a $2.8 million premium reported as a deferred gain on the balance sheet to be recognized in earnings as eligible expenditures are made. A total of $27.5 million was recognized in equity based on the quoted price of the shares on the date of the issue less issuance costs. The flow-through common shares were issued to fund prescribed development expenditures on the Westwood mine. As at December 31, 2016, there was no remaining unspent amount.

In December 2015, the Company issued 2.0 million flow-through common shares at prices ranging between C$1.86 and

C$1.91 per share for net proceeds of $3.7 million (C$5.0 million), which included a $0.9 million premium reported as a deferred gain on the balance sheet to be recognized in earnings as eligible expenditures are made. The flow-through common shares were issued to fund prescribed resource exploration expenditures in the provinces of Ontario and Quebec. As at December 31, 2016, there was no remaining unspent amount.

For the year ended December 31, 2016, $3.7 million was recognized as amortization of the gains related to the issuances of flow-through common shares described above (December 31, 2015 - $4.0 million), and was included in Interest income and derivatives and other investment gains in the Consolidated statements of earnings (refer to note 29).

22. NON-CONTROLLING INTERESTS

Financial information of subsidiaries that have material non-controlling interests are provided below:

	December 31, 2016		December 31, 2015	
	Essakane	**Rosebel**	Essakane	Rosebel
Percentage of voting rights held by non-controlling interests	**10%**	**5%**	10%	5%
Accumulated non-controlling interest	**$ 25.8**	**$ 21.2**	$ 19.3	$ 20.1
Net earnings (loss) attributable to non-controlling interests	**$ 6.5**	**$ 1.1**	$ 0.2	$ (0.4)
Dividends paid to material non-controlling interests [1]	**$ —**	**$ —**	$ —	$ 1.5

1 For the year ended December 31, 2016, dividends paid to other non-controlling interests amounted to $1.5 million (December 31, 2015 – $1.7 million).

Selected summarized information relating to these subsidiaries are provided below, before any intercompany eliminations:

	December 31, 2016		December 31, 2015	
	Essakane	**Rosebel**	Essakane	Rosebel
Current assets	**$ 216.3**	**$ 153.5**	$ 217.7	$ 108.1
Non-current assets	**882.9**	**522.0**	854.2	540.7
Current liabilities	**(70.7)**	**(57.5)**	(59.5)	(46.4)
Non-current liabilities	**(598.4)**	**(140.6)**	(648.1)	(147.9)
Net assets	**$ 430.1**	**$ 477.4**	$ 364.3	$ 454.5

	December 31, 2016		December 31, 2015	
Revenues	**$ 529.1**	**$ 369.6**	$ 487.1	$ 350.6
Net earnings (loss) and other comprehensive income (loss)	**$ 65.0**	**$ 22.8**	$ 2.9	$ (8.7)
Net cash from operating activities	**$ 236.7**	**$ 140.1**	$ 152.0	$ 60.0
Net cash used in investing activities	**(115.2)**	**(88.3)**	(75.8)	(55.4)
Net cash used in financing activities	**(120.6)**	**(3.9)**	(60.6)	(49.3)
Net increase (decrease) in cash and cash equivalents	**$ 0.9**	**$ 47.9**	$ 15.6	$ (44.7)

The Company's ability to access or use the assets of Rosebel and Essakane to settle its liabilities is not significantly restricted by known current contractual or regulatory requirements, or from the protective rights of non-controlling interests. Dividends payable by Rosebel must be approved by the Rosebel Supervisory Board, which includes representation from the non-controlling interest.

In December 2015, the Company acquired an additional 3.7% interest in Euro Ressources S.A. for $7.2 million, increasing its ownership from 86.0% to 89.7%. Transaction costs incurred relating to the acquisition were $1.2 million and were recognized as an adjustment to retained earnings. The carrying amount of Euro Ressources' net assets on the date of acquisition was $40.1 million. The Company recognized a decrease in Non-controlling interests of $1.6 million and a decrease in Retained earnings of $6.8 million attributable to owners of the Company.

23. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share computation

	Years ended December 31,	
	2016	2015
Numerator		
Net earnings (loss) from continuing operations attributable to equity holders of IAMGOLD	**$ 52.6**	$ (797.1)
Net earnings from discontinued operations attributable to equity holders of IAMGOLD	**—**	41.8
Net earnings (loss) attributable to equity holders of IAMGOLD	**$ 52.6**	$ (755.3)
Denominator (in millions)		
Weighted average number of common shares (basic)	**420.8**	389.9
Basic earnings (loss) from continuing operations attributable to equity holders of IAMGOLD per share ($/share)	**$ 0.13**	$ (2.04)
Basic earnings from discontinued operations attributable to equity holders of IAMGOLD per share ($/share)	**—**	0.11
Basic earnings (loss) attributable to equity holders of IAMGOLD per share ($/share)	**$ 0.13**	$ (1.93)

Diluted earnings (loss) per share computation

	Years ended December 31, 2016	2015
Denominator (in millions)		
Weighted average number of common shares (basic)	**420.8**	389.9
Dilutive effect of share options	**0.4**	—
Dilutive effect of restricted share units	**2.7**	—
Weighted average number of common shares (diluted)	**423.9**	389.9
Diluted earnings (loss) from continuing operations attributable to equity holders of IAMGOLD per share ($/share)	**$ 0.12**	$ (2.04)
Diluted earnings from discontinued operations attributable to equity holders of IAMGOLD per share ($/share)	—	0.11
Diluted earnings (loss) attributable to equity holders of IAMGOLD per share ($/share)	**$ 0.12**	$ (1.93)

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

(in millions)	Note	Years ended December 31, 2016	2015
Share options		**3.9**	5.3
Restricted share units		—	2.1
Contingently issuable shares	21	—	—
		3.9	7.4

24. SHARE-BASED COMPENSATION

	Years ended December 31, 2016	2015
Share option award plan	**$ 2.0**	$ 2.4
Full value award plans	**3.1**	3.2
	$ 5.1	$ 5.6

(a) Share option award plan

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

The reserve for share options has a maximum allotment of 25,505,624 common shares. As of December 31, 2016, the total number of shares in reserve was 11,718,824 of which 5,948,147 were outstanding and 5,770,677 were unallocated.

	Year ended December 31, 2016		Year ended December 31, 2015	
Year ended December 31, 2016	**Share options (in millions)**	**Weighted average exercise price (C$/share) [1]**	Share options (in millions)	Weighted average exercise price (C$/share) [1]
Outstanding, beginning of the year	**5.3**	**$ 8.92**	5.4	$ 10.56
Granted	**1.2**	**3.26**	0.9	2.98
Forfeited	**(0.5)**	**9.44**	(1.0)	12.30
Outstanding, end of the year	**6.0**	**$ 7.79**	5.3	$ 8.92
Exercisable, end of the year	**3.0**	**$ 10.47**	2.4	$ 12.11

1 Exercise prices are denominated in Canadian dollars. The exchange rate at December 31, 2016 between the U.S. dollar and Canadian dollar was $0.7623/C$.

The following table summarizes information related to share options outstanding at December 31, 2016:

Range of Prices C$/share	Number Outstanding (millions)	Weighted Average Remaining Contractual Life (years)	Weighted Average Exercise Price (C$/share)
1.01 - 5.00	3.1	5.2	3.55
5.01 - 10.00	1.2	3.2	7.66
10.01 - 15.00	0.9	2.3	13.13
15.01 - 20.00	0.6	1.1	18.45
20.01 - 25.00	0.2	1.2	22.25
	6.0	3.8	7.79

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

	Years ended December 31,	
	2016	2015
Weighted average risk-free interest rate	**0.6%**	1.0%
Weighted average expected volatility [1]	**62%**	55%
Weighted average dividend yield	**0.00%**	0.00%
Weighted average expected life of options issued (years)	**5.0**	5.0
Weighted average grant-date fair value (C$ per share)	**$ 1.68**	$ 1.28
Weighted average share price at grant date (C$ per share)	**$ 3.26**	$ 2.83
Weighted average exercise price (C$ per share)	**$ 3.26**	$ 2.98

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

(b) Full value award plans

(i) Full value award reserve

The Company has a reserve for restricted share units and performance share units for employees and directors with a maximum allotment of 8,756,762 common shares. As of December 31, 2016, the total number of shares in reserve was 6,456,884 of which 3,735,121 were outstanding and 2,721,763 were unallocated.

A summary of the status of the Company's restricted share units and performance share units issued to employees and directors under the full value award plan and changes during the year is presented below.

	Years ended December 31,	
(in millions)	**2016**	2015
Outstanding, beginning of the year	**2.1**	2.1
Granted	**2.6**	1.2
Issued	**(0.6)**	(0.7)
Forfeited	**(0.4)**	(0.5)
Outstanding, end of the year	**3.7**	2.1

(ii) Summary of awards granted

Restricted share units ("RSU")

Executive officers, directors and certain employees are granted restricted share units from the full value award reserve on an annual basis.

