The New Niobec Niobium Mine

PDAC  March 7, 2012

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EVP & COO
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This presentation contains forward-looking statements. All statements, other than of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding expected, estimated or planned gold and niobium production, cash costs, margin expansion, capital expenditures and exploration expenditures and statements regarding the estimation of mineral resources, exploration results, potential mineralization, potential mineral resources and mineral reserves) are forward-looking statements. Forward-looking statements are generally identifiable by use of the words “may”, “will”, “should”, “continue”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “plan” or “project” or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company’s ability to control or predict, that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, without limitation, failure to meet expected, estimated or planned gold and niobium production, cash costs, margin expansion, capital expenditures and exploration expenditures and failure to establish estimated mineral resources, the possibility that future exploration results will not be consistent with the Company’s expectations, changes in world gold markets and other risks disclosed in IAMGOLD’s most recent Form 40-F/Annual Information Form on file with the United States Securities and Exchange Commission and Canadian provincial securities regulatory authorities. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement.

The United States Securities and Exchange Commission (the “SEC”) permits mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. We use certain terms in this presentation, such as “mineral resources”, that the SEC guidelines strictly prohibit us from including in our filings with the SEC. U.S. investors are urged to consider closely the disclosure in the IAMGOLD Annual Report on Form 40-F. A copy of the 2010 Form 40-F is available to shareholders, free of charge, upon written request addressed to the Investor Relations Department.

Total Resources includes all categories of resources unless indicated otherwise.

All currency numbers are in US$ unless otherwise stated.
IAMGOLD Overview

- IAMGOLD is a leading mid-tier gold mining company
- Gold production of approximately one million ounces annually from 5 gold mines on 3 continents
- Head Office located in Toronto, Canada
- Publicly Listed Company on TSX (IMG) & NYSE (IAG)
- Market Capitalization of $5.3 Billion
- Owns 100% of the Niobec Mine (Niobec Inc)
Conduct Governed by Zero Harm Framework

- Highest standards in Health and Safety
- Partnering with Host communities
- Minimizing Environmental Footprint

Highest standard of corporate social responsibility
IAMGOLD’s Platform – High Quality, Long-Life Assets

Natural extensions with significant expansion potential
Growth Strategy

- Extend and optimize existing mines
- Increase focus on mine specific cost reduction measures
- Pursue exploration plays
- Evaluate acquisition opportunities
- Surface full value of Niobec

Focused on maximizing return on capital
Niobec Niobium Mine

- Saguenay region has strong industrial base, sound infrastructure
- In operation for 35+ years, operated by IAMGOLD since 2006
- Expansion Pre-feasibility confirmed 600%+ increase in probable reserves
- REE potential

IAMGOLD: 100% Ownership

Only major niobium producer in North America; 1 of 3 globally
Niobec History

- Soquem: 50%
  - Teck Corp. (Copperfield): 25%
  - Lamaque Mining: 25%
- Teck Corporation: 50%
- Cambior: 50%
- IAMGOLD: 100%

1967: Orebody discovered
1974: Construction starts
1976: Production starts
1994: Construction of Ferroniobium convertor
1995: ISO 9002
ISO 14.001
2007: New hoist
2010: Paste Backfill
Mill expansion to 6,240 t/d
Niobium Production Profile

Annual production growth of 10.3% per year since 2000, with an average grade of 0.66%

Long history of stable production
Niobec Local Geology

- Alkaline complex (6 x 8 kms)
- The core is comprised of crescent-shaped lenses of carbonatite (calcitite/dolomitite/ferrocarbonatite)
- Overlain by younger flat-lying Trenton limestones
- Niobium (>0.4% Nb₂O₅) hosted in the southern sector of the carbonatite
- NE and NW Nb trends projected from mine area
- REE mineralization hosted in the central and youngest part of the carbonatite complex
## Niobec – Mineralogy

