

CONNECTING VISION TO PERFORMANCE

IAMGOLD'S HEALTH, SAFETY & SUSTAINABILITY REPORT 2009



ABOUT THIS REPORT

IAMGOLD's third annual health, safety and sustainability report presents the performance of the Company's wholly or majority-owned operations in the calendar year 2009. Exploration and development projects, mines that the Company operated in 2009, and properties either in the process of being closed or already closed are addressed. Sustainability reports for our joint-venture interests in Mali and Ghana are produced by *AngloGold Ashanti and †Gold Fields Limited respectively.

On February 25, 2009, we acquired 100% of Orezone Resources Inc., resulting in the ownership of the Essakane gold project in Burkina Faso, West Africa. Construction at Essakane continued in 2009 and production is expected to begin in 2010. For the first time, data for this operation is included in this report.

Data are determined using internationally accepted metrics and GRI protocols where practical. It is based on actual measurements, or on estimates when measurements are not available. There were no restatements of data from previous reports.

MATERIALITY

IAMGOLD has presented information in this report that the Company regards as material to its operations. Material issues are those considered to be consistent with IAMGOLD's Statement of Safety, Sustainability and Social Values, its Health and Safety Policy and its Sustainability Policy. They also take into account the issues raised by our stakeholders.

Our management systems, including our risk management process, serve to identify aspects that present a material risk to an operation or the Company. These are prioritized to prevent accidents, impacts on the environment and incidents that may involve communities or other stakeholders.

GRI REPORTING

This report has been prepared in accordance with the Global Reporting Initiative (GRI) G3 guidelines (<http://www.globalreporting.org/ReportingFramework/G3Guidelines>) and meets the requirements for a C grade of GRI Application, as assessed internally by IAMGOLD. The sustainability performance indicators contained in the GRI G3 guidance document, as well as the GRI performance final draft indicators specific for the metals and mining sector (<http://www.globalreporting.org/ReportingFramework/SectorSupplements/MiningAndMetals>), have been reviewed in the context of materiality, and a set of these indicators has been chosen that we feel are material to IAMGOLD's sustainability efforts.

Our GRI Index may be found on the IAMGOLD website (<http://iamgold.com>). The GRI Index refers to relevant sections of this report, the 2009 IAMGOLD Annual Report and other information available on our website and websites of the Carbon Disclosure Project and the Mining Association of Canada.



CURRENCY

In this report, all monetary amounts are expressed in U.S. dollars unless otherwise indicated.

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SENIOR MINING TECHNICIAN DENIS LAVOIE AND UNDERGROUND MINE CAPTAIN ALAIN LEBEUF AT OUR NIobec MINE IN QUEBEC.

*AngloGold Ashanti (<http://www.anglogold.com>)
†Gold Fields Limited (<http://www.goldfields.co.za>)

2009 OBJECTIVES VS. PERFORMANCE

2009 Objectives

2009 Performance

Zero Fatalities	●	Zero Fatalities
Zero Level 4* or higher sustainability incidents	●	One Level 4* community incident in Tanzania in Q2
15% reduction in DART (Days Away, Restricted or Transferred Duty) frequency	●	31% Reduction in DART (Days Away, Restricted or Transferred Duty) frequency
100% completion of Leading Indicators**	●	Surpassed our 100% objectives 106% completion of Leading Indicators from our global operations
Executive committee to complete workplace safety inspections during site visit	●	Over 100 site inspections completed
Detailed Water Management Plans developed for all operations	●	Guidance document completed, Company-wide webinar completed, sites to submit data in Q1 2010
ISO 14001 certification for Toronto Office	●	Certificate obtained
Development and delivery of Human Rights Training program for Operations and Projects	●	Course content completed – first session on introduction to human rights and training package for managers and supervisors completed and pilot program administered to 120 senior employees
Corporate Social Responsibility Planning & Review Protocol developed and tested	●	Toolkit draft outline completed Working group formed with site sustainability professionals to advance the work in 2010
Behaviour-based Safety Program identified and implementation targets established for 2010	●	Identified and created Mind Body Achievement Program (MBA) Pilot implemented at Niobec expansion project Two additional sites identified for implementation for 2010
Partnership established with development NGO (non-governmental organization)	●	Signed MOU (Memorandum of Understanding) with Plan International
2008 Annual HSS Report completed for Annual General Meeting	●	Complete

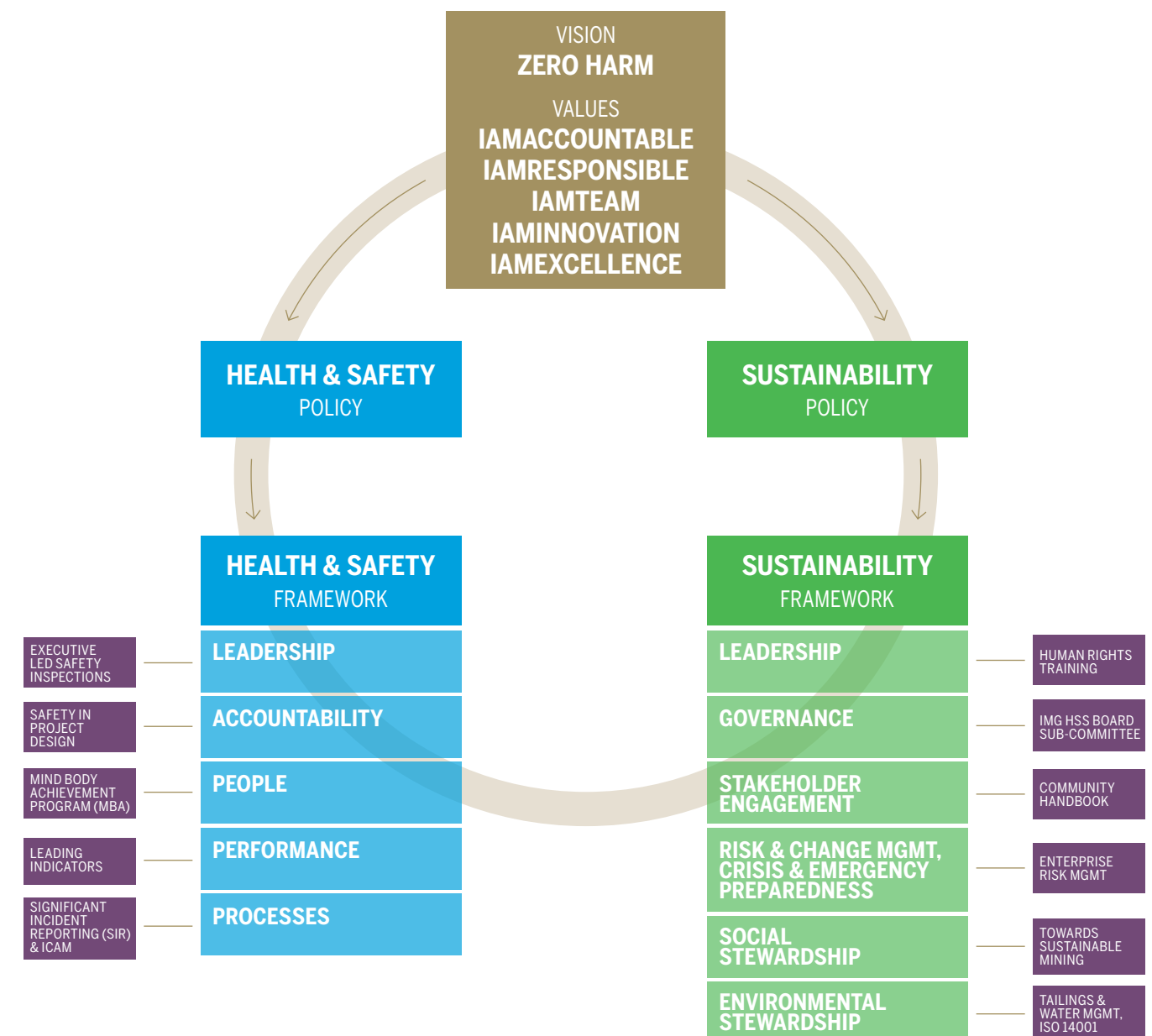
- Target achieved
- Target not achieved
- Partially completed

*IAMGOLD rates the seriousness of safety, sustainability and community incidents on a scale of 1 to 5. A Level 4 incident is significant but can be remediated relatively quickly with prompt action. A Level 5 incident is the most serious of all. It can take decades to repair and may result in the loss of our social licence.
**Leading indicators refer to activities that focus on accident prevention.

MANAGING HS&S VISION, FRAMEWORK & GOVERNANCE

In 2008, IAMGOLD adopted a vision of Zero Harm, created comprehensive health, safety and sustainability frameworks designed to realize that vision, and worked diligently to inspire support for our initiatives at all levels of the organization. In 2009, our efforts began to show results. Connecting our vision to our performance, the entire IAMGOLD community made significant progress towards meeting our Zero Harm goals.

Managing Health, Safety and Sustainability (HSS) at IAMGOLD begins with our vision of Zero Harm, which is our commitment to achieve the highest standards in human health, to minimize our impact on the environment and to work co-operatively with our host communities. IAMGOLD's HSS policies and frameworks are built on international best practices and are designed to translate our Zero Harm vision into actual and sustained performance.



PRESIDENT'S MESSAGE



Our 2009 Health, Safety and Sustainability report marks the third occasion on which we have detailed progress on our objectives, performance and challenges. We achieved record results in production, in cost containment, in reserve growth and also in safety and sustainability. Building on the achievements of the previous year, 2009 demonstrated that our efforts in protecting our employees, our communities and the environment have been successful.

We have again had a year without a fatality and achieved a 31% decrease in incidents that prevent workers from returning to their jobs and in accidents that require medical attention. Since 2008, when we launched our vision to achieve Zero Harm, we have seen a 61% decrease in accidents that prevent workers from returning to their jobs. By shifting to leading indicators – indicators and activities that focus on preventive behaviour – our managers, supervisors and teams have been able to refocus much of their energy on proactive approaches to Health and Safety. Impressively, we exceeded our targets for establishing leading indicators at our sites.

In health and safety, one of our biggest challenges in 2009 was to extend the IAMGOLD vision of Zero Harm to our newly acquired Essakane project in Burkina Faso. Intense collaboration between the Essakane construction team, the Essakane operations team and the Health and Safety group resulted in the development of a unified health and safety management system and culture. The project achieved more than three million hours of work without a Days Away incident, and more than six million hours of work with only four injuries by year end. This achievement took the combined focus and effort of over 6,000 employees and contractors working on site.

In many ways, the achievements of our Doyon operation in 2009 exemplify IAMGOLD's commitment to excellence in health and safety. Even as the operation wound down to a planned closure in December, the safety vigilance of our Doyon team never flagged. While increasing production targets, the team achieved the best safety performance in 15 years.

Working diligently with the communities and key stakeholders, the Project Harmonie team in French Guiana is breaking new ground in creating a socially and environmentally responsible project. Our multi-stakeholder roundtable process brings together non-governmental organizations (NGOs), academic experts and other interested groups to discuss concerns and interests.