Employee restricted share unit grants vest over twelve to thirty-five months, have no restrictions upon vesting and are equity settled. There are no cash settlement alternatives and no vesting conditions other than service.

Restricted share units are granted to employees based on performance objectives and criteria determined on an annual basis based on guidelines established by the Human Resources and Compensation Committee of the Board of Directors. The amount of shares granted is determined as part of the employees' overall compensation.

Director restricted share units vest at the end of each year, have no restrictions upon vesting and are equity settled. There are no cash settlement alternatives and no vesting conditions other than service. Restricted share units are granted as part of their retainer compensation established by the Nominating and Corporate Governance Committee and approved by the Board of Directors.

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

	Years ended December 31, 2016	2015
Weighted average risk-free interest rate	**0.5%**	1.0%
Weighted average expected volatility [1]	**70%**	63%
Weighted average dividend yield	**0.00%**	0.00%
Weighted average expected life of RSUs issued (years)	**2.7**	2.6
Weighted average grant-date fair value (C$ per share)	**$ 2.88**	$ 2.87
Weighted average share price at grant date (C$ per share)	**$ 2.88**	$ 2.87

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

(c) Share purchase plan

The Company has a share purchase plan for employees with more than three months of continuous service. Participants determine their contribution as a whole percentage of their base salary from 1% to 10%. The Company matches 75% of the first 5% of employee contributions, to a maximum of 3.75% of the employee's salary, towards the purchase of shares on the open market. No shares are issued from treasury under the current purchase plan. The Company's contribution is expensed and is considered vested at the end of the day on December 31 of each calendar year.

25. COST OF SALES

	Years ended December 31, 2016	2015
Operating costs [1]	**$ 580.2**	$ 672.0
Royalties	**43.4**	38.7
Depreciation expense [2]	**261.3**	260.9
	$ 884.9	$ 971.6

1 Operating costs include mine production, transport and smelter costs, and site administrative expenses.
2 Depreciation expense excludes depreciation related to Corporate assets, which is included in General and administrative expenses.

26. GENERAL AND ADMINISTRATIVE EXPENSES

	Notes	Years ended December 31, 2016	2015
Salaries		**$ 20.0**	$ 17.4
Director fees and expenses		**0.9**	1.4
Professional and consulting fees		**5.5**	4.0
Other administration costs		**3.9**	5.6
Share-based compensation		**4.3**	4.2
Loss on cash flow hedge	18(c)	**2.0**	3.2
Depreciation expense		**2.2**	3.3
		$ 38.8	$ 39.1

27. OTHER EXPENSES (INCOME)

	Notes	Years ended December 31, 2016	2015
Changes in asset retirement obligations at closed sites	14(a)	**$ (9.8)**	$ 3.6
Restructuring costs		**0.2**	5.3
Loss on disposal of assets		**5.3**	2.5
Other		**3.5**	4.9
		$ (0.8)	$ 16.3

28. FINANCE COSTS

	Notes	Years ended December 31, 2016	2015
Interest expense		**$ 23.0**	$ 33.5
Credit facility fees		**1.6**	4.0
Accretion expense	14(a)	**0.6**	0.8
		$ 25.2	$ 38.3

Total interest paid during the year ended December 31, 2016 was $41.9 million (December 31, 2015 - $45.4 million). Interest paid relates to interest charges on notes, credit facilities and finance leases.

29. INTEREST INCOME AND DERIVATIVES AND OTHER INVESTMENT GAINS

	Notes	Years ended December 31, 2016	2015
Interest income		**$ 3.3**	$ 2.4
Gain (loss) on non-hedge derivatives and warrants	18(d)	**2.3**	(45.5)
Gain on sale of gold bullion	7	**72.9**	—
Amortization of gain related to flow-through common shares	21	**3.7**	4.0
Gain on purchase of senior unsecured notes	17(a)	**4.0**	3.5
Gain on sale of royalty asset		**—**	43.5
Write-down of receivables	8	**(0.3)**	(0.2)
Other gains (loss)		**1.1**	(1.4)
		$ 87.0	$ 6.3

30. EXPENSES BY NATURE

The following employee benefits expenses are included in cost of sales, general and administrative expenses, and exploration expenses.

	Years ended December 31, 2016	2015
Salaries, short-term incentives, and other benefits	**$ 194.2**	$ 205.5
Share-based compensation	**4.8**	4.0
Other	**3.8**	9.4
	$ 202.8	$ 218.9

31. CASH FLOW ITEMS

The consolidated statements of cash flows include results and balances from discontinued operations.