<table>
<thead>
<tr>
<th>Group</th>
<th>Components</th>
<th>% Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbonates</td>
<td>Dolomite, Calcite, Ankerite, Siderite</td>
<td>64.9</td>
</tr>
<tr>
<td>Silicates</td>
<td>Zircon, Biotite, Chlorite, Na-,K-, Feldspars, Pyroxenes, Nepheline</td>
<td>21.1</td>
</tr>
<tr>
<td>Phosphates</td>
<td>Apatite</td>
<td>6.8</td>
</tr>
<tr>
<td>Niobium Oxides</td>
<td>Pyrochlore, Columbite</td>
<td>1.1</td>
</tr>
<tr>
<td>Other Oxides</td>
<td>Magnetite, Hematite, Rutile, Ilmenite</td>
<td>1.7</td>
</tr>
<tr>
<td>Sulphides</td>
<td>Pyrite, Pyrrhotite, Sphalerite</td>
<td>0.9</td>
</tr>
<tr>
<td>Others</td>
<td>Baryte, Fluorite, Halite</td>
<td>3.3</td>
</tr>
</tbody>
</table>
Niobec’s final product is Ferroniobium = FeNb
Niobium content in FeNb is 66%
Ferroniobium is sold on its Nb content & traded in US dollars
   › Revenues are calculated on Nb content
Capacity, export, import, consumption quantities for ferroniobium are based on the FeNb product and not its Nb content
   › e.g. 2011 Production at Niobec ≈ 4.6 Mkg Nb or 6,970 t FeNb
FeNb is not quoted on the open market
Niobium: Scarce Metal with Unique Properties

Using **niobium** to enhance steel has many benefits:

- Adds strength
- Lightens weight
- Enhances flexibility
- Improves durability
- Reduces costs

Niobium is used to produce high-quality steel
Ferroniobium: alloy of niobium and iron

World Consumption of Ferroniobium by End-use (2010)

- **STRUCTURAL**: 29%
- **PIPE**: 24%
- **AUTO**: 24%
- **STAINLESS STEEL**: 10%
- **other**: 13%

Source: Niobec management and Roskill
Niobium Provides Significant Cost Benefits

- $9 niobium added per car leads to a 100 kg reduction in weight, resulting in a 5% km/l increased fuel efficiency.
- Adding 0.022% niobium reduces 15,000 t in weight, leading to a $25 M cost reduction.

Stronger, lighter weight, more durable and flexible
Ferro-niobium World Consumption by Region (2011)

- China: 25%
- EU: 24%
- Americas: 21%
- CIS: 7%
- Other Asia: 11%
- Japan: 10%
- ROW: 2%
2011 Niobium Supply (% of global production)

- CBMM 84.3%
- CATALÃO 6.1%
- NIOBEC 8.6%
- Other 1%
Niobium Demand is Rapidly Growing

- ~60% of FeNb growth generated by increased intensity; balance is in growth of crude steel production
- 20% of steel produced in developed countries is HSLA; only 10% in developing countries
  - HSLA prod’n will continue to increase in both developed and developing countries (HSLA in automobiles will double by 2020)

Growth in:
- Crude Steel
- HSLA steel production increase
- Intensity Usage

Is forecast to generate a CAGR of 10 to 11% for FeNb over the next 5 years

Driven by increase usage intensity & growing steel production
Niobium Pricing

- For Long Term Planning purposes, average price conservatively forecast to be $45/kg
- SPOT market in 2011 > $45/kg

Prices estimated by an independent source to Roscoe Postle Associates.
Niobec Expansion Opportunity: Resources

- Strategic Resource Development Plan:
  - 5-year drilling program
  - Full delineation of niobium resource
  - Assess alternate mining methods

- Goals:
  - Reduce extraction costs
  - Increase annual production
  - Grow mineral resources
  - Extend mine life beyond 40 years
Niobec Mining Methods (Pre-feasibility Analysis)

Base Case LOM was estimated using the latest information available.

