IAMGOLD
CORPORATION

401 Bay Street, Suite 3200, PO Box 153
Toronto, Ontario, Canada M5H 2Y4
T 416 360 4710 **F** 416 360 4750 **Toll Free** 1 888 IMG 9999
W www.iamgold.com **E** info@iamgold.com

Stephen J.J. Letwin
President & Chief Executive Officer

Tel: (416) 933-4968
steve_letwin@iamgold.com

June 5, 2013

Mr. Orwest Nowosad
Officer in charge
Special Procedures Branch
Office of the United Nations
High Commissioner for Human Rights
Palais de Nations
CH-1211
GENEVE 10

Re: SUBJECT FROM SPECIAL PROCEDURES, JOINT ALLEGATION LETTER AL Indigenous (2001-8) Transnational Corporations and business (2011) OTH 4/2013

On behalf of IAMGOLD Corporation I am pleased to provide this written response to the inquiry from the Working Group on the issue of Human Rights and Transnational corporations and other business enterprises and Special Rapporteur on the rights of indigenous peoples pursuant to the Human Rights resolution 17/4 and 15/14 (the "Working Group"), dated April 4, 2013 (the "Request").

IAMGOLD is very much aware of its responsibilities relating to respecting human rights within the framework outlined in the United Nations Guiding Principles on Business and Human Rights. IAMGOLD's board of directors has formally approved a human rights policy to guide the Company's implementation efforts on human rights compliance – a copy of which is enclosed for your reference. The Company has a strong CSR program and has won numerous awards for achievements in this area. A copy of IAMGOLD's most recent Health and Safety Report is enclosed – a list of various instances where the Company has been

formally recognized for its achievements in CSR is available on our website at http://hss.iamgold.com/English/industry-participation/awards-and-rankings/default.aspx.

IAMGOLD has been specifically recognized for the strength of its community engagement programs at the Rosebel mine in Suriname. Rosebel was awarded a triple-A rating in 2012 for its community engagement programs by the Mining Association of Canada ("MAC") under its Toward Sustainable Mining ("TSM") program. Rosebel is the first mining operation outside of Canada to receive this triple-A rating from MAC under the TSM program.

We have reviewed the Request and the various allegations set forth therein. We will address, specifically, herein the most serious of these allegations, which are the following:

1. The new Mineral Agreement will grant new concessional rights to IAMGOLD over some 15 percent of Saramaka territory.

2. The environmental and social impact assessments required under the second amendment will not allow for an effective process of consultation with the Saramaka people.

3. Prospective exploration in the area of interest will have a significant impact on Saramaka subsistence practices.

4. The new and existing concessions contravene the binding judgement of the Court.

5. The community of Nieuw Koffiekamp faces the prospect of forceable relocation once mining operations commence in the southern portion of the concession.

6. The "Rosebel concession", on which IAMGOLD's subsidiary Rosebel Gold Mines N.V. operates a gold mine, is one of the concessions that the Court ordered to be reviewed to ensure its compatibility with the measures set forth in the Court's original order.

7. The Court took note of the lack of review of this mining operation by the Government of Suriname in its compliance monitoring review dated November 2011.

8. The State has agreed to the concomitant development of new hydroenergy sources (known as the TapaJai project) to provide power for IAMGOLD's operations.

We can confirm that the foregoing allegations have no basis in fact and, in some instances, fundamentally (and we believe intentionally) misrepresent the scope of the initial ruling of the Inter-American Court of Human Rights (the "Court") in *Saramaka People v. Suriname, Merits and*

Reparations, Judgement 2007 Inter-Am. Ct. H. R. (ser. C) No. 172 (28 November 2007). We find it troubling that it appears that the allegations set out in the Request appear to have been entirely untested for accuracy or merit. In this response I will undertake to clarify the actual factual record relating to these specific allegations, and will further clarify the scope of the Court's ruling and its application to the Rosebel operations.

1. **The new Mineral Agreement will grant new concessional rights to IAMGOLD over some 15 percent of Saramaka territory.**

The second amendment to the Rosebel Mineral Agreement does not grant IAMGOLD's subsidiary, RGM, any new exploration or exploitation concessions within the area of interest. In fact, under the terms of the second amendment, RGM will be required to relinquish 25% of certain of its existing rights of exploration within the area of interest in exchange for extending the period of validity of those rights.