In Tanzania, we experienced a community incident related to artisanal mining. We were able, however, to help avoid an escalation of the conflict through our partnership with

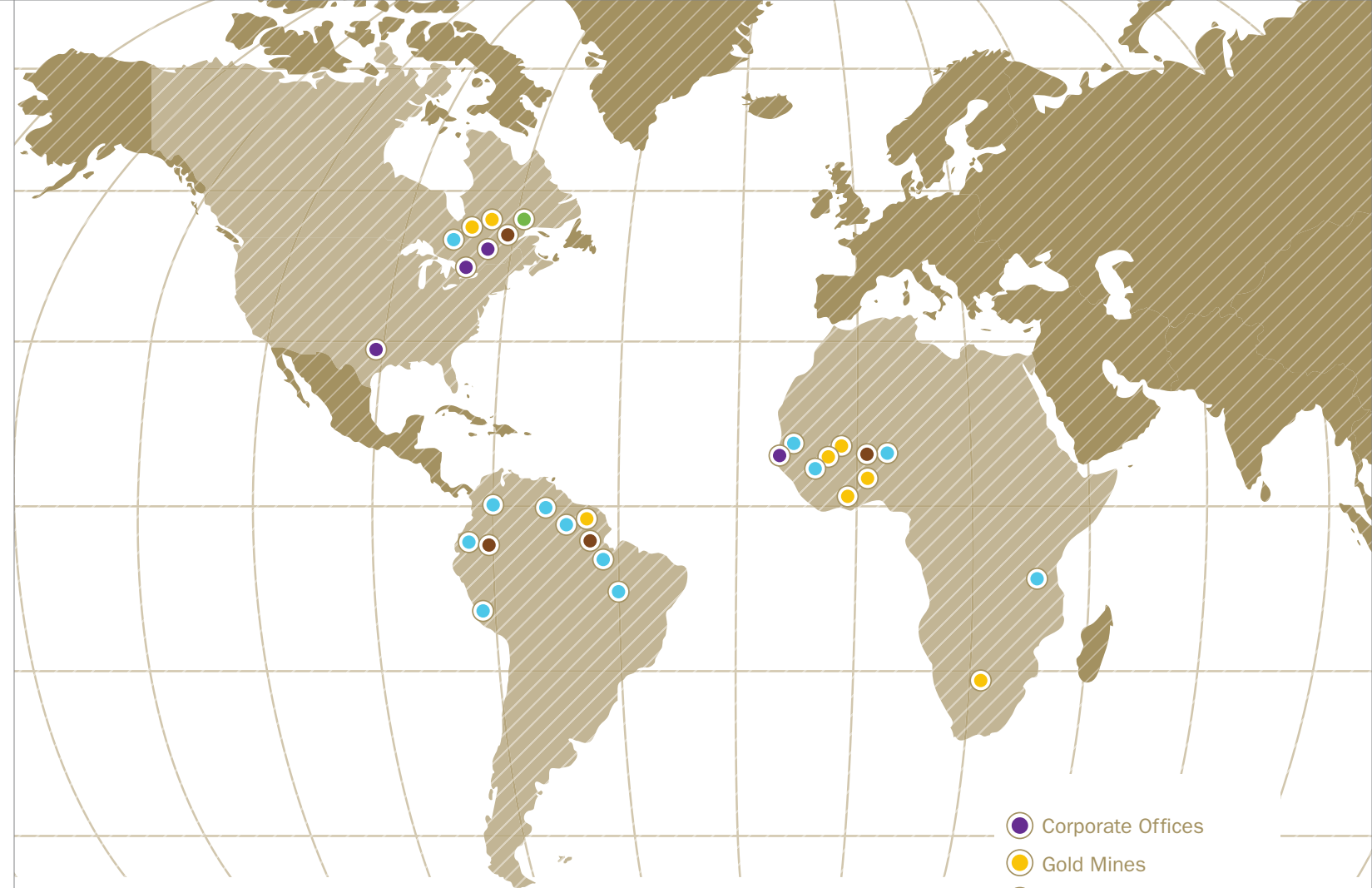
local communities and governments. We found a viable option for maintaining the land tenure package in continued harmony with artisanal miners and local communities.

In part, that option became available when our Tanzanian exploration team concluded that the resource did not meet the size requirements of IAMGOLD. In a decision unrelated to the community incident, IAMGOLD determined that the Tanzania project was not economically viable. As a result, we worked very closely with the government to ensure a successful hand-over of the property, in a way that would benefit the country and surrounding communities.

On the environmental front, IAMGOLD operated with no major environmental incidents in 2009. Our continuing commitment to environmental management was demonstrated at both the Toronto office and the Essakane site, where we achieved ISO 14001 environment management system certification. The Mining Association of Canada recognized our commitment at our Rosebel and Mupane operations, which both received Toward Sustainable Mining (TSM) awards for Crisis Management and External Outreach (stakeholder engagement). Rosebel also received a TSM award for efforts in Tailings Management. We continue to share these and other best practice accomplishments among our sites.

IAMGOLD has made significant strides since we began our health, safety and sustainability journey just three years ago. I would like to thank all our employees for their dedication and hard work. We are determined to become a health, safety and sustainability leader in the mining industry, and we will not rest until our goal is realized.

Peter C. Jones
Interim President & CEO



- Corporate Offices
- Gold Mines
- Non-Gold Mines
- Exploration Offices
- Development Projects

CONNECTING VISION TO PERFORMANCE

NUMBER OF EMPLOYEES* BY CONTINENT as of December 31st, 2009

NORTH AMERICA

Toronto Office	79
Longueuil Office	82
Houston Office	6
Doyon Mine	153
Mouska Mine	282
Niobec Mine	313
Val d'Or Exploration	1

SOUTH AMERICA

Rosebel Mine	1,425
Camp Caiman Project	22
Quimsacochoa Project	81
Brazil Exploration	31
Columbia Exploration	4
Guyana Exploration	26
Peru Exploration	38
Suriname Exploration	90

AFRICA

Mupane Mine	352
Essakane Project	3,235
Dakar Office	10
Mali Exploration	7
Senegal Exploration	30
Tanzania Exploration	1
Burkina Faso Exploration	16

*Includes contractors

HEALTH & SAFETY

We've seen a 31% reduction in incidents requiring medical attention or Days Away.

IAMGOLD RECORDS NO FATALITIES AND A 31% DECREASE IN INCIDENTS REQUIRING MEDICAL ATTENTION OR DAYS AWAY

IAMGOLD RETAINS FOCUS AND ACHIEVES ITS BEST SAFETY PERFORMANCE IN 15 YEARS AT DOYON, EVEN AS THE MINE WINDS DOWN OPERATIONS

IAMGOLD COMPLETES OVER THREE MILLION HOURS OF WORK WITHOUT A DAYS AWAY INCIDENT AT ESSAKANE DEVELOPMENT PROJECT IN WEST AFRICA

THE IAMGOLD EXECUTIVE TEAM CONDUCTS OVER 100 SITE SAFETY INSPECTIONS



LEADERSHIP

ACCOUNTABILITY

PEOPLE

PERFORMANCE

PROCESSES

L TO R: MARCO PELLETIER (DEVELOPMENT MINER), DENIS GIRARD (JUMBO OPERATOR), MICHEL SABOURIN (DEVELOPMENT MINER), FRANÇOIS GAUTHIER (DEVELOPMENT MINER) AND SAMUEL AUDET (UNDERGROUND MECHANIC) FROM OUR IAMROCK DIVISION AT NIOBEC, QUEBEC.

LEADERSHIP

ACCOUNTABILITY

PEOPLE

PERFORMANCE

PROCESSES

A CASCADING VISION

At IAMGOLD, leadership in health and safety begins at the top – but it doesn't stay there. From the Board of Director level, leadership cascades down to the Executive team, then to site level management and ultimately to our employees. In 2009, IAMGOLD's people showed health and safety leadership from top to bottom.

Our health and safety objectives for 2010 are:

- ▶ Ensure zero fatalities
- ▶ (DART – Days Away, Restricted or Transferred Duty) below 0.49
- ▶ Complete 100% of Leading Indicators
- ▶ Continue workplace safety inspection by Executive Committee during site visits
- ▶ Implement the Mind, Body, Achievement (MBA) program at two sites
- ▶ Develop best practice Work Card guidance
- ▶ Benchmark our Health and Safety program

DEMONSTRATING COMMITMENT: LEADERSHIP AT THE BOARD AND EXECUTIVE TEAM LEVELS

In 2009, IAMGOLD demonstrated commitment to health and safety at the highest levels of the organization.

Westwood Safety Visit

During the spring of 2009, Board members Peter Jones, Guy Dufresne and Robert Dengler, in the company of Ross Gallinger, Senior Vice President of Health, Safety and Sustainability, visited the Westwood Project in Quebec. Here they met with the project's management to discuss the site's current safety status, provide feedback and reinforce our safety message. The presence of the Board was a powerful visual indicator of IAMGOLD's commitment to safety.

Executive Team Site Inspections

At the beginning of the year, the Executive Management group established a collective target of conducting safety inspections at every IAMGOLD site worldwide. By year's end, the Executive Management had completed over 100 site safety inspections, submitting reports identifying best practices observed and areas requiring improvement.

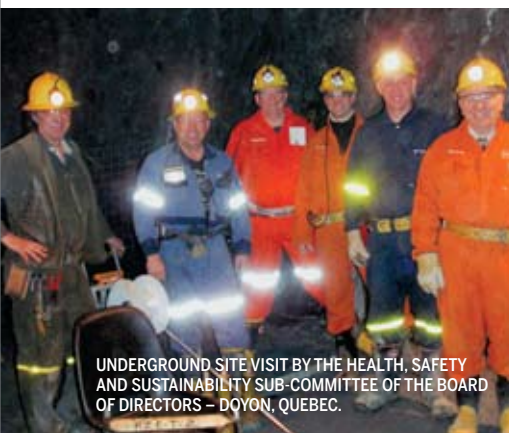
STAYING FOCUSED: LEADERSHIP AT THE SITE LEVEL

Doyon Mine – H&S Performance Remains the Focus as the Mine Prepares for Closure

With operations at Doyon Mine winding down after 31 years of more than 5.3 million ounces of gold produced, maintaining a solid safety focus was a key objective for employees and management. The site exceeded expectations, registering the lowest Recordable Injury Rate in 14 years. The 25 employees of the Mill Department stood out. They achieved a "Triple Zero" – Zero Days Away, Zero Restricted Duty or Job Transfer and Zero Medical Aid incidents in over 50,000 hours of work.

We improved safety performance by increasing management's presence in the field, which resulted in a more consistent application of preventive activities, better communication and coaching, and improved reporting and follow-ups on corrective actions.

These management-led health and safety activities translated into a sustained safety performance illustrated by the decline in Doyon's Recordable Injury Rate (See graph at top of opposite page).



UNDERGROUND SITE VISIT BY THE HEALTH, SAFETY AND SUSTAINABILITY SUB-COMMITTEE OF THE BOARD OF DIRECTORS – DOYON, QUEBEC.