Two additional scenarios were evaluated:
- Open Pit
- Block Caving

All scenarios used the same geologic resource model.
Niobec – Block Caving chosen as the carry forward scenario

Orebody – Cavability Potential

- Niobec mine cavability was an action item from the SRDP to be pursued at pre-feasibility.
- None of the experts consulted have identified any fatal flaws during the exercise.
- Rock mass good quality could lead to big size rocks.
  - Special design considerations and equipment were factored in the study to address this issue.
- The size of the deposit is particularly suitable for Block Caving.
- Ultimate draw height of 700m. Suggested by both caving consultants
Niobec Mining

Block Caving Proposed Mining Sectors
Niobec – Infrastructure Block Caving

Power station

Converter

Mill

Ore Pile

Administration

Service Shaft

Production Shaft
Niobec Expansion Update

2011 Achievements

- Positive results from pre-feasibility study on expansion project
- Established a financing framework to fund expansion ($250M line of credit established February 2012)
- Transition mine plan instituted to maximize the opportunity of success for expansion

Block cave expansion

- Triple niobium production, improve margins
- Feasibility study expected to be completed mid 2013
- Capex
  - 2013: $90M
  - 2014: $220M
  - 2015: $291M
  - 2016: $375M
  - $976M
## Pre-feasibility Study Results

### Key Metrics of the Niobec Expansion Pre-Feasibility Study under the Block Cave Scenario

<table>
<thead>
<tr>
<th>Classification</th>
<th>Tonnes (millions)</th>
<th>Grade (%(\text{Nb}_2\text{O}_5))</th>
<th>Contained (\text{Nb}_2\text{O}_5) (million kgs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Probable Reserves</td>
<td>419.2</td>
<td>0.42%</td>
<td>1,746</td>
</tr>
<tr>
<td>Measured Mineral Resource(^1)</td>
<td>235.3</td>
<td>0.44%</td>
<td>1,028</td>
</tr>
<tr>
<td>Indicated Mineral Resource(^1)</td>
<td>250.2</td>
<td>0.39%</td>
<td>986</td>
</tr>
<tr>
<td>Inferred Mineral Resource</td>
<td>155.4</td>
<td>0.35%</td>
<td>547</td>
</tr>
<tr>
<td>NAV (After-tax)</td>
<td></td>
<td></td>
<td>$1.6-$1.8 billion</td>
</tr>
<tr>
<td>Total Recovered Niobium</td>
<td></td>
<td></td>
<td>576 million kg Nb</td>
</tr>
<tr>
<td>Mine Life (does not include all resources)</td>
<td></td>
<td></td>
<td>46 years</td>
</tr>
<tr>
<td>Average Annual Niobium Production (post expansion)</td>
<td></td>
<td></td>
<td>13.5 million kg Nb</td>
</tr>
<tr>
<td>Mining Cost</td>
<td></td>
<td></td>
<td>$17 per kg Nb</td>
</tr>
<tr>
<td>Operating Margin</td>
<td></td>
<td></td>
<td>$28 per kg Nb</td>
</tr>
<tr>
<td>Pre-production Capital Expenditures</td>
<td></td>
<td></td>
<td>$976 million</td>
</tr>
<tr>
<td>Growth and Sustaining Capital over 46 years</td>
<td></td>
<td></td>
<td>$965 million</td>
</tr>
<tr>
<td>Operating Cash flow (pre-tax)</td>
<td></td>
<td></td>
<td>$15.2 billion</td>
</tr>
<tr>
<td>Estimated IRR (after-tax)</td>
<td></td>
<td></td>
<td>17-19%</td>
</tr>
<tr>
<td>Canadian/US Exchange Rate (2012 – 1.00)</td>
<td></td>
<td></td>
<td>1.05</td>
</tr>
<tr>
<td>Niobium Price Assumption</td>
<td></td>
<td></td>
<td>$45 per kg Nb</td>
</tr>
</tbody>
</table>

1) Measured and indicated resources are 98% inclusive of probable reserves. Under the block caving scenario around 2% of the measured and indicated resources included in the probable reserves are slightly below the cutoff of 0.20% \(\text{Nb}_2\text{O}_5\) per tonne (before recovery) used for resource reporting. This material represents only 5.8 million tonnes averaging 0.18% \(\text{Nb}_2\text{O}_5\) for 10 million kilograms of \(\text{Nb}_2\text{O}_5\) contained.
## Funding for Niobec Expansion

<table>
<thead>
<tr>
<th>Funding Sources</th>
<th>Capital Expenditures (2013E-2016E)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$976M</td>
<td>IPO</td>
</tr>
<tr>
<td></td>
<td>Strategic Sale</td>
</tr>
<tr>
<td></td>
<td>Credit Facility</td>
</tr>
<tr>
<td></td>
<td>Cash Flow (2013E-2016E)</td>
</tr>
</tbody>
</table>