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

	Notes	Years ended December 31, 2016	2015
Share-based compensation	24	**$ 5.1**	$ 5.6
Amortization of gain related to flow-through common shares	29	**(3.7)**	(4.0)
Write-down of receivables	29	**0.3**	0.2
Write-down of inventories	9	**1.0**	17.6
Gain on purchase of senior unsecured notes	29	**(4.0)**	(3.5)
Loss on disposal of assets	27	**5.3**	2.5
Impairment of investments in associates	10	**—**	1.2
Other		**5.6**	3.7
		$ 9.6	$ 23.3

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

	Years ended December 31, 2016	2015
Receivables and other current assets	**$ (6.7)**	$ (3.7)
Inventories and non-current ore stockpiles	**10.9**	(6.2)
Accounts payable and accrued liabilities	**20.1**	(31.3)
	$ 24.3	$ (41.2)

(c) Other investing activities

	Notes	Years ended December 31, 2016	2015
Disposal (acquisition) of investments		**$ 0.5**	$ (0.4)
Advances to related parties	34	**(4.4)**	(3.2)
Repayments from related parties	34	**2.6**	0.2
Proceeds from sale of marketable securities		**0.1**	14.4
Other		**0.7**	0.7
		$ (0.5)	$ 11.7

(d) Other financing activities

	Years ended December 31, 2016	2015
Repayment of finance lease liabilities	**$ (1.1)**	$ (7.1)
Dividends paid to non-controlling interests	**(1.5)**	(3.2)
Other finance costs	**(3.1)**	(4.2)
	$ (5.7)	$ (14.5)

32. IMPAIRMENT

	Note	Years ended December 31, 2016	2015
Doyon CGU [1]			
Property, plant and equipment	11	**$ —**	$ 209.0
Trelawney mining and exploration [2]			
Exploration and evaluation assets	12	**—**	400.0
		$ —	$ 609.0
Other [3]			
Property, plant and equipment	11	**$ —**	$ 12.3
		$ —	$ 621.3

1 The Doyon CGU consists of the Doyon, Mouska and Westwood mines.
2 Trelawney Mining and Exploration Inc. owns a 92.5% interest in the Côté Gold project.
3 Consists of impairment charges taken in 2015 on individual assets within Rosebel - $5.0 million, Essakane - $0.8 million, and Westwood - $6.5 million.

As at December 31, 2016, the Company's impairment review indicated that the facts and circumstances do not represent an indication of potential impairment or reversal of previously recognized impairment. As a result, there were no impairment charges or reversal recorded in the consolidated statement of earnings for the year ended December 31, 2016.

At December 31, 2015, the Company's impairment review identified the following indicators of impairment:

i. Property, plant and equipment - the carrying amount of the Company's net assets exceeded its market capitalization which, together with the annual update to the Company's life of mine ("LOM") plans, mineral reserves and resources and a $100 per ounce decline in the Company's long-term gold price assumption, represented an indication of impairment.

ii. Exploration and evaluation assets - sufficient data existed to indicate that the carrying amount of the Côté Gold project was unlikely to be recovered in full from either successful development of the project or by sale under the current and foreseeable economic environment.

Accordingly, in the fourth quarter of 2015, the Company performed an impairment assessment to determine the recoverable amount of its CGUs. The assessment indicated that the carrying amount of the Doyon CGU exceeded its recoverable amount, and the Company recognized a pre-tax impairment charge in its Consolidated statement of earnings of $209.0 million.

In addition, the Company completed a review of the Côté Gold project and determined that the carrying amount of the asset was unlikely to be recovered in full either from successful development or by sale. As a result of this review, the Company recognized a pre-tax impairment charge in its Consolidated statement of earnings of $400.0 million.

33. COMMITMENTS

(a) Commitments

	December 31, 2016	December 31, 2015
Purchase obligations	**$ 53.2**	$ 50.8
Capital expenditure obligations	**4.6**	11.3
Operating leases	**4.3**	1.7
	$ 62.1	$ 63.8

Commitments – payments due by period

	Payments due by period				
As at December 31, 2016	**Total**	**<1 yr**	**1-2 yrs**	**3-5 yrs**	**>5 yrs**
Purchase obligations	**$53.2**	**$50.0**	**$ 2.5**	**$ 0.6**	**$ 0.1**
Capital expenditure obligations	**4.6**	**4.6**	**—**	**—**	**—**
Operating leases	**4.3**	**0.4**	**1.8**	**1.6**	**0.5**
	$62.1	**$55.0**	**$ 4.3**	**$ 2.2**	**$ 0.6**

(b) Finance lease commitments

As at December 31, 2016, the Company had finance lease liabilities with a present value of $0.1 million (December 31, 2015 - $1.1 million). These liabilities are due within two years.