Essakane Project – Building Projects with Zero Harm in Mind

As well as improving safety at our operational sites, our Zero Harm vision also drove performance during the construction phase of our Essakane Project in West Africa, scheduled to begin production in August 2010. Close collaboration among project and construction teams, combined with the efforts of over 6,000 employees and contractors, yielded substantial results. We were pleased to report that over three million hours of work were completed without a Days Away incident, and over six million hours of work were completed with only four injuries. A steadfast approach to combining processes and vision has allowed for these results. As construction nears completion, Essakane has successfully laid the foundation for a strong health and safety culture once operations begin.



ESSAKANE ACHIEVED OVER THREE MILLION HOURS OF WORK WITHOUT A "DAYS AWAY" INCIDENT.



CONSTRUCTION AT OUR ESSAKANE SITE IN BURKINA FASO.



HARM | DAÑO | INCIDENT | SCHADE | KGOBALO

THE TIE TO CONTINUOUS IMPROVEMENT

In health and safety, continuous improvement is directly tied to employee accountability. At IAMGOLD, we ensure that all individuals and teams understand and act on their health and safety accountabilities. We completed our Enterprise Risk Management (ERM) system by introducing a Safety in Design (SID) Program to zero in on and mitigate risk during the design and engineering phases of construction. In 2009, our SID Program resulted in measurable safety improvements.

NIOBEC MINE – SAFETY IN DESIGN IN ACTION

At our Niobec paste backfill project, a Safety in Design (SID) review session identified 150 areas where design improvements during construction could reduce the potential for injury. This innovative and proactive approach to hazard identification was a relatively inexpensive initiative that will save money and possibly even lives. The cost of the entire process was \$80,750. An example of one of the 150 improvement areas identified during the SID session was the need to raise the floor of the electrical room by one foot, in order to protect it from flooding. The cost of the adjustment at this early planning stage was negligible, but the cost of having to repair the room after a flood would be about \$150,000. Not only does it protect the equipment and potentially save money, but it also reduces the potential for electrocution.

150

NUMBER OF AREAS WHERE DESIGN IMPROVEMENTS COULD REDUCE THE POTENTIAL FOR INJURY AT OUR NIOBEC EXPANSION PROJECT

TRANSLATING VISION INTO PERFORMANCE: THE MIND BODY ACHIEVEMENT (MBA) PROGRAM PILOT

We view behaviour-based safety training as key to connecting our performance to our Zero Harm vision. In 2009, IAMGOLD launched the Mind Body Achievement initiative (MBA Program), which develops supervisor leadership skills that serve as a catalyst for record-breaking safety performance through a totally engaged and fit-for-duty workforce.

Supervisors are trained in eight core leadership skills such as team building, objective setting, identifying metrics, delivering positive recognition and coaching daily performance dialogues. Supervisors lead daily 15-minute, team-based sessions that provide



SUPERVISOR CERTIFICATION FOR THE MIND BODY ACHIEVEMENT PROGRAM AT OUR NIOBEC PASTE BACKFILL PROJECT, QUEBEC. L TO R: PAUL MURPHY, ERIC GIRARD, SYLVAIN COLLARD, TRISTAN DAUTH, DENIS CÔTÉ, FERN CHAGNON.

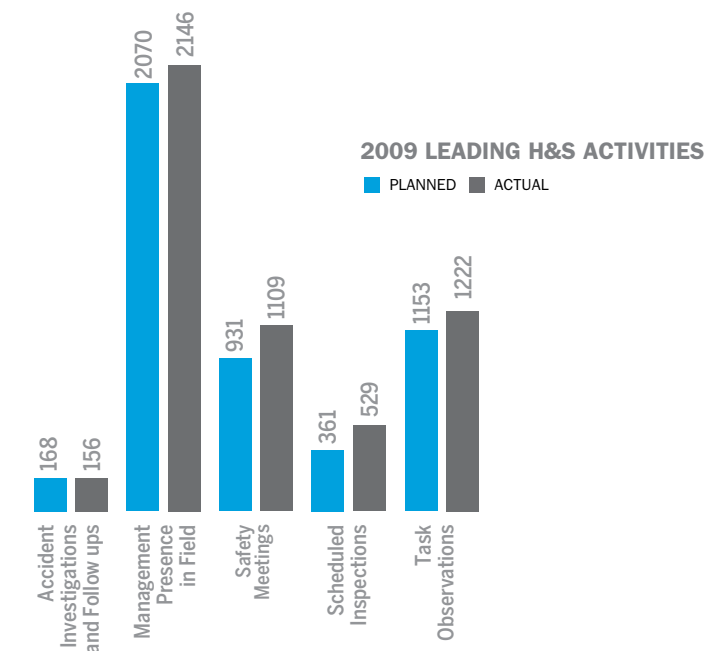
an opportunity for employees to discuss and identify unsafe acts and conditions and highlight areas for improvement. Equal to knowledge, experience and training, employee fitness is essential to building a fit-for-duty workforce, and a daily flexibility routine provides immediate and lasting physical benefits.

Supervisors establish a wide range of meaningful performance indicators and measure progress frequently. From July 15 to December 31, 2009, the MBA program was deployed as a pilot at the Niobec paste backfill project in Quebec. An example of a few of the key metrics tracked are listed below. Based on the success of the pilot at Niobec, IAMGOLD will be rolling out the program at additional sites throughout 2010.

Number of Unsafe Conditions/Acts Reported	808
Number of Corrective Actions Completed/Closed Out in 48 hours	808
Number of Corrective Actions Reported to Employees in 48 hours	808
Number of Inspections Completed	408
Punctuality for 7 a.m. Start (in %)	100
Attendance/Participation (in %)	100

THE PEOPLE CONNECTION

At IAMGOLD, our people are essential to our record safety performance, and our employees are making significant contributions to creating safer working environments.



WORKING FOR SAFETY AT MUPANE

In 2009, operational challenges at our Mupane site led to a 40% production decline. Although greater emphasis was placed on operational efficiencies and improvements, the Mupane team never lost sight of exceeding our safety targets. Mupane recorded a remarkable 26% drop in recordable injuries from the previous year.

A key to this success involved incorporating health and safety aspects into many mining and milling employee-training programs such as process plant training. The team at Mupane was quick to respond to safety infractions, which kept health and safety front and centre for all employees. When an employee incident (a hand injury sustained while performing a non-standard task) broke the site's record of 728 injury-free days, employees participated in an extensive training and review process. Among the preventive actions that were implemented, all employees received training in risk assessment, participated in refresher training and assessment of operator core competencies classes, and engaged in safe work procedure reviews.

IAMGOLD is committed to the safety, not only of our direct employees, but also of contractors, visitors and, of course, our communities. In 2009, a security induction was developed to ensure that all personnel

who came to the site, for whatever purpose or for however long, received a basic induction into the rules and regulations relevant to them.

THE HEALTH CONNECTION

Our people are committed to health as well as safety. In 2009, the team at Mupane focused on controlling workspace exposures to noise, dust, radiation and chemicals through ongoing awareness sessions. Community-based health risks, such as HIV/AIDS, also exist in our business and we continue to contribute to the management of these issues through education and voluntary testing and counselling.

SAFETY IN ACTION AT NIOBEC

In 2009, the team at Niobec was determined to increase its leading (or preventive) performance indicators. They participated in over 183 formal safety meetings – one for every two days worked. They also conducted 58 safety inspections identifying 450 areas for improvement, which led to remedial action in 80% of the cases identified. Supervisory personnel were also doing their part by conducting over 600 VOIR (Visit, Observe, Inform and Reinforce) safety tours in support of Zero Harm.



ABOVE MUPANE TEAM MEMBERS PARTICIPATING IN MINING AND MILLING EMPLOYEE-TRAINING PROGRAMS. BELOW DOYON'S MINE RESCUE: IN PRELIMINARY COMPETITION, THE DOYON MINE RESCUE TEAM WAS ONE OF ONLY FOUR TEAMS TO ADVANCE TO THE PROVINCIAL FINALS TO BE HELD IN MAY 2010.

LEADING THE WAY TO BETTER PERFORMANCE

AT IAMGOLD we measure our performance through lagging and leading indicators. Defined by DART (Days Away, Restricted or Transferred Duty), our leading indicators are preventive activities that include safety meetings, task observations and site visits. In 2009, we concentrated on these leading activities because we believe that promoting and communicating leading indicators have a direct correlation to improved safety performance.

OUTSTANDING RESULTS AT MOUSKA

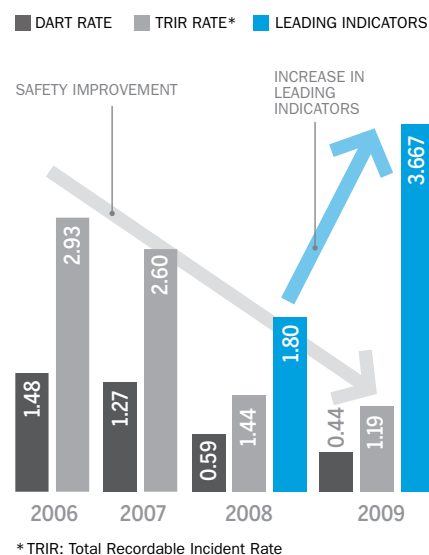
In 2009, the Mouska Mine exceeded its target for preventive activities and recorded 328 days without a Days Away incident. For six months, in fact, Mouska achieved a “Triple Zero” – Zero Days Away, Zero Restricted Duty or Job Transfer and Zero Medical Aid incidents. These best-ever results contributed to a three-year trend that has seen total health and safety incidents fall by nearly 77%.

In March 2009, Mouska organized four celebratory breakfasts to recognize the 2008 safety performance and congratulate employees for their efforts. A further 20 such healthy breakfasts were arranged to celebrate the outstanding safety performance of 2009.

SAFETY DURING CONSTRUCTION AT WESTWOOD

Mine construction, especially shaft sinking, presents significant hazards. In 2009, despite sinking the shaft at speeds rarely seen in the industry, Westwood maintained an impressive safety record. Innovative ways of building the mine included establishing rules and targets for accident prevention for all workers and contractors before construction began. The Westwood team held regular safety meetings, introduced a work card system to enable better safety supervision, scheduled numerous planned observations and frequently sent managers into the field to monitor work. As a result, the project completed an entire year without a compensable injury.

2006-2009 DART RATE VS. LEADING ACTIVITIES: PRODUCTION



77%

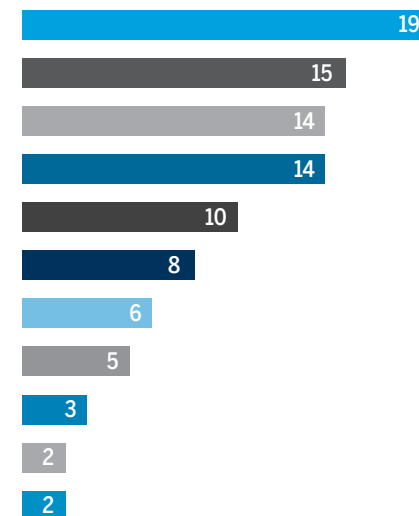
BEST-EVER RESULTS THAT CONTRIBUTED TO A THREE-YEAR TREND THAT HAS SEEN TOTAL HEALTH AND SAFETY INCIDENTS FALL BY NEARLY 77%



SYSTEMS YIELDING RESULTS

Achieving our health and safety goals requires following rigorous preventive and reactive systems to ensure the identification and mitigation of hazards in the workplace. In 2009, we examined every aspect of our organization, from equipment use and suitability to our procedures and processes, to better understand the root causes of workplace injuries.