The second amendment does establish a new joint venture between RGM and an entity which is to be incorporated by the Republic of Suriname. RGM will hold a 70% participating interest in the joint venture, while the entity to be incorporated by the Republic of Suriname will hold 30%. The agreement further establishes an area of interest for the joint venture which extends out forty-five kilometres from Rosebel's existing milling operations. It also provides that RGM, as the operator, will have the right to convert rights of exploration which are held by RGM for the benefit of the joint venture to a right of exploitation. However, while the second amendment establishes a mechanism to convert rights of exploration to rights of exploitation, it does not grant RGM any rights of exploration (or exploitation) within the joint venture area. Any such additional rights will need to be obtained separately by RGM for the benefit of the joint venture in accordance with the Mining Code of Suriname.

Importantly, it must be noted that the conversion right in the second amendment is subject to an aggregate limit of 20,000 hectares. This is the maximum area that will be permitted for new mining activity within the joint venture area under the terms of the second amendment. 20,000 hectares represents just over 3% of the total area covered by the defined area of interest. There is, therefore, no conceivable scenario under which mining activity would be conducted by the joint venture on the entire 15% of Saramaka territory which is claimed to fall within the area of interest. To suggest otherwise is so ungrounded in fact that it suggests bad faith.

2. **The environmental and social impact assessments (ESIAs) required under the second amendment will not allow for an effective process of consultation with the Saramaka people.**

The ESIAs required under the second amendment will allow for an effective process of consultation with the Saramaka people, if consultation is required. As further described

below, it is entirely possible that no new development activity will be proposed on any portion of the claimed Saramaka territory within the area of interest.

The second amendment to the Mineral Agreement sets out various procedural requirements relating to the conversion of a right of exploration to a right of exploitation. RGM is specifically required to "complete an environmental and social impact assessment (ESIA) relative to the planned exploitation activities and any impacts resulting thereof, in accordance with Surinamese law." This condition establishes the minimum requirements for the completion of an ESIA – it does not represent a limitation on the extent of analysis that would be conducted by RGM in the context of a conversion application.

As a matter of practice, IAMGOLD typically conducts its operations to standards which greatly exceed the requirements of local law. An excellent example of this is the existing environmental and social programs at Rosebel, rated triple-A by MAC under its TSM program. Those programs are not mandated under local law, however, IAMGOLD has pursued these initiatives as part of its commitment to corporate social responsibility. RGM would similarly ensure that any ESIA conducted with respect to any proposed new development in the joint venture area would provide for a full assessment of potential impacts and meaningful participation of potentially impacted communities.

The timeframes set forth in the second amendment will in no way limit the participation of potentially impacted communities in any ESIA completed with respect to proposed future developments. The second amendment does provide that the "authorities concerned" will complete their review of the completed ESIA within 90 days. That provision is intended to operate as a limit on the review of the ESIA by the Surinamese authorities once the completed ESIA is received by them – it was never intended to act as a limit with respect to the timeframe to complete the ESIA itself (i.e., ESIA's are not required to be completed within a 90 day time period). All of the underlying baseline studies and relevant consultations would be conducted by RGM on behalf of the joint venture before the completed ESIA is submitted to the relevant authorities.

Finally, it must be reiterated that the second amendment itself will not grant RGM any new rights of exploration for additional terrains within the area of interest. Any new rights of exploration for these additional terrains will need to be separately acquired by RGM for the benefit of the joint venture. There is no certainty that any such new rights of exploration will cover any portion of the claimed Saramaka territory that lies within the area of interest. It therefore remains possible, given the 20,000 hectare conversion limit in the second amendment, that all of the joint venture's future development activities within the area of interest will take place entirely outside of the claimed territory of the Saramaka people.

3. **Prospective exploration in the area of interest will have a significant impact on Saramaka subsistence practices.**

There is no evidence which suggests that prospective exploration in the area of interest will have a significant impact on subsistence practices of the Saramaka people. As noted above, the second amendment will not grant RGM any additional rights of exploration and, in fact, certain of RGM's existing rights of exploration within the area of interest will be reduced by 25% (i.e., 25% of the total area covered by such rights will need to be relinquished by RGM). If anything, this strongly suggests that, in the short term, any hypothetical impact on subsistence practices of the Saramaka people within the joint venture area will be reduced with the approval of the second amendment.

In the context of current and future exploration activity within the joint venture area, RGM will, on behalf of the joint venture, engage with potentially impacted communities to ensure any potential impacts are understood, mitigated and/or eliminated, as appropriate.