(c) Royalties included in cost of sales

Production from certain mining operations is subject to third party royalties (included in the Cost of sales) based on various methods of calculation summarized as follows:

	December 31, 2016	December 31, 2015
Essakane [1]	**$ 22.3**	$ 19.5
Rosebel [2]	**21.1**	19.2
	$ 43.4	$ 38.7

1 Royalty based on a percentage of gold sold applied to the gold market price the day before shipment; the royalty percentage varies according to the gold market price: 3% if the gold market price is lower or equal to $1,000 per ounce, 4% if the gold market price is between $1,000 and $1,300 per ounce, or 5% if the gold market price is above $1,300 per ounce.

2 2% in-kind royalty per ounce of gold production and price participation of 6.5% on the amount exceeding a market price of $425 per ounce when applicable, using for each calendar quarter the average market price determined by the London Gold Fix P.M. In addition, 0.25% of all minerals produced at Rosebel are payable to a charitable foundation for the purpose of promoting local development of natural resources within Suriname.

34. RELATED PARTY TRANSACTIONS

(a) Receivables and other current assets from related parties

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

	Years ended December 31, 2016	2015
Sadiola and Yatela (Non-interest bearing)		
Balance, beginning of the year	**$ 0.2**	$ 0.2
Advances	**0.5**	0.2
Repayments	**(0.5)**	(0.2)
Balance, end of the year	**$ 0.2**	$ 0.2
Sadiola Sulphide Project (LIBOR plus 2%)		
Balance, beginning of the year	**$ 29.3**	$ 26.3
Advances [1]	**2.4**	3.0
Write-down of receivable	**(0.4)**	—
Balance, end of the year [1]	**$ 31.3**	$ 29.3
Merrex (Non-interest bearing)		
Balance, beginning of the year	**$ —**	$ —
Advances	**1.5**	1.6
Repayments	**(2.1)**	—
Recovery (write-down) of receivable	**1.6**	(1.6)
Balance, end of the year	**$ 1.0**	$ —

1 These advances were part of an extended loan agreement, updated in the fourth quarter of 2016, for the Sadiola Sulphide Project, which bears interest at LIBOR plus 2% and are to be repaid on the earlier of December 31, 2020 and, at such time as Sadiola has sufficient free cash flow to do so.

(b) Compensation of key management personnel

Compensation breakdown for key management personnel, comprising of the Company's directors and executive officers, is as follows:

	Years ended December 31, 2016	2015
Salaries and other benefits [1]	**$ 4.0**	$ 5.3
Share-based payments	**3.0**	3.4
	$ 7.0	$ 8.7

1 Salaries and other benefits include amounts paid to directors.

35. SEGMENTED INFORMATION

The Company's gold mine segment is divided into the following geographic segments:

- Burkina Faso - Essakane mine;
- Suriname - Rosebel mine;
- Canada - Doyon division includes the Westwood mine and the Doyon mine, which is in closure; and
- Joint ventures (Mali) - Sadiola mine (41%) and Yatela mine (40%).

The Company's non-gold segments are divided into the following:

- Exploration and evaluation; and
- Corporate - includes royalty interests located in Canada and investments in associates and joint ventures.

	December 31, 2016			December 31, 2015		
	Total non-current assets	**Total assets**	**Total liabilities**	Total non-current assets	Total assets	Total liabilities
Gold mines						
Burkina Faso	**$ 883.4**	**$1,099.6**	**$ 189.9**	$ 854.8	$1,072.4	$ 154.5
Suriname	**512.8**	**667.3**	**198.1**	529.3	637.3	195.2
Canada	**675.0**	**783.7**	**135.6**	628.6	718.3	128.5
Total gold mines	**2,071.2**	**2,550.6**	**523.6**	2,012.7	2,428.0	478.2
Exploration and evaluation	**163.1**	**193.2**	**8.4**	161.5	184.4	7.5
Corporate [1]	**153.3**	**656.7**	**597.4**	125.3	639.0	827.8
Total per consolidated financial statements	**$ 2,387.6**	**$3,400.5**	**$1,129.4**	$2,299.5	$3,251.4	$1,313.5
Joint ventures (Mali) [2]	**$ 116.5**	**$ 160.2**	**$ 144.1**	$ 111.5	$ 161.0	$ 140.4

1 The carrying amount of the Investment in joint ventures is included in the corporate segment as non-current assets.
2 The breakdown of the financial information for the joint ventures has been disclosed above as it is reviewed regularly by the Company's chief operating decision maker to assess performance of the Joint Ventures and to make resource allocation decisions.