ICAM METHODOLOGY IDENTIFIES ORGANIZATIONAL FAILURES COMPANY-WIDE



Procedural Failures	19
Communication Failures	15
Organizational Failures	14
Training Failures	14
Design Failures	10
Hardware Failures	8
Housekeeping Failures	6
Maintenance Failures	5
Incompatible Goals	3
Change Management	2
Contractor Management	2
Total	98

SIGNIFICANT INCIDENT REPORTING'S LINK TO IDENTIFYING ROOT CAUSES

Significant Incident Reporting (SIR) is one of IAMGOLD's most important health and safety processes. The SIR Report identifies root causes of significant incidents and, as an outcome, creates an action plan to prevent a recurrence and communicates these causes and corrective measures throughout the organization. The SIR process includes the compilation of data, which is then collated and analyzed to provide a full and detailed picture of possible organizational failures across the Company. Following an SIR report, IAMGOLD performs an investigation using the Incident Causal Analysis Method, or ICAM.

We apply our SIR reporting process and ICAM methodology to health as well as safety events. As an example, in the last two years, three employees at our Rosebel Gold Mine in Suriname, South America, died of non-work-related health causes. An SIR report was generated after each incident and an investigation was launched using our ICAM approach. Our in-depth investigation uncovered the root causes of these non-work-related



incidents and corrective actions were taken resulting in:

- ▶ Pre-employment medical screening of new hires followed by scheduled, periodic medical examinations
- ▶ Development of a healthy lifestyle program involving nutrition and diet advice as well as provision of healthier meals at the mine site
- ▶ Development of a trial Miners in Motion Program to promote fitness through gentle but effective exercises.

New Safety Processes

In 2009, a number of new safety processes were introduced at Rosebel. They included a STOP Card and Job Hazard Analysis (JHA) system. As a result, no new task is begun without the performance of a JHA first. Any new task proceeding without a JHA is issued a STOP card suspending the task until a JHA is completed. This new process emphasizes that reducing risk is part of our health and safety culture.

SUSTAINABILITY

IAMGOLD resettles 13,473 and builds Essakane Village.

LEADERSHIP

GOVERNANCE

STAKEHOLDER
ENGAGEMENT

RISK & CHANGE
MGMT, CRISIS
& EMERGENCY
PREPAREDNESS

SOCIAL
STEWARDSHIP

ENVIRONMENTAL
STEWARDSHIP



IAMGOLD PARTNERS WITH PLAN CANADA IN A NEW INITIATIVE TO IMPROVE EDUCATIONAL OPPORTUNITIES IN BURKINA FASO

IAMGOLD SUCCESSFULLY RESETTLES EIGHT VILLAGES AT ESSAKANE

IAMGOLD RECEIVES FIVE TOWARDS SUSTAINABLE MINING AWARDS FROM THE MINING ASSOCIATION OF CANADA

IAMGOLD RECORDS ZERO SPILLS OF CYANIDE AND NO LEVEL 4 OR LEVEL 5 ENVIRONMENTAL SPILLS

AERIAL VIEW OF THE NEWLY CONSTRUCTED ESSAKANE VILLAGE IN NORTHERN BURKINA FASO, AFRICA.

LEADERSHIP

GOVERNANCE

STAKEHOLDER ENGAGEMENT

RISK & CHANGE MGMT,
CRISIS & EMERGENCY PREPAREDNESS

SOCIAL STEWARDSHIP

ENVIRONMENTAL STEWARDSHIP

STRENGTHENING
THE CONNECTION
TO ZERO HARM

In 2009, the Health, Safety and Sustainability sub-committee of the Board of Directors met three times to review IAMGOLD's sustainability performance and reinforce our commitment to realizing our Zero Harm goals. While proud of our achievements to date, we recognize that achieving sustainability leadership is an enduring task.

As well as maintaining and improving our social and environmental management systems, our 2010 objectives include:

- ▶ Achieving Zero Level 4 or higher sustainability incidents
- ▶ Establishing detailed Water Management Plans for all operations, with reduction targets established
- ▶ Completing ISO 14001 certification for the Westwood project
- ▶ Deploying human rights training pilot program with at least one training session at each global operation
- ▶ Completing the Draft IAMGOLD Biodiversity Strategy
- ▶ Completing the Draft IAMGOLD Community Handbook
- ▶ Benchmarking our Health and Safety programs

ENGAGING EXTERNAL INITIATIVES

To complement our internal framework, IAMGOLD's sustainability efforts are guided by several external initiatives, including the ISO 14001 Environmental Management Standard and the Mining Association of Canada's Towards Sustainable Mining (TSM) program. The Company participates in the Carbon Disclosure Project (CDP5 and CDP6), providing information on our energy conservation performance and

greenhouse gas emissions. IAMGOLD is also an active member of Business for Social Responsibility (BSR) and a founding member of the Devonshire Initiative (DI) – a multi-stakeholder roundtable that seeks to strengthen and build relationships between Canada's extractive industry and the international development community.

IAMGOLD PARTNERS WITH PLAN CANADA

IAMGOLD demonstrates leadership in social stewardship and community development through local, national and international partnerships. In October 2009, we entered into a partnership with Plan Canada to promote equitable access to high-quality education for children and youth in the Plan's Burkina Faso partner communities. While planning for this initiative, Building Young People's Human Capital for Economic Growth: A Canadian Public-Private Partnership of Sustainable Development Results in Burkina Faso (CPPDR), is still in its early stages, our overall aim is to develop a child-friendly, gender-sensitive and protective educational environment by June 2014.

A steering committee consisting of senior executives from both organizations will guide our joint endeavour. The relationship was formally kicked off in October 2009, with a full-day CEO



towards sustainable mining



Plan

exchange between Plan Canada and IAMGOLD. The exchange was not only a learning exercise for both organizations, but a demonstration of strong leadership support for the partnership.

ACTING ON HUMAN RIGHTS

In 2009, we began rolling out our Company-wide human rights training with the assistance of the not-for-profit organization Business for Social Responsibility (BSR). Our efforts continued an ambitious, two-year program to develop significant internal compliance with the principles laid out in the Universal Declaration on Human Rights. An extensive training agenda was developed for 2009 - 2010, and a pilot program was tested with our Community Relations Managers at our Annual Sustainability Conference. This training will focus on the Company's responsibilities for protecting and promoting human rights as well as on the importance of preventing and responding to critical issues. In the coming year, the program will be extended to employees at all IAMGOLD sites, with managers and supervisors receiving specialized and extended training.

LEADERSHIP

GOVERNANCE

STAKEHOLDER ENGAGEMENT

RISK & CHANGE MGMT,
CRISIS & EMERGENCY PREPAREDNESS

SOCIAL STEWARDSHIP

ENVIRONMENTAL STEWARDSHIP

A CLEAR CHAIN
OF COMMAND

Each IAMGOLD site has the flexibility to create locally relevant sustainability programs. Site-specific management plans for meeting the goals of our sustainability framework are the responsibility of on-site health, safety and sustainability practitioners and managers, who report to the corporate HSS function, which includes managers, directors and a Senior Vice President for Health, Safety and Sustainability. The Senior Vice President is accountable to the Company's Executive Committee and the Board of Directors. A sub-committee on HSS is also maintained by the Board of Directors, which ensures that the Zero Harm vision receives appropriate guidance and resources.



SUSTAINABILITY TEAMS FROM IAMGOLD'S WORLDWIDE PROJECTS AND OPERATIONS GATHER IN CUENCA, ECUADOR, FOR THE ANNUAL SUSTAINABILITY WORKSHOP AND CONFERENCE.

CONNECTING LOCAL INITIATIVES
WITH GLOBAL EFFORTSThe 2009 Annual Sustainability
Workshop & Conference

While our approach to sustainability encourages considerable local initiative, we also emphasize information sharing across the organization. In September 2009, representatives of every IAMGOLD site and project attended our Annual Sustainability Workshop & Conference in Cuenca, Ecuador. Hosted by our Ecuadorian team, the Conference offered opportunities for each site to:

- ▶ Discuss results and accomplishments as well as future objectives
- ▶ Present case studies addressing both environmental and community-related projects
- ▶ Exchange perspectives on good practices and future challenges

Among our attendees were guest speakers from Business for Social Responsibility (BSR), a global network of more than 250 member companies. BSR develops sustainable business strategies and solutions through consulting, research and cross-sector collaboration.

Following the Sustainability Conference, we held a two-day human rights facilitator

training course designed to equip representatives to train key individuals at their local sites.

Sustainability Working Groups

Our Annual Sustainability Workshop & Conference provides another opportunity for local site representatives to contribute to global IAMGOLD sustainability management protocols. Here, site managers and practitioners have an opportunity to challenge assumptions and push the boundaries of the Company's approach to social and environmental stewardship.

At this year's conference, site managers and practitioners established two new working groups to develop, respectively, a comprehensive strategy for biodiversity management and create a Community Relations Handbook outlining strategies to forge good community relations. Both of these reference guides and the audit tools are being built according to international best practices as laid out in The IFC Performance Standards on Social & Environmental Sustainability, MAC's Towards Sustainable Mining, the GRI, the ICMM Sustainable Development Framework and others. We will be developing and launching these initiatives for 2010.

STAKEHOLDER ENGAGEMENT

BUILDING STRONG, PRODUCTIVE RELATIONSHIPS

Globally, IAMGOLD has thousands of stakeholders. Our dedicated teams of community, environment and external relations officers identify and engage stakeholders at the site level.

While our managers make use of a comprehensive stakeholder management program developed in 2008, they do not follow a prescriptive, one-size-fits-all approach. Instead, we give our sites the tools to identify and engage stakeholders in an honest, transparent and meaningful way. All of our international sites have constructed stakeholder maps and maintain formal stakeholder engagement and monitoring systems.

Priority stakeholders at our projects and operations usually include communities, aboriginal and indigenous groups, civil society organizations, local and national governments, contractors, suppliers, investors and, of course, our employees. At the site level, we engage most frequently with our communities and our employees, since they are the groups most impacted by our day-to-day operations. Depending on the site, engagement can include (but is certainly not limited to) monthly or even weekly updates, open houses, meetings with community leaders or elected representatives, individual consultations, grievance management and community involvement in monitoring projects.