Expansion Fully Self Funded
# Niobec – Permits

**Process, Sequence and Duration**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selection of mining scenario and detailed description</td>
<td>3 months</td>
</tr>
<tr>
<td>Full environmental and social impact assessment</td>
<td>7 months</td>
</tr>
</tbody>
</table>

**Provincial**

- Project assessment by provincial environment ministry MDDEP: 18 months
- Public hearings – BAPE (in parallel): 18 months
- Quebec provincial cabinet decision: ± 24 months

**Federal (if there is impact on fish habitat)**

- Review of Environmental Impact Assessment and further investigation if necessary: 3 to 20 months (Included in the 24 months)

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**Strong, transparent community relations are an important aspect of achieving a positive decision***
Rare Earth Element Potential at Niobec

Rare earth elements
- Grade 1.65% Total Rare Earth Oxides (TREO)
- 7.7 Bkg TREO
- 98% Light REEs, incl.:
  - Cerium (47.9%)
  - Lanthanum (24.5%)
  - Neodymium (18.4%)
- 2% Heavy REEs
- Potential development would be self-funded

Niobium exploration potential
- Niobium mineralization open to east and west of existing resource
- Resource expansion drilling in progress

Existing block model and shaft

Mineralization begins very near surface
## REE Mineral Resource Estimate (Feb. 2012)

### REE Mineral Resources by Grade Groups

<table>
<thead>
<tr>
<th>Grade Groups</th>
<th>Tonnage</th>
<th>Light REO</th>
<th>Main Heavy REO</th>
</tr>
</thead>
<tbody>
<tr>
<td>% TREO</td>
<td>Million Tonnes</td>
<td>ppm</td>
<td>ppm</td>
</tr>
<tr>
<td>&gt; 2.50</td>
<td>13.2</td>
<td>2.93</td>
<td>550</td>
</tr>
<tr>
<td>2.00 to 2.50</td>
<td>80.0</td>
<td>2.16</td>
<td>407</td>
</tr>
<tr>
<td>1.75 to 2.00</td>
<td>123.8</td>
<td>1.87</td>
<td>352</td>
</tr>
<tr>
<td>1.50 to 1.75</td>
<td>98.0</td>
<td>1.64</td>
<td>308</td>
</tr>
<tr>
<td>1.00 to 1.50</td>
<td>99.2</td>
<td>1.26</td>
<td>236</td>
</tr>
<tr>
<td>0.5 to 1.00</td>
<td>52.6</td>
<td>0.81</td>
<td>153</td>
</tr>
<tr>
<td>Total/Average Grade</td>
<td>466.8</td>
<td>1.65</td>
<td>311</td>
</tr>
</tbody>
</table>

### Niobec TREO Signature

1.88% 47.9% 24.5% 18.4% 5.26% 2.06% 0.97% 0.42% 0.28% 0.076%
Niobec – Going Forward

2012 Guidance

<table>
<thead>
<tr>
<th>Niobium Production (MKg)</th>
<th>4.6-5.1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Niobium Operating Margin ($/kg)</td>
<td>$15-17 /kg</td>
</tr>
</tbody>
</table>

- Niobec expansion plans remain on track moving into feasibility study and initial permitting steps
- Several financing options available while maintaining flexibility with respect to equity options
  - Revolving credit facility now in place with $250M for Niobec Inc.
  - Cash flow from existing Niobec operation should fund up to one-third
  - Debt markets or other options can provide balance of funding
- CAPEX timing allows staged approach to additional debt financing
- Concept study on REEs by Q3’12
  - Further metallurgical testing
  - Access drift from Niobec for underground drill access and bulk sample
  - Further market studies
Conclusions

- Niobec remain the second largest FeNb producer in the world
- Mine life exceeding 40 years
- Potential to further expand capacity to support market growth
  - Committed to invest in FeNb
- Niobec is the only competition outside Brazil
  - Outstanding track record for over 35 years
- FeNb demand will continue to grow as new High Value Steel products are developed
- China steel development key to niobium demand
- “Stay tuned” for further developments on IAMGOLD REEs
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