Year ended December 31, 2016

	Consolidated statements of earnings information								
	Revenues	**Cost of sales [1]**	**Depreciation expense**	**General and administrative [2]**	**Exploration**	**Impairments**	**Other**	**Earnings (loss) from operations**	**Net capital expenditures [3]**
Gold mines									
Burkina Faso	**$ 529.1**	**$303.2**	**$ 108.5**	**$ —**	**$ —**	**$ —**	**$ 1.1**	**$ 116.3**	**$ 106.2**
Suriname	**369.6**	**229.1**	**95.8**	**—**	**6.9**	**—**	**3.9**	**33.9**	**78.3**
Canada	**88.2**	**90.4**	**52.4**	**—**	**—**	**—**	**(8.5)**	**(46.1)**	**85.8**
Total gold mines excluding joint ventures	**986.9**	**622.7**	**256.7**	**—**	**6.9**	**—**	**(3.5)**	**104.1**	**270.3**
Exploration and evaluation [4]	**—**	**—**	**0.3**	**0.4**	**24.8**	**—**	**0.7**	**(26.2)**	**3.5**
Corporate [5]	**0.2**	**0.9**	**4.3**	**38.4**	**—**	**—**	**2.0**	**(45.4)**	**0.9**
Total per consolidated financial statements	**987.1**	**623.6**	**261.3**	**38.8**	**31.7**	**—**	**(0.8)**	**32.5**	**274.7**
Joint ventures (Mali) [6]	**93.4**	**76.5**	**3.7**	**—**	**0.6**	**—**	**2.6**	**10.0**	**4.9**
	$1,080.5	**$700.1**	**$ 265.0**	**$ 38.8**	**$ 32.3**	**$ —**	**$ 1.8**	**$ 42.5**	**$ 279.6**

1 Excludes depreciation expense.
2 Includes depreciation expense relating to Corporate and Exploration and evaluation assets.
3 Includes cash expenditures for Property, plant and equipment, Exploration and evaluation assets, finance lease payments and is net of proceeds from finance leases.
4 Closed site costs on Exploration and evaluation properties included in other operating costs.
5 Includes earnings from royalty interests.
6 Net earnings (loss) 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.

Year ended December 31, 2015

	Consolidated statements of earnings information								
	Revenues	Cost of sales [1]	Depreciation expense	General and administrative [2]	Exploration	Impairments	Other	Earnings (loss) from operations	Net capital expenditures [3]
Gold mines									
Burkina Faso	$ 487.1	$354.1	$ 117.5	$ —	$ —	$ 0.8	$ 0.9	$ 13.8	$ 66.7
Suriname	350.6	258.9	86.5	—	4.0	5.0	5.8	(9.6)	87.4
Canada	78.1	95.0	52.9	—	—	215.5	3.4	(288.7)	72.1
Total gold mines excluding joint ventures	915.8	708.0	256.9	—	4.0	221.3	10.1	(284.5)	226.2
Exploration and evaluation [4]	—	—	0.2	0.5	27.0	400.0	1.0	(428.7)	9.3
Corporate [5]	1.2	2.7	3.8	38.6	(0.3)	—	5.2	(48.8)	0.6
Total per consolidated financial statements	917.0	710.7	260.9	39.1	30.7	621.3	16.3	(762.0)	236.1
Joint ventures (Mali) [6]	88.4	60.1	11.1	—	0.3	—	(0.8)	17.7	7.5
Discontinued operations (Niobec) [7]	9.4	4.3	—	—	—	—	(0.2)	5.3	1.6
	$1,014.8	$775.1	$ 272.0	$ 39.1	$ 31.0	$ 621.3	$15.3	$ (739.0)	$ 245.2

1 Excludes depreciation expense.
2 Includes depreciation expense relating to Corporate and Exploration and evaluation assets.
3 Includes cash expenditures for Property, plant and equipment, Exploration and evaluation assets, finance lease payments and is net of proceeds from finance leases.
4 Closed site costs on Exploration and evaluation properties included in other operating costs.
5 Includes earnings from royalty interests.
6 Net earnings (loss) 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.
7 Refer to note 5.