NUMBER OF STAKEHOLDER MEETINGS AT OUR INTERNATIONAL OPERATIONS AND PROJECTS

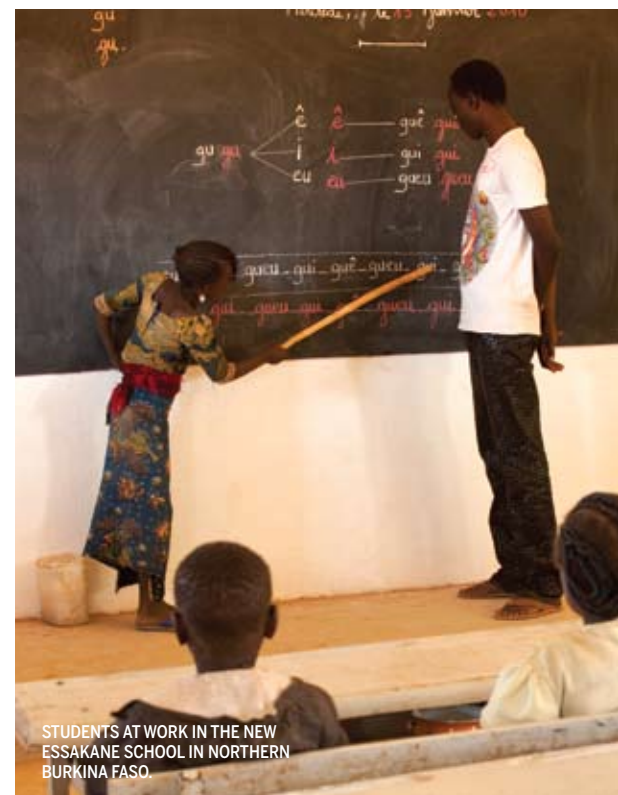
Rosebel	>200
Mupane	45
Essakane	59
Harmonie	30

IAMGOLD's investors and shareholders are afforded opportunities to question and raise concerns about the Company's health, safety and sustainability performance through direct contact with our Investor Relations Department, through our Annual General Meeting or through e-mail at info@iamgold.com. We are continually seeking additional mechanisms for relating to our many stakeholders and incorporating their concerns into our sustainability performance.

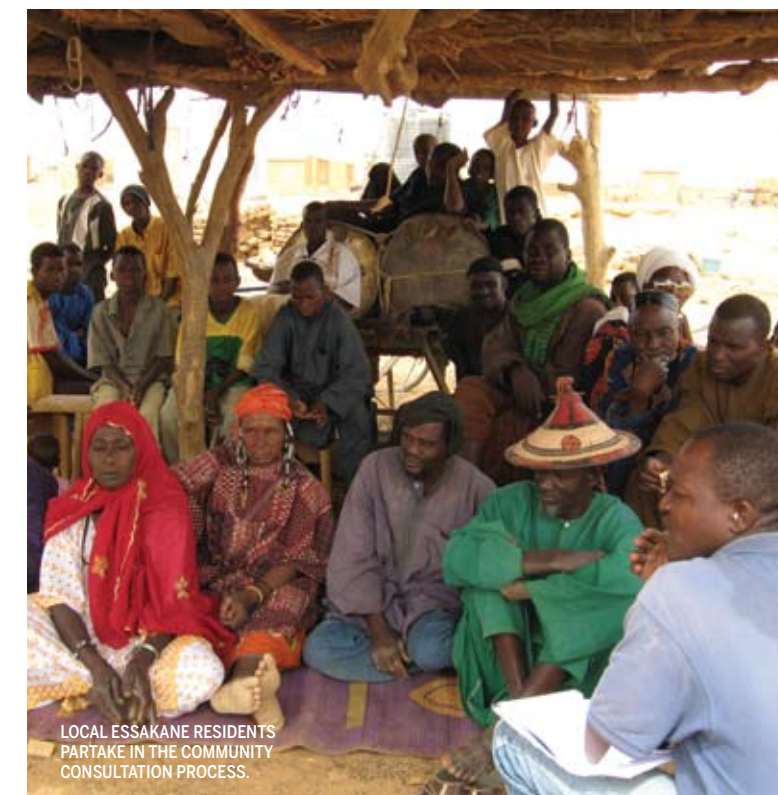
WHAT DO WE HEAR FROM OUR STAKEHOLDERS?

Through our continued community engagement activities, we closely monitor community concerns relating to our operations. Here are some of the key topics and concerns that our stakeholders communicated to us in 2009, all of which are addressed in other sections of this report:

- ▶ Employment possibilities (see social responsibility section)
- ▶ Small-scale mining – opportunities as well as problems relating to this practice (see risk management section)
- ▶ Dust and noise from mine vehicles (see environmental responsibility section)
- ▶ Acid rock drainage (see environmental responsibility section)
- ▶ The reduction of grazing land (see environmental responsibility section)
- ▶ Water shortages (see environmental responsibility section)
- ▶ Development projects (see social responsibility section)



STUDENTS AT WORK IN THE NEW ESSAKANE SCHOOL IN NORTHERN BURKINA FASO.



LOCAL ESSAKANE RESIDENTS PARTAKE IN THE COMMUNITY CONSULTATION PROCESS.

LEARNING FROM COMMUNITY INCIDENTS

Over the course of 2009, we had two community incidents. In May, an encounter with illegal miners in Tanzania led to two individuals being hurt and admitted to hospital (see Tanzania Incident, pg. 23).

In November, the presence of five IAMGOLD employees conducting geological reconnaissance in North Eastern Peru was not well received by a group of 25 Awajun Indigenous People. Our team presented a letter from IAMGOLD requesting permission to conduct routine exploration surveys and rock sampling on a third party mineral concession. When the Awajun rejected the Company's request, we left the site immediately. Even when no one is hurt and no physical damage is done, we treat negative community interactions seriously and attempt to learn from them. In Peru, our internal review process determined that contact should have been made with the community prior to mobilizing our team.

BUILDING NEW TIES IN FRENCH GUIANA

Despite favourable approvals and an extensive consultation process, a vocal opposition from environmental organizations in French Guiana effectively halted development at Camp Caiman. When, in January of 2008, the project was not granted approval to begin mine development, we initiated Project Harmonie, an attempt to re-scope the project and restart the engagement process with a focus on inclusiveness, dialogue, transparency and partnership.

Throughout 2009, Project Harmonie moved slowly and thoughtfully forward. We engaged affected and interested groups (including the environmental NGO community) in a broad-ranging dialogue during which we clarified our interests and intent. To facilitate the process, we participated in the creation of a Strategic Steering Committee consisting of representatives of major stakeholders, including government, NGOs, trade unions, academic experts and others. This Steering Committee has

been discussing the issues and impacts associated with both the environment and outreach.

The next step for the Steering Committee is to develop working groups to deal with the following specific projects:

- ▶ Exploitation techniques
- ▶ Scientific monitoring and impact limitation
- ▶ Employment and training
- ▶ Evaluation of economic income

To date, we have been encouraged by the positive dialogue and the potential for building an environmentally and socially responsible mining project in French Guiana. For IAMGOLD, the Strategic Steering Committee represents the way forward for engagement, not only in French Guiana, but at all of our sites around the world.

SUSTAINABILITY

LEADERSHIP

GOVERNANCE

STAKEHOLDER ENGAGEMENT

RISK & CHANGE MGMT, CRISIS & EMERGENCY PREPAREDNESS

SOCIAL STEWARDSHIP

ENVIRONMENTAL STEWARDSHIP

BRINGING COMMUNITIES TOGETHER AT ESSAKANE

At IAMGOLD, we are especially proud of our stakeholder engagement efforts at the Essakane project in Burkina Faso. To prepare for the beginning of production in 2010, we worked closely with local communities to resettle a total of eight villages with the full consent and co-operation of everyone involved. This multi-year effort began with gathering data on a broad range of socio-economic and environmental issues, investigating local customs, traditions and needs, and considering impacts on livelihoods. On the basis of this research, we have taken decisive steps to restore and improve the livelihood and well-being of everyone affected. Ongoing livelihood restoration and improvement initiatives include programs for farmland restoration, grazing land restoration, wood and wild plant restoration, and commercial and services activity improvement.

The goal of engagement at the Essakane project was to deal with social issues thoroughly and properly from day one. Through a combination of individual and group meetings, we involved community members fully in planning activities, ranging from the design of their homes to the design, locations and layouts of public buildings. A committee of senior community representatives provided general oversight of the planning process and was available to resolve any deadlocked issues.

Excellent communication, pre-planning and ongoing dialogue were key to winning widespread community support. With the assistance of 53 community representatives, we assembled a Community Communication Committee that used a wide variety of channels to keep the community apprised of all developments. These channels included:

- ▶ A Public Information Centre
- ▶ Radio
- ▶ Notice boards
- ▶ Focus groups
- ▶ Household-level meetings
- ▶ Community liaison officers
- ▶ An open-door policy
- ▶ An easily accessible grievance mechanism to deal with any community concerns

The relocation is an ongoing commitment, and community members are very engaged in the implantation process, including the relocation of possessions, monitoring of construction and the deconstruction of old homes. Guided by resettlement experts RePlan, IAMGOLD employs a team of dedicated Community Liaison Officers to aid the process.



DWELLINGS IN THE OLD ESSAKANE VILLAGE - BURKINA FASO.



HOMES IN THE NEW ESSAKANE VILLAGE WERE BUILT WITH LOCAL MATERIALS AND DESIGN.



RESIDENTS MOVE INTO THE NEW ESSAKANE VILLAGE.



WOMEN PUMP WATER FROM ONE OF THE NEW WELL SITES IN ESSAKANE VILLAGE.



A FOUR-HECTARE GARDEN, PART OF THE COMMUNITY'S LIVELIHOOD RESTORATION PROGRAM.

8

RESETTLEMENT OF EIGHT VILLAGES

2,981

RESETTLEMENT OF 2,981 HOUSEHOLDS

13,473

RESETTLEMENT OF 13,473 PEOPLE

3,283

DISPLACEMENT OF 3,283 BUILDINGS

1,255

GRAZING/FALLOW LAND IMPACTED - 1,255 HA (INCL. 400HA OF FARMLAND)

15.6

2009 PROJECT BUDGET: \$15.6 MILLION.

RISK & CHANGE MGMT, CRISIS & EMERGENCY PREPAREDNESS

PLANNING, PREPARING, PERFORMING

As a global mining company, we consider risk – and incorporate preparedness – in every decision we make. Financial risk, environmental risk, risk to our employees and risk to our communities are all on our radar. Our success largely depends on our ability to recognize risk, plan around it and prepare for crisis situations.

In 2009, we began updating our corporate and site Crisis Management Plans, the foundation of our emergency preparedness. We:

- ▶ Ensured that Enterprise Risk Management (ERM) was a strategic element included in our decision-making process at a tactical and operational level
- ▶ Trained Company facilitators to help each IAMGOLD department implement the requirements of Enterprise Risk Management
- ▶ Ensured that all sites have up-to-date Emergency Response Plans that will be reviewed against the risk report to ensure continuous improvement in emergency preparedness
- ▶ Established a risk registry

IAMGOLD is moving forward with an aggressive plan in 2010 that includes site level security and risk assessments as well as increased corporate and site level training on security and crisis management.

REACHING OUT TO THE ARTISANAL AND SMALL-SCALE MINING COMMUNITY

Artisanal and small-scale mining is a significant issue in many of the jurisdictions in which we operate, especially at our Rosebel and Essakane sites. These mining activities provide an important source of income for many local community members. But, typically, they are also illegal and pose uncontrolled environmental and human health risks to communities and the miners themselves.

IAMGOLD takes these risks very seriously. While we do not have a one-size-fits-all policy to address illegal mining, our approach is to work collaboratively to find more sustainable solutions and alternatives that do not significantly impact the well-being of any interested party. Our sites continue to work closely with governments, NGOs and communities.