4. **The new and existing concessions contravene the binding judgement of the Court.**

RGM's existing concessions do not contravene the binding judgement of the Court and, as outlined above, no new concessions will be issued to RGM on behalf of the joint venture under the terms of the second amendment. A plain reading of the Court's judgement makes it abundantly clear that RGM's existing concessions do not contravene its terms. In its decision, the Court explicitly considered gold-mining concessions granted within the claimed Saramaka territory, and at paragraph 156 stated the following:

> The Court recognizes that, to date, no large-scale mining operations have taken place within traditional Saramaka territory. Nevertheless, the State failed to comply with the three safeguards when it issued small-scale gold mining concessions within traditional Saramaka territory. [Emphasis added.]

At paragraph 157, the Court continues:

> With regard to the concessions within Saramaka territory that have already been granted to private parties...the State has a duty to evaluate, in light of the present Judgement and the Court's jurisprudence, whether a restriction of these private property rights is necessary to preserve the survival of the Saramaka people.

This language is exceptionally clear. The Court specifically tied the State's obligation to "evaluate...a restriction of *these private property rights*" [emphasis added] to the small-scale gold mining concessions which had previously been issued for areas lying within the claimed Saramaka territory. At no point does the Court state directly, or imply indirectly, that this

obligation relates to any other concessions previously issued by the State. It is equally clear that the Court did not subsequently amend the scope of this obligation in either the *Interpretation of the Judgement on Preliminary Objections, Merits, Reparations and Costs, Judgement of August 12, 2008* or in its monitoring compliance judgement issued on November 23, 2011. In fact, at no point has the Court ever indicated that the Rosebel operations or the exploration rights held by RGM contravened the rulings of the Court in any way.

For additional factual context, it should be noted that the Rosebel gold mine commenced commercial production in 2004. At the time, it represented one of the largest foreign direct investments in Suriname's history. Rosebel was at that time and is to this day the largest commercial gold mine operating in Suriname. The Court's ruling was issued in 2007. It is simply inconceivable that the Court would have considered "large-scale mining operations...within traditional Saramaka territory" (first quote from para. 156 of the Court's 2007 judgement) without evaluating Rosebel's potential impact on the Saramaka peoples.

There is simply no reasonable basis on which any person could, on a plain reading of the Court's judgement, possibly conclude that it specifically applied to Rosebel's existing operations. Therefore, the present allegation admits of only two possibilities: it is either (i) a simple misunderstanding; or (ii) it is an intentional misrepresentation. We respectfully submit that the only reasonable conclusion to draw is that the allegation set forth in the Request is an intentional misrepresentation. The language in the Court's ruling is so clear that it strains credulity to suggest that any reasonable person could have misunderstood its scope so fundamentally. It should be noted that we have received a copy of the original request issued by the Forest Peoples Programme, dated February 12, 2013 relating to this matter, and confirm that we have reviewed it in its entirety. It is rather telling that there is no reference anywhere in that original complaint to the statement in paragraph 156 "that, to date, no large-scale mining operations have taken place within traditional Saramaka territory". We can well understand why they did not include it, as that clear statement would have made it much more difficult for the authors to blatantly misrepresent the scope of the Court's judgement, as we believe they did in their February submission.

5. The community of Nieuw Koffiekamp faces the prospect of forcible relocation once mining operations commence in the southern portion of the concession.

The community of Nieuw Koffiekamp does not face the prospect of forcible relocation once mining operations commence in the southern portion of the Rosebel concession. Mining activity has, in fact, already commenced on the southern portion of the concession and no relocation has been required. I can categorically state that the existing life of mine plan for the Rosebel mine in no way requires the relocation of any portion of this community.

6. **The "Rosebel concession", on which IAMGOLD's subsidiary Rosebel Gold Mines N.V. operates a gold mine, is one of the concessions that the Court ordered to be reviewed to ensure its compatibility with the measures set forth in the Court's original order.**

The "Rosebel concession" is not one of the concessions that the Court ordered to be reviewed to ensure its compatibility with the measures set forth in the Court's original order. See the response provided to item 4 above.