Exhibit 99.4

CERTIFICATIONS

I, Stephen J.J. Letwin, certify that:

1. I have reviewed this annual report on Form 40-F of IAMGOLD Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting 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 generally accepted accounting principles;

c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: February 22, 2017

By: /s/ Stephen J.J. Letwin
Stephen J. J. Letwin
President and Chief Executive Officer

CERTIFICATIONS

I, Carol Banducci, certify that:

1. I have reviewed this annual report on Form 40-F of IAMGOLD Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting 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 generally accepted accounting principles;

c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Date: February 22, 2017

By: /s/ Carol Banducci
Carol Banducci
Executive Vice President and Chief Financial Officer

Exhibit 99.5

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of IAMGOLD Corporation (the "Company") on Form 40-F for the period ended December 31, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen J. J. Letwin, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 22, 2017

By: /s/ Stephen J.J. Letwin
Stephen J.J. Letwin
President and Chief Executive Officer

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of IAMGOLD Corporation (the "Company") on Form 40-F for the period ended December 31, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Carol Banducci, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 22, 2017

By: /s/ Carol Banducci
Carol Banducci
Executive Vice President and Chief Financial Officer

KPMG LLP
Bay Adelaide Centre
Suite 4600
333 Bay Street
Toronto ON
M5H 2S5

Telephone (416) 777-8500
Fax (416) 777-8818
www.kpmg.ca

Consent of Independent Registered Public Accounting Firm

The Board of Directors of IAMGOLD Corporation:

We consent to the inclusion in this annual report on Form 40-F of:

- our Report of Independent Registered Public Accounting Firm dated February 22, 2017 addressed to the shareholders of IAMGOLD Corporation (the "Company"), on the consolidated financial statements of the Company comprising the consolidated balance sheets of the Company as at December 31, 2016 and December 31, 2015, the consolidated statements of earnings, comprehensive income, changes in equity and cash flows for each of the years then ended, and notes, comprising a summary of significant accounting policies and other explanatory information; and
- our Report of Independent Registered Public Accounting Firm dated February 22, 2017 on the Company's internal control over financial reporting as of December 31, 2016,

each of which is contained in this annual report on Form 40-F of the Company for the fiscal year ended December 31, 2016.

We also consent to the incorporation by reference in the Registration Statement No. 333-210437 on Form F-10 and Registration Statement No. 333-142127 on Form S-8 of IAMGOLD Corporation.

/s/ KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants
February 22, 2017
Toronto, Canada

Exhibit 99.7

CONSENT OF **L. CHÉNARD**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Lise Chénard

By: Lise Chénard, ing.
Director, Mining Geology
IAMGOLD Corporation

Dated: February 22, 2017

Exhibit 99.8

CONSENT OF **G. VOICU**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Gabriel Voicu

By: Gabriel Voicu, Ph.D., P. Geo
Consultant (formerly Technical Services
Manager at IAMGOLD Corporation)

Dated: February 22, 2017

Exhibit 99.9

CONSENT OF **R. LEBER**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Ronald G. Leber

By: Ronald G. Leber, B.Sc.Geo
Geology Superintendent
IAMGOLD Corporation, Westwood Mine

Dated: February 22, 2017

Exhibit 99.10

CONSENT OF **J. GIRARD**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Jérôme Girard

By: Jérôme Girard, ing., P. Eng
Manager, Metallurgy
IAMGOLD Corporation

Dated: February 22, 2017

Exhibit 99.11

CONSENT OF **P. GAULTIER**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Philippe Gaultier

By: Philippe Gaultier, ing.
General Manager, Engineering and
Construction, Projects
IAMGOLD Corporation

Dated: February 22, 2017

Exhibit 99.12

CONSENT OF **G. FERLATTE**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Gilles Ferlatte

By: Gilles Ferlatte, Ph.D., ing.
Regional Vice-President, Americas
IAMGOLD Corporation

Dated: February 22, 2017

Exhibit 99.13

CONSENT OF **B. LEMELIN**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Bruno Lemelin

By: Bruno Lemelin, ing., P. Eng.
General Manager
IAMGOLD Essakane S.A.