ARTISANAL AND SMALL-SCALE MINING (ASM) ACTIVITIES NEAR ESSAKANE, BURKINA FASO. IAMGOLD PROMOTES BROAD-BASED STAKEHOLDER DIALOGUE ON ASM ISSUES AND LOOKS FOR LOCALLY APPROPRIATE SOLUTIONS FOR THE HEALTH, SAFETY AND ENVIRONMENTAL RISKS ASSOCIATED WITH THESE ACTIVITIES.

TANZANIA INCIDENT

Despite our best efforts to prevent them, conflicts do arise with illegal miners. On May 31, 2009, such an incident occurred at our Buckreef project in Tanzania. While attempting to fill in pits that had been illegally excavated within the Company's exploration property, a small team of IAMGOLD employees and two local police officers were attacked by a group of 20 illegal miners. Two people were injured and admitted to hospital, including one of the illegal miners who was shot in the leg by a police officer defending himself against an assault.

The incident reaffirmed the risks associated with illegal mining. We were able, however, to help avoid an escalation of the conflict through our partnership with local communities and governments. We found a viable option for maintaining the land tenure package in continued harmony with artisanal miners and local communities.

In part, that option became available when our Tanzanian exploration team concluded that the resource did not meet the size requirements of IAMGOLD. In a decision unrelated to the community incident, IAMGOLD determined that the Tanzania project was not economically viable. As a result, we worked very closely with the government to ensure a successful hand-over of the property in a way that would benefit the country and surrounding communities.

SOCIAL STEWARDSHIP

MAKING VITAL INVESTMENTS

The sustainability of our operations and our industry depends on creating strong social and economic benefits for the communities where we operate. In 2009, IAMGOLD invested over \$2 million dollars in community infrastructure and development initiatives at our operations and at our Essakane development project. An additional \$16 million was invested in the Essakane community resettlement project.

DRIVING LOCAL DEVELOPMENT

As good neighbours, we respect local rights, values, cultural heritage and economic, social and environmental interests. No matter how big or small the project, we also seek to build local capacity and create community development opportunities. We begin discussing community development initiatives from a very early stage, long before the mine is constructed and even before the decision is made to build.

Our corporate office provides high-level guidance, and our dedicated staff on site build trust and generate value by developing site-specific budgets and action plans for community development. In collaboration with the community, each site sets its own stewardship goals, pursues sustainable development initiatives and monitors progress. Social stewardship and stakeholder engagement are integrated into day-to-day operational decision-making.

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IN 2009, IAMGOLD'S SITES AND PROJECTS MAINTAINED OVER 28 UNIQUE COMMUNITY AND CIVIL SOCIETY PARTNERSHIPS

IN THE COMMUNITY – PARTNERSHIPS THAT PRODUCE

IAMGOLD delivers development results through local partnerships. In 2009, our sites and projects maintained over 28 unique community and civil society partnerships in an effort to widen the scope and improve the results of our community programs. While most partnerships focus on development initiatives, some also focus on environmental monitoring and capacity building in the communities where we operate.

Community Partnerships by the Numbers:

Rosebel Mine	10
Mupane Mine	5
Essakane Project	2
Corporate Offices	2
Doyon Division/Niobec	7
Camp Caiman Project	2



A MEMBER OF THE ASIGRON VILLAGE VEGETABLE PROJECT IN SURINAME DISPLAYS HIS PRODUCE. THE PROJECT PROMOTES ECONOMICALLY AND ENVIRONMENTALLY SUSTAINABLE AGRICULTURE.

ESSAKANE – PARTNERING WITH SOS RURAL WORLD

IAMGOLD's partnerships at Essakane emphasizes sustainable livelihoods and local capacity building. When local communities and NGOs identified agricultural improvement as a development priority, we invested in a development project led by SOS RURAL WORLD. In part through our contribution, the project has seen crop improvement across the board and growing community interest.

ROSEBEL – POTABLE WATER PROJECT

At Rosebel in Suriname, IAMGOLD has worked closely with local communities to prioritize key development needs, including a new water project, addressing important issues of sanitation, health and safety in several villages. In 2005, our water-quality testing of the Saramacca River, the main water source for surrounding communities, found high levels of suspended solids and coliform bacteria left over from the pollution generated nearly two decades ago during an artisanal gold mining rush in the interior of the country. In 2009, IAMGOLD's \$75,000 project to supply villages with access to clean and safe drinking water entered the development phase. When complete, the new potable water system will run on solar panels and improve the lives of 800 inhabitants.

Other development projects that IAMGOLD is currently working on, in collaboration with local Rosebel communities, involve early child education, agriculture, alternative income generation, schools, sanitation and health clinics.



PALM PLANTING FOR ESSAKANE'S LIVELIHOOD IMPROVEMENT INITIATIVE – BURKINA FASO.



ROSEBEL'S POTABLE WATER PROJECT WILL PROVIDE ACCESS TO SAFE DRINKING WATER FOR 800 INHABITANTS – SURINAME.

SUSTAINABILITY

- LEADERSHIP
- GOVERNANCE
- STAKEHOLDER ENGAGEMENT
- RISK & CHANGE MGMT, CRISIS & EMERGENCY PREPAREDNESS

SOCIAL STEWARDSHIP

ENVIRONMENTAL STEWARDSHIP



The Essakane Project's Apprenticeships:

2007	692
2008	961
2009	70
2010 (planned)	99

MARIAM ILBOUDO OUEDRAOGO, ENVIRONMENTAL ENGINEER AND TRAINED MEMBER OF THE FIRE DEPARTMENT AT ESSAKANE, BURKINA FASO.

LINKING TRAINING AND DEVELOPMENT TO COMMUNITY SUCCESS

At IAMGOLD, we view investing in our workforce as investing in the community. Developing our employees not only drives the productivity of our operations, but also strengthens the community by providing people with transferable job and management skills. Since 2006, we have trained over 1,700 people in a variety of trades at our Essakane construction project. At our five operating sites, we conduct, on average, about 14,820 hours of training per site. That works out to about 30 hours of training per person per year (not including personnel at our head office or external contractors and consultants).

2009 Total Training Hours by Operational Site

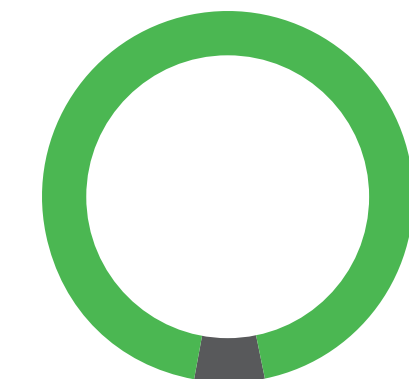
Rosebel	31,479
Mupane	4,204
Niobec	17,855
Mouska	13,904
Doyon	6,659
TOTAL	74,101

EMPLOYING THE COMMUNITY AND THE NATION

IAMGOLD makes a strong effort to hire and train people locally and nationally. 94% of the workforce at our operations and projects are Nationals. At Essakane, owing to the highly specialized nature of construction, IAMGOLD has a large number of expatriate employees. To help address the issue and increase the level of local employment, we have begun a large apprenticeship program for locals.

2009 Total Number of National and Expatriate Employees by Operations & Projects

	Nationals	Expatriates
Rosebel Mine	1086	55
Mupane Mine	342	10
Essakane Project	3055	117
Quimsacocha Project	80	1
Camp Caiman Project	15	7
TOTAL	4578	190



PERCENT COMPOSITION OF GLOBAL WORKFORCE

Nationals 94%
Expatriates 6%

2009 Total Number of National and Expatriate Employees by Exploration Location

	Nationals	Expatriates
Brazil	21	-
Burkina Faso	14	1
Peru	19	1
Senegal	20	5
Suriname	36	7
Other*	7	6
TOTAL	117	20

*Includes Columbia, French Guiana, Guyana, Mali, Quebec



MANAGERS IN SURINAME TAKE PART IN ROSEBEL'S NATIONALS WEEK

ACTIVATING LEADERSHIP POTENTIAL: NATIONALS WEEK AT ROSEBEL

At Rosebel, IAMGOLD has been building technical, management and leadership capacities among a locally and nationally recruited workforce since the mine opened in 2004. In early 2009, to mark our operation's fifth anniversary, a team of management and union representatives introduced Nationals Management Week, a unique initiative that for one week saw nationals assume all of the management roles at the mine normally held by expatriates.

To the staff and management, Nationals Management Week was a way of demonstrating the site's achievements in reaching some of the ambitious leadership, management and capacity-building goals it set out just five years earlier. In 2004, Rosebel was the first commercial gold mine in Suriname, a small South American country with very little experience in large-scale commercial mining. Nationals Management Week showed just how far our capacity-building efforts have succeeded.

Making an Impact: Real, Measurable Economic Contributions (USD Millions)

	Suriname	Botswana	Canada
Operating Cash Flow	152.4	(4.6)	143.8
Royalties	(18.4)	(2.8)	-
National/Local Purchasing	(110.0)	(15.8)	(252.4)
Income Taxes	(50.0)	-	(6.2)
National Payroll, including taxes	(35.4)	(5.4)	(125.7)



CASE STUDY

MOBILIZING THE YOUNG: ROSEBEL SCHOOLCHILDREN GO GREEN

In 2009, the environmental department, with volunteers from other departments, visited schools in seven villages surrounding Rosebel Gold Mine in Suriname to increase environmental awareness among schoolchildren. The project used posters, folders, colouring pictures and contests to teach 586 pupils about protecting and preserving the environment. Prizes were announced for students who submitted the best colouring poster and the school that collected the greatest number of PET* bottles in its village.

In the second phase of the project, pupils, teachers and Rosebel volunteers engaged in a variety of outdoor activities such as fruit tree planting. The students, who had divided into groups, accepted responsibility for caring for the trees they had planted.

*Polyethylene terephthalate (sometimes written polyethylene terephthalate), commonly abbreviated PET

ENVIRONMENTAL STEWARDSHIP

MAKING OUR VISION A REALITY

IAMGOLD is keenly aware that our mining operations have an impact on the environment. We take our responsibility to serve as careful stewards of the environment seriously. In 2009, we acted on a number of fronts to move us towards achieving our Zero Harm goals.



ENVIRONMENTAL CO-ORDINATOR MARIO GAGNON AT THE RECLAIMED WASTE ROCK SITE IN DOYON, QUEBEC.

ENVIRONMENTAL MANAGEMENT

GAINING INDEPENDENT RECOGNITION

While IAMGOLD's Sustainability Framework is the cornerstone of our commitment to strong environmental stewardship, we also rely on independent guides to bolster our environmental management. These include ISO 14001 and The Mining Association of Canada's (MAC) Towards Sustainable Mining (TSM) initiative.

ISO 14001: The Path to Good Practices

In 2009, IAMGOLD secured ISO 14001 certification at our Toronto Corporate office. We have now attained this environmental certification at offices in Longueuil, Quebec; at two major development projects, Essakane in Burkina Faso and Westwood in Quebec; and at four of our five operating mines. Mupane Gold Mine in Botswana remains the one uncertified operating site because the mine may close within the next two years. Mupane does, however, operate under a rigorous environmental management system of its own.