7. **The Court took note of the lack of review of this mining operation by the Government of Suriname in its compliance monitoring review dated November 2011.**

The Court did not note the lack of review of the "Rosebel concession" by the Government of Suriname in its compliance monitoring review dated November 2011. The Court did specifically consider the issuance of logging concessions in Saramaka territory (paragraph 14 of the compliance monitoring review), upgrading of the Afobaka road (paragraph 15), additional mining concessions that may have been granted in Saramaka territory after the Court's judgement (paragraphs 16 and 17), logging rights granted in Saramaka territory (paragraph 17), a land lease granted to "Anaula Nature Resort NV" (paragraph 17) and it further reviewed the State's obligations under the judgement and its efforts on compliance (paragraphs 18 through 21). At no point did the Court ever refer to the "Rosebel concession" or RGM's existing operations. The Rosebel mining concession was granted years before the date of the original judgement – therefore, it could not possibly be captured by the general statements in paragraphs 16 and 17. In fact, the language in the Court's monitoring compliance review is, as with its original judgement, exceedingly clear. The only reasonable conclusion which can be drawn is that this allegation is, once again, a blatant misrepresentation of the scope of the Court's comments in the compliance monitoring review.

8. **The State has agreed to the concomitant development of new hydroenergy sources (known as the TapaJai project) to provide power for IAMGOLD's operations.**

The State has not agreed to the concomitant development of the TapaJai project to provide power for IAMGOLD's operations. In fact, President Bouterse announced on April 22nd, during a visit to the interior of Suriname, that the TapaJai project will not be pursued and that a formal notice of cancellation would be issued shortly.

It is true that RGM will require additional power for its Rosebel operations, principally due to the transition from processing soft ore to harder rock material (which requires additional milling equipment, and which in turn requires additional power to operate). RGM is engaged in active discussions with the Government on potential alternatives for meeting this additional power requirement, none of which include the TapaJai project.

* * * * *

I will turn now to consider the seven questions which appear on pages 7 and 8 of the Request. As outlined above, the facts summarized in the Request are not accurate. We believe that all of our actions relating to the Rosebel operations have been conducted in full compliance with all legal obligations. Any future planned developments will be evaluated with due attention for consultation and engagement with potentially impacted communities, which as noted above may or may not include communities which are part of the Saramaka people. RGM has developed an outstanding community engagement program to deal with issues arising from time to time relating to Rosebel`s existing operations, and it is our intention to continue those programs in future periods and, where possible, improve them.

We have not at the present time sought guidance from the Government of Canada on the present case. We see no need. As described above, the allegations in the complaint are baseless, and in certain instances they are a blatant misrepresentation of the Court's rulings in *Saramaka People v. Suriname* and its subsequent monitoring compliance review. We are unable to comment on the actions of any of IAMGOLD`s major shareholders regarding this matter, other than simply to note that we do not feel any action is warranted on their part for the reasons set forth above.

I trust this letter is responsive to the issues raised in the Request.

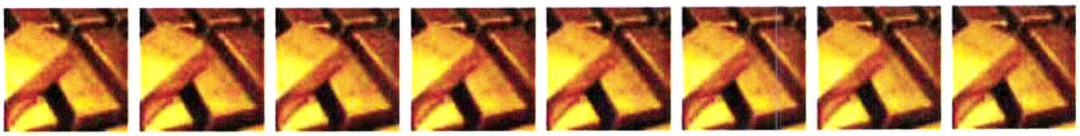
Sincerely,

Stephen J. J. Letwin
President & CEO
IAMGOLD Corporation

cc: Benjamin Little – Senior Vice President, Corporate Affairs; IAMGOLD
Jeffery Snow – Senior Vice Presdient, General Counsel; IAMGOLD

IAMGOLD CORPORATION

Empowering People.
Extraordinary Performance.



Human Rights Policy

March 20, 2013

IAMGOLD is committed to establishing an organizational culture which respects internationally recognized human rights as set forth in the United Nations Declaration of Human Rights and the four fundamental principles and rights at work enshrined in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

These guiding principles will be applied through a commitment to:

- Integrating respect for human rights into all the Company's operations
- Ensuring consistency between this policy and the Company's other operational policies and procedures
- Promoting human rights with relevant stakeholders, including host governments, communities, employees and suppliers
- Respecting the rights and traditions of Indigenous Peoples
- Providing culturally sensitive training to employees on respecting human rights
- Consulting with relevant stakeholders to prevent and mitigate potential impacts on human rights
- Provide support for or cooperate in appropriate remediation of impacts on human rights
- Devoting senior management time to the implementation of this policy
- Incorporating reporting of human rights concerns into all grievance mechanisms
- Periodically conducting due diligence on the implementation of this policy
- Communicating with relevant stakeholders to ensure the effective implementation of this policy

William D. Pugliese
Chairman

Stephen J. J. Letwin
President and Chief Executive Officer