Dated: February 22, 2017

Exhibit 99.14

CONSENT OF **E. WILLIAMS**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Emilie Williams

By: Emilie Williams, Eng.
Assistant Engineering Superintendent
IAMGOLD Corporation, Westwood Mine

Dated: February 22, 2017

Exhibit 99.15

CONSENT OF **C. MACDOUGALL**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Craig MacDougall

By: Craig MacDougall, P. Geo.
SVP, Exploration
IAMGOLD Corporation

Dated: February 22, 2017

Exhibit 99.16

CONSENT OF **AMEC FOSTER WHEELER**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Kris Homer

By: AMEC FOSTER WHEELER

Dated: February 22, 2017

Exhibit 99.17

CONSENT OF **B. WANG**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ B. Wang

By: B. Wang, P. Eng.

AMEC FOSTER WHEELER

Dated: February 22, 2017

Exhibit 99.18

CONSENT OF **L. ELGERT**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Lawrence Elgert

By: L. Elgert, P. Eng.

AMEC FOSTER WHEELER

Dated: February 22, 2017

Exhibit 99.19

CONSENT OF **I. LIPIEC**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ I. Lipiec

By: I. Lipiec, P. Eng.

AMEC FOSTER WHEELER

Dated: February 22, 2017

Exhibit 99.20

CONSENT OF **S. ALLARD**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ S. Allard

By: S. Allard, P. Eng.

AMEC FOSTER WHEELER

Dated: February 22, 2017

Exhibit 99.21

CONSENT OF **A. SMITH**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Alan Smith

By: Alan Smith, P. Geo
District Manager, Exploration
IAMGOLD Corporation, Cote Gold
Project

Dated: February 22, 2017

Exhibit 99.22

CONSENT OF **M-F. BUGNON**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Marie-France Bugnon

By: Marie-France Bugnon, P. Geo
General Manager, Exploration
IAMGOLD Corporation

Dated: February 22, 2017

Exhibit 99.23

CONSENT OF **V. BLANCHET**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Vincent Blanchet

By: Vincent Blanchet, P. Eng.
Geological Engineer
IAMGOLD Corporation

Dated: February 22, 2017

Exhibit 99.24

CONSENT OF **R. DUTAUT**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Raphaël Dutaut

By: Raphaël Dutaut, P. Geo
Former Geology Coordinator at
IAMGOLD Corporation

Dated: February 22, 2017

Exhibit 99.25

CONSENT OF **L-P. GIGNAC**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Louis-Pierre Gignac

By: Louis-Pierre Gignac, Eng, M.Sc.A.,CFA
Co-President
G Mining Services Inc.

Dated: February 22, 2017

Exhibit 99.26

CONSENT OF **R. SIROIS**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Réjean Sirois

By: Réjean Sirois, P. Eng.
Vice-President, Geology and Resources
G Mining Services Inc.

Dated: February 22, 2017

Exhibit 99.27

CONSENT OF **G MINING SERVICES INC.**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Louis Gignac

By: Louis Gignac, ing. M.Sc.D., Eng.
Chairman
G Mining Services Inc.

Dated: February 22, 2017

Exhibit 99.28

CONSENT OF **L-B. DENONCOURT**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Luc-Bernard Denoncourt

By: Luc-Bernard Denoncourt, ing.
Project Director
IAMGOLD Corporation

Dated: February 22, 2017

Exhibit 99.29

CONSENT OF **SNOWDEN MINING INDUSTRY CONSULTANTS (PTY) LTD**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ William Frederick McKechnie

By: William Frederick McKechnie
General Manager – Europe, Middle Eastand Africa
Snowden Mining Industry Consultants (Pty) Ltd.

Dated: February 22, 2017

Exhibit 99.30

CONSENT OF **M. BURNETT**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Mark Burnett

By: Mark Burnett, M.Sc (MRM), B.Sc. (Hons); PGDTE; CBM; CAG; GCG; Pr. Sci. Nat (400361/12); FGSSA:MSAIMM
Principal Consultant
Snowden Mining Industry Consultants Ltd.

Dated: February 22, 2017

Exhibit 99.31

CONSENT OF **D. DYCK**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ D. Dyck

By: D. Dyck, P. Eng.

AMEC FOSTER WHEELER

Dated: February 22, 2017

Exhibit 99.32

CONSENT OF **D. VALLIÈRES**

The undersigned hereby consents to the use of their report(s), and the information derived therefrom, as well as the reference to their name, in each case where used or incorporated by reference in (i) the Annual Report on Form 40-F for the year ended December 31, 2016, (ii) the Registration Statement on Form F-10 (File No. 333-210437) and (iii) the Registration Statement on Form S-8 (File No. 333-142127), in each case, of IAMGOLD Corporation.

/s/ Daniel Vallières

By: Daniel Vallières, ing.
Director, Underground Projects
IAMGOLD Corporation

Dated: February 22, 2017