In addition to audits required by ISO 14001, IAMGOLD conducts its own internal audits to verify management systems and ensure that performance commitments are achieved. Every three years, each site is required to carry out verification by an external auditor. A summary of issues and actions are presented to the COO, CEO and SVP HSS for review each year.

Towards Sustainable Mining (TSM)

In 2009, Rosebel and Mupane received TSM Awards for their work on Crisis Management Planning and Engagement and Tailings Management. TSM is a MAC program that sets out sustainability performance indicators that all MAC members are required to apply to their

activities and report on annually. At present, MAC members measure four TSM performance indicators:

1. Crisis Management Planning
2. Energy Use and Greenhouse Gas Emissions Management
3. External Outreach
4. Tailings Management

In 2009, we voluntarily agreed that external verification of our 2008 TSM self-assessment should be completed ahead of schedule. IAMGOLD is the third MAC member to apply TSM internationally.

A full report on IAMGOLD's TSM results are available at:

http://www.mining.ca/www/media_lib/TSM_Publications/2009_Annual_Report/2009_MAC_TSM_English.pdf

Training

IAMGOLD assesses audits and fills gaps in our environmental management through training programs. At Rosebel mine, 77% of staff, employees and contractors had received spill and leak management training by the end of 2009.

ENVIRONMENTAL COMPLIANCE

TAKING PROMPT CORRECTIVE ACTION

IAMGOLD strives to meet or exceed the environmental compliance requirements of both our own internal management system and the regulatory frameworks of our host countries. Internally, we report community or environmental incidents using a scale of 1 to 5, with 1 representing the least serious and 5 the most serious (causing significant environmental damage) events. We are pleased to report that in 2009 we had no Level 4 or Level 5 environmental incidents.

We did, however, have non-compliance issues at our Niobec and Mupane sites. Although neither of these incidents, in our view, threatened significant environmental harm, we took prompt corrective measures as described below.

Biotesting at Niobec

In 2009, effluent biotesting at Niobec revealed high concentrations of chlorides, a natural substance found in high concentration in the mine area. After considerable study and several water treatment pilot tests, we presented Quebec's office of Sustainable Development, Environment and Parks with a comprehensive plan to resolve the toxicity and freshwater supply issues. The \$13 million project was accepted and is due to commence in 2010.

Detoxifying Tailings at Mupane

In 2009, IAMGOLD received notice of non-compliance from the government of Botswana after we discontinued a process to detoxify tailings. We no longer considered this process necessary for arsenic or efficient for cyanide, since our cyanide concentrations were already below the guidance levels of the International Cyanide Management Code. The notice, however, persuaded us to search for alternative treatment approaches. A pilot program is being conducted testing the Inco SO₂ (sulphur dioxide) treatment method and the use of hydrogen peroxide to reduce cyanide levels even further.

ENVIRONMENTAL STEWARDSHIP

WATER MANAGEMENT AND WATER CONSERVATION

SETTING OUR PLAN IN MOTION

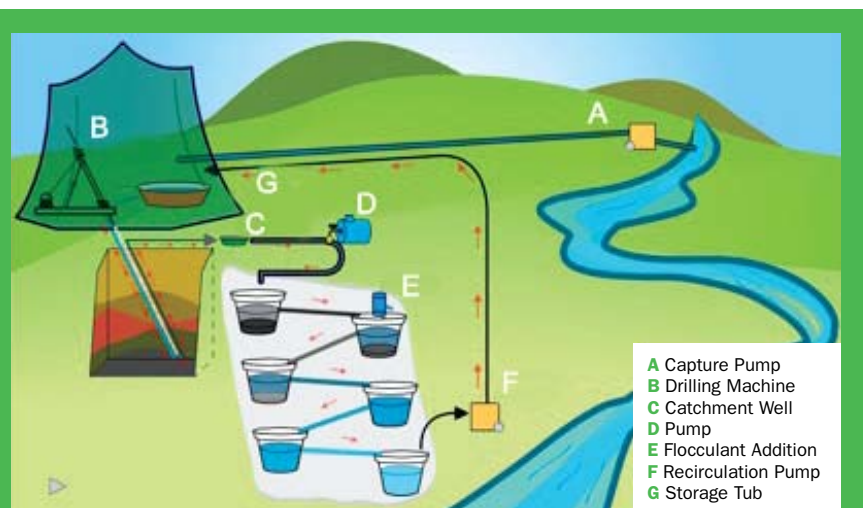
Water is an important resource in the mining industry. We use it in drilling, dust suppression, blasting and ore processing. We recognize, however, that water is even more important to the health and well-being of the planet. That's why, in 2009, we began implementing a Company-wide water management plan to minimize our consumption and improve water quality. Starting in 2010, each of our sites will set aggressive water reduction targets and focus on improving water quality further.

A NATURAL ALTERNATIVE FOR LOWERING ALKALINITY

In 2009, we collaborated with the University of Suriname to devise a plan to use wetland restoration as a means to reduce excess alkalinity in effluent discharge at our Rosebel operations. Although our discharge falls within the pH limit of 9.5 approved by the Suriname government (which would also be acceptable in Canada), it exceeds the World Bank's upper limit of 9.0. As a result, we decided to take remedial action. Although current treatment methods incorporate the use of acid to lower the pH, we are exploring natural remedies. A scoping study for the addition of a wetland is ongoing and the construction will be completed in 2010.



WATER SAMPLE AT OUR NILOBEC SITE IN EASTERN QUEBEC.



CASE STUDY

DRILLING WATER RECIRCULATION

At our Quimsacocha project in Ecuador, we adopted a treatment system to reduce water usage at exploration sites and to preserve the natural biology of water sources. Water used for drilling is now captured and transferred to a small pond where sedimentation can occur. Settled water is then pumped back to the drilling machine. The results have been very impressive:

- ▶ Water quantity: reduction of 80%
- ▶ Environmental accidents: safety measures and training related to drilling achieved our zero environmental harm objective
- ▶ Water quality: 75% of suspended solids and over 50% of heavy metals are removed from the drilling water

Our efforts have been enthusiastically recognized by local and national environmental control organizations in Ecuador and by a number of international researchers and consultants. In the second phase of the project, pupils, teachers and Rosebel volunteers engaged in a variety of outdoor activities such as fruit tree planting. The students, who had divided into groups, accepted responsibility for caring for the trees they had planted.

IAMGOLD's Energy Use and Greenhouse Gas (GHG) Emissions Table

	Total Direct Energy (GJ)	Total Indirect Energy (GJ)	Total Direct GHG Emissions (t CO ₂ e)	Total Indirect GHG Emissions (t CO ₂ e)	Canada Direct GHG Emissions (t CO ₂ e)	Canada Indirect GHG Emission (t CO ₂ e)
2006	1 387 700	1 300 900	97 349	15 390	8 888	2 226
2007	1 312 100	1 276 600	95 426	13 518	9 520	2 141
2008	1 534 662	1 361 872	107 955	59 134	11 956	2 041
2009	2 187 054	1 510 241	162 664	53 161	15 652	2 086

ENERGY EMISSIONS

UNDERSTAND AND REDUCE

Reducing our energy consumption and greenhouse gas GHG emissions is an essential goal of our sustainability framework. Our energy policy commits us to:

- ▶ Reduce continuously our overall and unit-of-production energy consumption
- ▶ Reduce our GHG emissions and impact on the global environment
- ▶ Support the introduction of clean and renewable energy technologies in the communities where we operate

The first step in controlling our emissions is to understand the complete energy profile at our operations. To this end, in 2010, each site will be assigned management responsibility for energy and emissions control and will begin measuring the key energy sources.

As shown by the accompanying table, IAMGOLD's total energy use and greenhouse gas emissions have grown for the past two years. The 2009 increases can be attributed to the acquisition of Essakane and the production increase at Rosebel. We attribute the 2008 increases to a combination of production

increases, longer haulage distances, the incorporation of development projects, and operations at deeper levels at our underground mines. In 2007, energy use and GHG emissions fell primarily because of the closure of the Omai operations in Guyana. The relatively low GHG emissions of our Canadian operations (approximately 8% of our total GHG emissions) can be explained by the availability of renewable hydroelectric energy in Quebec. We continue to seek ways to improve operational efficiencies and focus on projects to save energy at all our operations.

IAMGOLD is a major partner in research initiatives seeking methods of reducing our dependence on conventional energy sources.

IAMGOLD's partnership with SORDEM (Quebec) has resulted in the inclusion of:

- ▶ Hybrid Engine Scoop tram
- ▶ HMII: Hydrogen Mine Introduction Initiative (Canadian Consortium)
- ▶ Fuel Cell Scoop tram
- ▶ U/G Hydrogen Storage and Transportation
- ▶ EFRB (explosive-free rock breakage)



ENVIRONMENTAL MANAGER ANNIE BLIER MEASURES WEATHER CONDITIONS AT THE DOYON TAILINGS FACILITY IN WESTERN QUEBEC.

SUSTAINABILITY

LEADERSHIP

GOVERNANCE

STAKEHOLDER ENGAGEMENT

RISK & CHANGE MGMT,
CRISIS & EMERGENCY PREPAREDNESS

SOCIAL STEWARDSHIP

ENVIRONMENTAL STEWARDSHIP



DOYON TAILINGS FACILITY, QUEBEC

WASTE MANAGEMENT

PURSUING INNOVATIVE OPTIONS

Tailings Management

In 2009, we continued to pursue innovative options to improve tailings management and rehabilitation success. The Mupane Mine in Botswana and the Essakane project did not discharge any effluent, as they operate in a net evaporative climate. Westwood also does not have any final effluent because all the water is treated at the Doyon Mine facility.

IAMGOLD manages and monitors tailings carefully. At sites in Canada, but also around the world, we follow the rigorous Tailings Management Protocol established by the Mining Association of Canada's Towards Sustainable Mining (TSM) Program. Qualified professionals design our storage facilities, and independent experts review the design, operation and performance of storing both tailings and waste rock.

Material and Waste Management

IAMGOLD closely monitors the use of cyanide, explosives, fuels and other chemicals. With rigorous procedures in place for the safe transport, storage, handling and disposal of hazardous substances, we recorded zero spills of cyanide in 2009 and no Level 4 or Level 5 environmental spills. Continuous improvement programs have been implemented to increase efficiency in the use of explosives and fuels. Used oil, tires, scrap metals, wood, paper products, plastic, glass and other materials are reused and recycled, depending on the recycling facilities available near each of our sites. Hazardous waste, used batteries, used oil, outdated chemicals, paints and solvents are removed from our properties by licensed waste handlers and either recycled or disposed of in accordance with applicable government regulations.



ROSEBEL'S WASTE MANAGEMENT PROGRAM ENSURES THAT OVER 317,000 PET BOTTLES ARE RECYCLED FROM THE SITE EACH YEAR. ALL EMPLOYEES RECEIVE ENVIRONMENTAL AWARENESS TRAINING.

Chemical Consumption

The following table shows the consumptions of key chemicals at three IAMGOLD operations from 2007 to 2009. At Rosebel, increasing production was largely responsible for the growth in cyanide consumption. At Doyon, consumption of cyanide, acids and caustic soda fell in conjunction with falling production. Mining at Doyon ceased on December 23, 2009, when the last gold bar was poured. At Mupane, increased cyanide consumption was precipitated by the need to process greater quantities of sulphides. Chemical consumption at Mupane rose generally in 2009 because we maximized recoveries.

Chemical Consumption at IAMGOLD Operations in 2007, 2008 and 2009

		Cyanide (t)	Acids (t)	Lime (t)	Caustic soda (t)	Flocculant (t)
Rosebel	2007	2 240	510	11 710	507	339
	2008	2 648	400	11 031	2 069	126
	2009	3 592	293	16 245	1 111	223
Doyon	2007	866	38	8 205	87	10
	2008	765	5	11 138	66	20
	2009	709	4	9 335	13	19
Mupane	2007	1 293	133	1 553	49	71
	2008	1 624	46	1 178	147	28
	2009	1 960	111	1 539	94	42



CASE STUDY

REDUCING WASTE AND INCREASING INCOMES AT ESSAKANE

In 2009, IAMGOLD accelerated a program at Essakane designed to help local communities benefit from the recycling of waste produced at the site. We now collect scrap wood and metal, materials in short supply in struggling communities, for use by local carpenters and blacksmiths. In 2009, 30 tons of wood (up from 13 tons in 2008) and 8 tons of metal (up from 1.5 tons) were handed over for the manufacture of tables, benches for schools, cupboards, doors and windows. While saving us the cost of burying waste, our initiative lowers material costs for local manufacturers. Since our program began, the number of joiner's workshops at Essakane has grown from three to seven. This win-win initiative furthers our environmental aims while providing additional income for the local population.

SUSTAINABILITY

LEADERSHIP

GOVERNANCE

STAKEHOLDER ENGAGEMENT

RISK & CHANGE MGMT,
CRISIS & EMERGENCY PREPAREDNESS

SOCIAL STEWARDSHIP

ENVIRONMENTAL STEWARDSHIP

LAND

EXECUTING THE PLAN

Land Use and Reclamation

By the end of 2009, IAMGOLD had successfully reclaimed 321 hectares of the 4,000 hectares of land disturbed by our operations globally. Although land disturbance is an unavoidable consequence of mining, our goal is to minimize our environmental footprint, carry out reclamations as soon as possible and safeguard the environment, now and for future generations. By reclaiming inactive land during mining and not waiting until mining operations cease, we can complete final reclamation activities in a timely manner.

The graph below provides combined figures on land reclamation and disturbance at all of our operational sites as well as at projects in French Guiana, at Westwood and Essakane and at the former Cambior sites (Dunraine, Yvan Vézina, Québec-Lithium and Solbec Cupra).

Reports from the field: Reclamation at Mouska, Mupane, Niobec and Rosebel

As exemplified at Mouska, we minimize our footprint from the planning and construction phase of a mine onward. Land reclamation and ongoing 'housekeeping' help keep the site and the surrounding environment green.

With a reclamation budget of almost \$470,000, Mupane worked diligently in 2009 to restore an additional 7% of mine lands, bringing the project to a total of 14%. At the Niobec Mine in Quebec, our land reclamation efforts included depositing topsoil and planting trees on the external slopes of the tailings area. As with the previously achieved reclamation of the old tailings pond #1, the restoration of these slopes will lessen dust emissions in an area surrounded by agricultural activities.

In Suriname, our rehabilitation efforts face additional obstacles from Mother Nature. With an annual rainfall of 2200 mm, erosion control is a significant challenge, which must be addressed

through both immediate and long-term solutions. In 2009, a hydroseeder was purchased at our Rosebel site in order to tackle the most immediate erosion challenges by quickly creating a grass cover in waste areas and at other disturbed sites. While the hydroseeder ensures that grass begins sprouting within a week, tree planting is ultimately the long-term solution to erosion issues.



HYDROSEEDING PROVIDES IMMEDIATE EROSION CONTROL AT RECENTLY DISTURBED SITES – ROSEBEL, SURINAME.



Nursing Our Environment – Tree Planting at Rosebel

After visiting our Project Harmonie in French Guiana to learn from reclamation activities there, the environmental department of our Rosebel Mine built a nursery for the quick-growing C. Fairchildiana tree (a tree that improves nitrogen levels in soils) using seeds supplied by Harmonie. In the last quarter of 2009, more than 400 trees were replanted on formerly reclaimed areas and waste dumps to see how they would perform in the field. In the meantime, the nursery was expanded to include slower-growing local trees like krappa, slangenhout and copie, which will be replanted on reclaimed lands after two years or more.

The nursery at Rosebel is a pilot project. If everything goes well, the environmental department, together with the community relations department and local communities, will build a larger nursery in a nearby village to supply additional plants and trees as our reclamation activities increase. This development will increase community involvement and add more value to our operation.



CASE STUDY

RESTORING ARABLE LAND IN THE SAHEL

With the footprint of the Essakane project impacting already scarce arable land, IAMGOLD has been working with the local community to restore soils in areas depleted by drought, wind erosion, overgrazing and artisanal mining. After identifying potential restoration zones, we established a tree nursery to produce native species that will benefit the local ecology and help retrieve soil productivity. In 2009, 354 hectares were rehabilitated, with a total of 27,000 trees planted – 4,000 more than our annual target. In a region where the population lives primarily on farming, and annual precipitation is lower than 500 mm, trees are a precious resource. Our goal for the Essakane mining project is to have a zero or positive net impact on biodiversity.



PRESIDENT'S AWARD

We are pleased to announce the winners of IAMGOLD's Annual President's Award for Health and Safety and the President's Award for Sustainability. These awards recognize outstanding contributions to translating our vision of health, safety and sustainability into actual performance. They are presented annually to the IAMGOLD operation, project or exploration site that best demonstrates progress and performance in supporting IAMGOLD frameworks and policies for health and safety and for sustainability.

The winner of the 2009 PRESIDENT'S AWARD FOR HEALTH & SAFETY: ROSEBEL GOLD MINES

The winner of the 2009 PRESIDENT'S AWARD FOR SUSTAINABILITY: ROSEBEL GOLD MINES

CONGRATULATIONS TO ROSEBEL!

"Rosebel's submissions were excellent. Rosebel went a step further in their submission by highlighting their 2008 self-assessment results and comparing these results to their 2009 performance. Also, Rosebel was able to reduce their DART by 50%, and consistently overachieved in the area of leading indicators for safety. Rosebel was aggressive in setting a 'Triple Zero' target. Ensuring that all employees embrace that target truly embodies our vision of Zero Harm."

Peter C. Jones
Interim President & CEO



HIGHLIGHTS

NIOBEC INCLUSION OF EMPLOYEE HEALTH AND SAFETY PREVENTION OBJECTIVES IN PERFORMANCE REVIEWS HELPS EMPLOYEES UNDERSTAND THE EMPHASIS ON PREVENTION IN THEIR WORK.

MOUSKA INTRODUCTION OF A HEALTHY LIFESTYLE PROGRAM ENCOURAGES EMPLOYEES TO CONSUME ZERO TOBACCO AND FIVE FRUITS OR VEGETABLES PER DAY AND TO EXERCISE FOR 30 MINUTES PER DAY; THE PROGRAM INCLUDES STOCKING VENDING MACHINES WITH HEALTHY PRODUCTS.

ROSEBEL SENIOR MANAGERS PARTICIPATE IN COMMUNITY RELATIONS ACTIVITIES ONCE EVERY QUARTER, DEMONSTRATING THE COMPANY'S COMMITMENT TO OPEN AND TRANSPARENT COMMUNICATION WITH THE LOCAL COMMUNITY.

MOUSKA EXPERIENCED MINERS TRAIN NEW TALENT AND ATTRACT POSSIBLE EMPLOYEES TO MOUSKA THROUGH A MENTORING/PARTNERING PROGRAM FOR APPRENTICES.

Independently judged, each site is assessed for the overall presentation and layout of its submission, its achievement of targets and goals, and its record of integrating key framework elements: Leadership, Accountability, People, Performance and Process in the case of the Health and Safety framework; and Leadership, Governance, Stakeholder Engagement, Risk and Change Management, Social Stewardship and Environmental Stewardship in the case of the Sustainability framework.

In addition to extending the benefits of mining to all of our communities, our site's efforts to create a healthier, safer, more sustainable workplace show that in 2009 all the elements of our Zero Harm vision began coming together to yield real, measurable and exceptional results.

BEST IN CLASS HEALTH & SAFETY AWARD

The Best in Class Awards are presented to the operation, project or exploration site that demonstrated excellence in a key individual element of the Health and Safety framework.

Best in Class LEADERSHIP: NIOBEC MINE

Best in Class ACCOUNTABILITY: MOUSKA MINE

Best in Class PEOPLE: MUPANE GOLD MINE PTY

Best in Class PERFORMANCE: MOUSKA MINE

Best in Class PROCESS: NIOBEC MINE



BEST IN CLASS SUSTAINABILITY AWARD

The Best in Class Awards are presented to the operation, project or exploration site that demonstrated excellence in a key individual element of the Sustainability framework.

Best in Class LEADERSHIP: MOUSKA MINE

Best in Class STAKEHOLDER ENGAGEMENT: CAMP CAIMAN (HARMONIE) PROJECT

Best in Class RISK & CHANGE MANAGEMENT: MUPANE GOLD MINE PTY

Best in Class GOVERNANCE: MOUSKA MINE

Best in Class SOCIAL STEWARDSHIP: QUIMSACOCHA PROJECT

Best in Class ENVIRONMENTAL STEWARDSHIP: ESSAKANE PROJECT



ESSAKANE PROJECT SMALL-SCALE MINERS AND LOCAL COMMUNITIES RECEIVE PROGRAM SUPPORT FOR FINDING ALTERNATIVE MEANS OF EARNING A LIVING THROUGH AGRICULTURE AND AQUACULTURE PROGRAMS.

QUIMSACOCHA PROJECT A STAKEHOLDER ENGAGEMENT PROGRAM CONTINUALLY UPDATES A STAKEHOLDER DATABASE AND PROVIDES TIMELY AND FACTUAL INFORMATION TO STAKEHOLDERS ABOUT COMPANY ACTIVITIES AND ENVIRONMENTAL CONDITIONS.

DOYON USING GEOTUBES IN A CIRCLE DURING THE DIGGING OF VENTILATION SHAFTS REDUCES COSTS AND THE CONSUMPTION OF FRESH WATER.

DOYON DEPARTMENT MANAGERS UNDERTAKE ENVIRONMENTAL INSPECTIONS TO HELP DEPARTMENTS LEARN FROM EACH OTHER'S BEST PRACTICES.

MUPANE THROUGH THE CAUGHT IN THE ACT PROGRAM, SUPERVISORS, SUPERINTENDENTS AND MANAGERS REWARD AND PUBLICIZE POSITIVE SAFETY BEHAVIOURS BY EMPLOYEES.



In keeping with our Zero Harm vision, limited quantities of this report have been printed. If you would like an electronic copy of this report, please go to our website www.iamgold.com to download the document, or to obtain the annual report on CD, contact:

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